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**Russia and its NSR Neighbours in Northeast  
Asia and the Barents Region: A comparative  
view of relations and perceptions**

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**INSROP International Northern Sea Route Programme**



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Research & Design  
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# International Northern Sea Route Programme (INSROP)

Central Marine  
Research & Design  
Institute, Russia



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Nansen Institute,  
Norway



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Japan



## INSROP WORKING PAPER NO. 92-1997

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Project IV.2.3b: Russia and its NSR Neighbours in Northeast Asia and the Barents Region: A comparative view of relations and perceptions

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**Title: Russia and its NSR Neighbours in Northeast Asia and the Barents Region: A comparative view of relations and perceptions**

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## FOREWORD - INSROP WORKING PAPER

INSROP is a five-year multidisciplinary and multilateral research programme, the main phase of which commenced in June 1993. The three principal cooperating partners are **Central Marine Research & Design Institute (CNIIMF)**, St. Petersburg, Russia; **Ship and Ocean Foundation (SOF)**, Tokyo, Japan; and **Fridtjof Nansen Institute (FNI)**, Lysaker, Norway. The INSROP Secretariat is shared between CNIIMF and FNI and is located at FNI.

INSROP is split into four main projects: 1) Natural Conditions and Ice Navigation; 2) Environmental Factors; 3) Trade and Commercial Shipping Aspects of the NSR; and 4) Political, Legal and Strategic Factors. The aim of INSROP is to build up a knowledge base adequate to provide a foundation for long-term planning and decision-making by state agencies as well as private companies etc., for purposes of promoting rational decisionmaking concerning the use of the Northern Sea Route for transit and regional development.

INSROP is a direct result of the normalization of the international situation and the Murmansk initiatives of the former Soviet Union in 1987, when the readiness of the USSR to open the NSR for international shipping was officially declared. The Murmansk Initiatives enabled the continuation, expansion and intensification of traditional collaboration between the states in the Arctic, including safety and efficiency of shipping. Russia, being the successor state to the USSR, supports the Murmansk Initiatives. The initiatives stimulated contact and cooperation between CNIIMF and FNI in 1988 and resulted in a pilot study of the NSR in 1991. In 1992 SOF entered INSROP as a third partner on an equal basis with CNIIMF and FNI.

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**INSROP Project IV.2.3.b: Russia and its NSR Neighbours in Northeast Asia and the Barents Region: A comparative view of relations and perceptions**

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The parts of this paper concerning Russia and its relations in Northeast Asia are largely based on my previous INSRP Working Paper (No. 58). In that paper I neglected to thank former FNI colleague Rune Castberg for his invaluable contribution both as a travelling companion and interpreter during our RFE-tour in 1994, and as the supplier of a never-ending flow of very useful up-to-date sources. I wish Rune every success in his temporary(?)career as a diplomat at the Norwegian Embassy in Moscow. I also wish to thank my FNI colleague Geir Hønneland, who luckily "replaced" Rune and supplied me with useful sources and answered my frequent questions about facts concerning the Barents Region with unflinching patience. Thanks also to Ann Skarstad who improved the English language standard of both this and my previous paper. Finally, my gratitude goes to Claes Lykke Ragner for applying his ever-present mild pressure and helping me finally finalise the paper.

## INSROP Project IV.2.3.b: Russia and its NSR Neighbors in Northeast Asia and the Barents Region: A comparative view of relations and perceptions

### 1. Introduction

The Nordic countries Finland, Sweden and Norway are geographically very far away from Japan, China and the two Koreas in Northeast Asia. However, a glance at a map shows us that the vast expanse of Russia alone separates these two areas of the world. The conventional sea transport route between the Nordic countries and Northeast Asia is southwards via the Suez Canal. A second glance at a world map (with an appropriate non-Marcator projection) reveals that the shortest sea route by far between the two regions in question is the Northern Sea Route<sup>1</sup> (NSR) following the northern coastline of Russia (see fig. 1).

The Murmansk Oblast, Arkhangelsk Oblast, Nenets Autonomous Okrug<sup>2</sup> and the Karelian Republic are the Russian administrative entities that lie closest to the above-mentioned three Nordic countries and which are physically a part of the newly formed Barents Euro-Arctic Region (hereafter called the Barents Region)<sup>3</sup>. They border on the White Sea and the Barents Sea and are directly adjacent to the western end of the NSR<sup>4</sup>. The Nordic administrative units that form part

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<sup>1</sup> The Northern Sea Route as the Russians define it stretches from Novaya Zemlya in the West to the Bering Strait in the East, a distance of between 2200 and 2900 nautical miles depending on which of the several alternatives that is chosen dependent on the varying ice conditions. The NSR is a national transport artery in Russia (in combination with the large rivers), as well as being the shortest sea route for vessels sailing between Europe and the Northern Pacific area. The severe ice conditions that prevail in the area are the greatest obstacle to the NSR being commercially utilized on a year-round basis. The key factor for non-Russian shipping to start utilizing the NSR both as a transit and a regional route is obviously the question of costs compared to the southern sea and railway (and in the case of oil and gas: pipelines) routes. For further information about the NSR as such see other INSROP Working Papers.

<sup>2</sup> The Nenets Autonomous Okrug is traditionally a sub-unit of Arkhangelsk Oblast. But like a number of other sub-units Nenets A. Okrug has managed to obtain independent status as a subject of the Russian Federation (see footnote no. 5), leading to conflict with Arkhangelsk Oblast which is quite unwilling to lose a large part of its territory.

<sup>3</sup> The Barents Euro-Arctic Region was established during a joint Foreign Minister conference in Kirkenes, Norway, on 11 January 1993. The structure of the region is two-layered: a *Regional Council* consisting of representatives from the counties in the region, and a *Barents Council* composed of government representatives from Russia and from the Nordic Countries (Denmark, Finland, Iceland, Norway and Sweden) as well as one representative from the European Commission. In addition, Canada, France, Germany, Great Britain, Japan, the Netherlands, Poland and the USA have observer status at the Barents Council. (Stokke & Tunander 1995, pp. 1-2). The seven main areas of cooperation that are identified in the founding Kirkenes Declaration are: the environment, economic cooperation, science and technology, regional infrastructure, indigenous peoples, cultural relations and tourism (Holst 1994, p. 11). Notable among the areas not mentioned in the declaration are natural resources in the Barents Sea and military security questions.

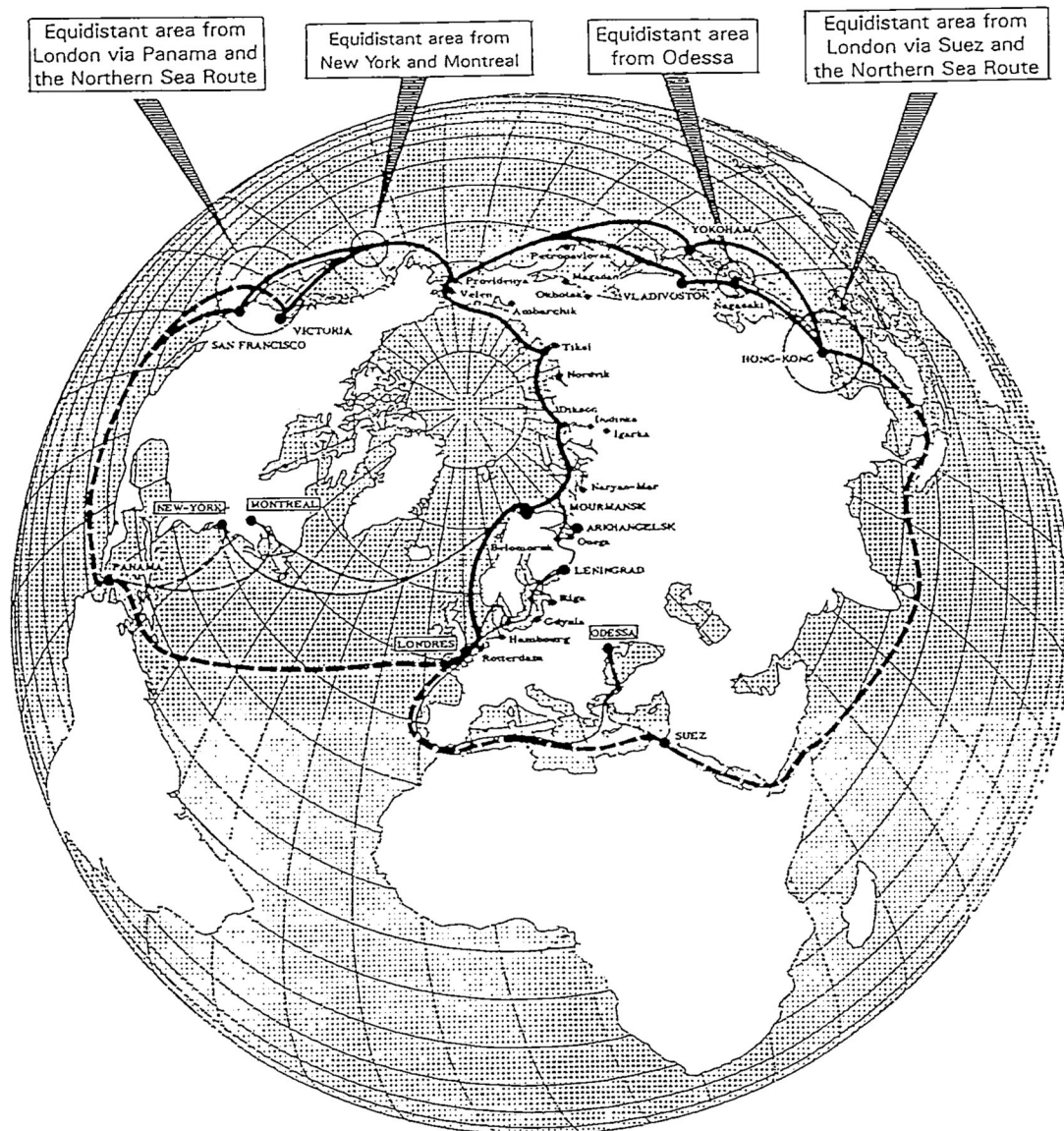


Fig. 1: Sea Routes between the Atlantic and Pacific oceans. (Source: A.S. Svendsen, *La Route Maritime du nord. Son importance pour le transport maritime et la navigation internationale, Contribution 2, Ecole Pratiques des Hautes Etudes, Sorbonne, Paris 1963*)

of the Barents Region are Lappland (Finland), Norbotten (Sweden), and the Norwegian counties Nordland, Troms and Finnmark (see fig. 2).

<sup>4</sup> The strict geographical definition of the NSR limits it to the Bering Strait in the east and the Kara Gate in the west. However, the functional end points of the route are Vladivostok in the east and Murmansk in the west, as illustrated by the fact that the Far Eastern Shipping Company in Vladivostok organises the ice-breaker service for the eastern sector while Murmansk Shipping Company does the same for the western sector.

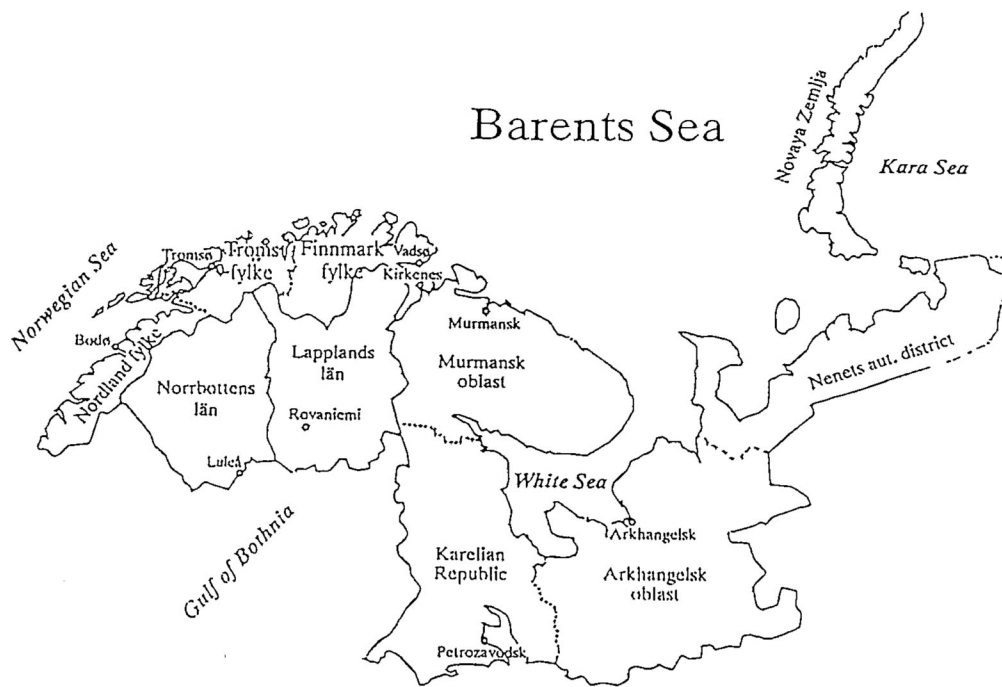


Fig. 2: The Barents Region. (Source: Barentsprogrammet.)

The Russian Far East (RFE) is Russia's north-eastern window, with a northern coastline (Laptev, East Siberian and Chukchi Seas) constituting more than one half of the geographic NSR and a Pacific seaboard adjacent to the functional eastern end of the route. The RFE consists of 10 administrative subjects of the Russian Federation: Sakha Republic, Chukotka Autonomous Oblast, Magadan Oblast, Koryak Autonomous Okrug, Kamchatka Oblast, Primorski Krai, Jewish Autonomous Oblast, Amur Oblast and Sakhalin Oblast<sup>5</sup> (see fig. 3).

The object of this paper is to make a relatively brief comparison of the two Russian regions described above concerning their relations with and perceptions of their Nordic and Asian neighboring states<sup>6</sup>, respectively. Relations and perceptions between Russia and the states in question (high politics) as well as centre-periphery relations between the regions and their national capitals will be included in the analysis. The connection with the NSR problematique is thus only indirect, but will hopefully contribute to an understanding of the relations between Russia and its

<sup>5</sup> The hierarchy of the administrative units of the Russian Federation presents a complicated picture. The republics (e.g. Sakha) have the most independent position in relation to Moscow. The oblasts (krai denotes the same level) constitute the next level, while okrugs, which originally were sub-units under the oblasts now have managed to obtain a de facto independence from the oblast administrations. The term "autonomous" reflects the ethnic dimension of the Russian Federation (e.g. Chukchi Autonomous Okrug or Jewish Autonomous Oblast).

<sup>6</sup> The parts of this paper concerning Russia's relations in Northeast Asia are for a large part based on my INSROP Working Paper No. 58 - 1996 (Simonsen 1996).





Fig. 3: The Russian Far East. (Source: Russian Far East Update, December 1995)

“NSR neighbors” which ultimately may have an impact on international cooperation in the development of the NSR and in the “NSR area”.

The analysis of the trans-national relations will be made in three main parts or dimensions: the cultural dimension, the politico-security dimension and the economic interaction dimension. The centre-periphery issues will mainly be discussed in the chapter on politico-security relations.

## 2. The Cultural Dimension

Like many other commonly used concepts the content of the term “region” is by no means obvious and crystal-clear<sup>7</sup>. Northeast Asia and the Barents Region differ in many respects, but the bottom line for this paper is that they are both regions bordering on the NSR and with Russia amongst them, thus providing a useful framework of analysis for my present purpose<sup>8</sup>. One of the criteria<sup>9</sup> often used to define an area of the world as a region is a common perception of belonging to that region, even a sense of loyalty/patriotism towards the regional unit. Quite obviously this element is lacking (but to different degrees) in our two regions.

It can be argued that the northern Barents Region parts of Norway and Sweden already have a common identity based on similar languages and a common perception of being far from the “centres” of their respective countries. Lappland (Northern Finland) does not have the language in common (except of course for the indigenous population - the Saami) with its Nordic neighbors, but there is a common Nordic and Western identity present as well as the centre-periphery factor. Clearly, the main divide in the Barents Region is that marked by the divide between Russia and the three Nordic countries. In the Barents Region creation process there has been an effort to create a common perception of regional identity across this divide by referring to the Pomor trade and the traditional sense of community between Finnish and Russian Karelia (Hønneland 1995, p. 31). Obviously, these few historical experiences alone are not enough to build a modern feeling of common identity in the Barents Region. Some commentators hold that the 74-year period of Communist rule in the Soviet Union is the main explanation behind the differences in culture that undeniably exist between the Russian and Nordic counties that make up the Barents Region. It is easy to think of Russia and Western Europe as part of a related cultural tradition, with the

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<sup>7</sup> As discussed in my previous paper in this project the term *region* is many-sided: “*The term region, however, does not only describe relations between states. A region can be a part of a state (e.g. the RFE), it can be parts of several states (e.g. the Barents Region), or it can even be a combination of parts of (larger) states and whole (smaller) states. The second case clearly illustrates the fact that regional interests do not necessarily have to be confined to the arena of states, but can just as easily cross state borders. The third case has not (as far as I know) been institutionalized anywhere, but is a natural analytic concept to use for regions where small(er) states border on very large ones (e.g. the RFE as part of Northeast Asia).* (Simonsen 1996, pp. 8-9).

<sup>8</sup> I choose to use the term *region* to compare these two somewhat different regional constructions, using Neumann as my *raison d'être*: “...*a region is constantly defined and redefined, as a number of actors engage in a discourse which is never brought to a permanent standstill.*” (Neumann 1992, p. 6).

<sup>9</sup> “*Homogeneity in the economic and social structures, interdependence, geographic proximity, historical development and loyalty/patriotism of the population are factors that are mentioned in defining what states make up a region.* (Russett, pp. 182-183 in Falk & Mendlovitz 1973). Cantori & Spiegel do not put as much weight on homogeneity, but rather on the actors being mutually interrelated and interdependent in foreign affairs, and that this mutual relationship can be defined by cooperation and as well as antagonism. (Cantori & Spiegel 1970, p.1)

Communist period as a mere parenthesis in a common cultural development. This is historically mistaken, and Hønneland follows a very valid line of reasoning in pointing out that the cultural differences go much further back in history than 70 years, consist of a whole lot more than differences in political ideology and languages, and in fact involve markedly different religious (Christian Orthodox vs Catholic/Protestant) as well as political traditions<sup>10</sup>. (Hønneland 1995, pp. 35-39).

Regarding the relationship between Russians and the inhabitants of the Asian states bordering on the Russian Far East, both groups have large problems in understanding the other party's way of thinking and reasoning, causing countless communicative problems. The Russo-Asian perceptions of each other are obviously a result of widely different cultures; a European Slavic, ex-communist, Christian Orthodox culture vs. the disparate (but all with a distinct "Asian" flavour) capitalist, market socialist, authoritarian, totalitarian, Confucian and Buddhist cultures in Northeast Asia<sup>11</sup>.

The following brief discussion on differing codes of behavior is based on Nordic-Russian interaction, but may be aptly applied to the Northeast Asian-Russian dimension as well. At present there is an obvious lack on both sides of the east-west divide in the Barents Region of language skills as well as knowledge of the business culture, customs, and political and social organisation on the other side. However, it seems to be generally assumed that lack of knowledge will cease to be hindrances in the development of relations as soon as enough people have acquired the necessary language skills and knowledge. Hønneland argues that while language skills and knowledge of the every-day life and social organisation of the other party is a necessary condition for cooperation, these factors are not in themselves sufficient to ensure successful cooperation in the region. He makes the point that the above-mentioned knowledge is of a technical nature - and that real East-West integration needs the "power of empathy", or the ability to understand the other peoples' world view. (Hønneland 1995, p. 41).

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<sup>10</sup> Hønneland points out that while Western Europe went through the *Renaissance* and later *Enlightenment*, Russia experienced the *Mongolian Yoke* for two and a half centuries and instead of a development towards a secularised civil society as in Western Europe (and ultimately political pluralism), developed a tradition of autocratic regimes that persisted till the end of the Soviet period. (Hønneland 1995, pp. 37-39).

<sup>11</sup> "Culturally, Russia does not have much of a claim to a presence in Asia. The more influential Asian-Pacific countries are Confucian, Buddhist, and Muslim, while Russia is Orthodox Christian. Asian cultures are noted for their strong work ethic and efficient business skills; by comparison, Russians have little of either. To be fair, there are some commonalities. Russia, or at least a large segment of the Russian elite, shares with much of Asia an inclination toward mercantilist policies in preference to purely liberal trading practices. Russians and Asians have a tradition of respect for strong government and social order. However, these common values are not sufficient to overcome the barriers currently separating Russia from Asia." (Ziegler 1994, p. 542).

This lack of a common world view reflects itself in the most commonplace of situations, e.g. in meetings between Russians and Nordics (or Japanese for that matter), even in situations where they have an interpreter:

*“ The codes for proper behavior are so divergent that meetings between them may take the form of meetings between subjects from different worlds. The recipient of a message may very well understand its semantic meaning without conceiving its social implications. He or she may comprehend the words that are translated while not understanding the speaker’s intention of uttering them..... ”* (Hønneland 1995, p. 41).

## **2.1. Non-Russian Perceptions of Russian Culture and Behavior**

Nordic perceptions:

There is a great difference between what relationship to the concept “culture” average people in Russia and in the Nordic countries have. In the Nordic countries the term often signals negatively, being thought of as “elitistic”<sup>12</sup>. In the Soviet period, on the other hand, “culture” was a hidden treasure or breathing space, a source of beauty and reason. The Soviet intelligentsia, though undeniably an elite, were nevertheless the carriers of culture, and as such very much the objects of “pressure” from the communist regime. Therefore “culture” has near heroic connotations in Russia today. (Nielsen 1997, p. 13). With this context in mind the Norwegian anthropologist Finn Sivert Nielsen describes a car journey he made in the Soviet Union with two Norwegian businessmen and their Russian driver, a story that illustrates very well a typical Nordic and Western view of Russians and Russian society.

The Russian driver asked the two businessmen how they liked Russia. He received quite negative and critical reactions to the effect that they found the country “backward”, and that the development of a modern economy in Russia would require quite a lot of hard work, education and discipline. The driver answered in a friendly way, but as this type of statements continued, his replies were markedly briefer, and he clearly indicated to Nielsen (in Russian) that he was irritated. When the trip was over Nielsen stayed in the car while the driver blew off steam, Nielsen tried to explain that the Norwegians did not intend to offend and that they did not know any better. The driver was, as Nielsen had guessed, university educated. He held down two jobs at the same time in order to support his family. He was critical of the Soviet system, supported the reforms of “perestroika”, and identified himself as a member of the liberal intelligentsia. He actually agreed with much of the critique that the two businessmen had voiced. But at the same time he considered

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<sup>12</sup> As opposed to the meaning of culture as used in the heading above: namely culture as a way of defining a society’s characteristics including all levels of society.

himself a cultured person. The driver spoke several languages and probably knew more poetry by heart than the two Norwegians had ever read. He was very aware of Russia's history and the suffering that it had cost to reach the level of "modernity" that the country actually had attained. In short, he was a patriot. The two Norwegians had, though unintentionally, deeply offended the man's personal and national pride by insinuating that Russia was a country that lacked culture. (Nielsen 1997, pp. 13-14).

The above episode is a typical example of Western (including Nordic) perceptions of Russia and Russians, even by people who are actually doing business in the country<sup>13</sup>. The general Western perception of Russia, also met with in the Nordic parts of the Barents Region, is that it is a country in need of being educated by the West in order to be able to join the family of Western, pluralistic, market economies<sup>14</sup>. These may ultimately be the right goals for Russia (not for me to say) but the existence of a highly educated Russian population with a rich cultural history is important and necessary to keep in mind for businessmen and others from the small countries at the fringe of Northern Europe who come to Russia with grand modernization plans for this "backward" country.

Japanese perceptions:

The basic Japanese perceptions of Russia and Russians are very much coloured by historical events dating from the last part of the nineteenth century and culminating with the Second World War and the Kurile Islands/Northern Territories issue. Since 1945 the latter conflict has been the backdrop for all of Japan's state-state relations with the Soviet Union/Russia<sup>15</sup>. However, the issue that most decidedly influenced Japanese public opinion negatively in relation to the Soviet Union in the post-war decades was the prisoner-of-war (POW) question. After the Japanese surrender in 1945 600,000 Japanese soldiers serving in Manchuria, Korea and southern Sakhalin were sent to labour camps in Mongolia, Siberia and other locations. An estimated 10% of them perished, and the last of the POWs were not released until 1956. (Makihara 1993). 40 years later the memory of this gross injustice is still very much alive in the parts of Japanese public opinion that follow Japanese foreign policy. Since 1956 the Japanese public waited for an official apology from the

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<sup>13</sup> I personally experienced a similar reaction during a visit to Moscow in 1990. Our appointed guide, university educated, reacted very negatively to my initial critical comments on Soviet society. But later in the visit she voiced the same critique and much more, this time of her own accord and not initiated by my comments.

<sup>14</sup> A relevant question to ask then is if Russia ever will become "Western". Whether the present pluralism in Russian politics (new in Russian history) will remain and even mature into a permanent order of society is something that only time will tell. A functioning market economy entails ridding Russian thinking of the entrapment of Soviet economic tradition as well as the establishment of a predictable judicial system. In fear of sounding like the two Norwegian businessmen I hasten to stress that it is up to the Russian society to work out what path to take, and that the Western model may not be possible or even the right one for Russia.

<sup>15</sup> As indicated by the fact that Japan and Russia have yet to sign an official peace treaty to end World War II.

Soviet Union, but did not receive one before Russian President Yeltsin during his state visit in October 1993 apologized all of three times (Skaara 1993).

The average Japanese man-in-the-street probably does not waste much energy in perceiving Russia and Russians one way or the other. In Hokkaido, however, the awareness of Russia as a close neighbor is somewhat higher than in other parts of Japan, attitudes having changed in a more positive direction after “perestroika” and the collapse of the Soviet Union. The Hokkaido Prefecture authorities are pursuing a “two-track” policy of preparing for the day when relations with Russia are normalized while at the same time adhering to the official Japanese hard-line policy on the Northern territories issue. (Simonsen 1996, pp. 42-45).

Korean and Chinese perceptions:

One perhaps not very well known fact about the cultural aspect of the relationship between the Koreans and Russia is that there is an ethnic population of approximately 110,000 living in Russia today<sup>16</sup> (as well as large Korean populations in the former Soviet republics<sup>17</sup>). It seems that South Korean companies are more comfortable doing business with ethnic Koreans when dealing with Russia, even though the newer generations of the Koreans in Russia have not retained their Korean language. For Russia the existence of ethnic Russian citizens has probably not meant anything either way in business relations, but for South Korea the Russian Koreans have in all probability led to an extra degree of interest in economic cooperation with Russia and the ex-Soviet states with such populations. (Choe 1994).

Relations between the Soviet Union and China were very strained in the 1960’s and 70’s as the two communist superpowers conducted their rivalry over the right communist doctrine and practice. In the 1990’s relations on a state-state level between Russia and the People’s Republic of China are good, economic relations not having been as good in 40 years (Economist 1995, p. 54). As related in chapter 2.3. the local RFE perceptions of Chinese are not as positive, to put it mildly. I have not found sources relating the same animosity on the Chinese side of the border, suffice to say that trade between the RFE and the Chinese border province of Heilongjiang is brisk. There are historical bonds between the two border cultures. The Chinese city of Harbin, not far from the border with Primorski Krai, had a sizeable Russian population in the 1920’s (100,000 in the

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<sup>16</sup> According to the Russian Far East Update there are approximately 40,000 Koreans in Sakhalin, moved forcibly by the Japanese between 1905 and 1945 when both Korea and the southern part of Sakhalin was under Japanese control (Russian Far East Update, January 1995).

<sup>17</sup> Stalin’s replacement policy in the 1950’s resulted in Koreans living in the areas of the Soviet Union bordering on the Korean Peninsula being replaced to locations as far away as Uzbekistan (Korean population: 198,000), Kazakhstan (105,000), Kyrgyzstan (19,000), Tajikistan (13,400) and the Ukraine (8,700). The Korean population in Russia is 110,000, with 18-19,000 of these living as of 1993 in their original homelands in the border region with North Korea, up from 10,000 in 1991. (Choe 1994).

1930s) and the following decades as a result of White Russian refugees after the Russian Revolution and civil war. Though hardly any Russians remain in Harbin, there are still remnants of a distinct Russian flavour in the city with spires and cupolas on buildings and the continued survival of some old Russian restaurants. (Economist 1995, p. 54).

## **2.2. Russian Perceptions of Nordic and Northeast Asian Culture and Behavior<sup>18</sup>**

The changed political realities in Russia since the late 1980's and most evidently since the collapse of the USSR in the early 1990's brought new dynamics into the relationships between Russia and its NSR neighbors in Northeast Asia and Northern Europe. One of the features of the changed relationships was a more active involvement by the Russian border regions with the foreign countries across the border. Freedom for the border regions in Russia to cooperate directly with their foreign neighbors is one of the main motivations for the regions to gain more independence from Moscow. This is an ongoing process which is under negotiation, but it is safe to say that regional interaction has already become a major factor in Russia's relations with its NSR neighbors. Regional cooperation both in the Barents Region and in Northeast Asia has not been part of the international agenda for very many years and it is not possible to draw any definite conclusions at the present time about success (or lack of it). However, from a Russian regional point of view the following two negative and positive developments are worth mentioning:

- Negative: The enthusiasm and expectations of the Russian regional populations concerning an opening toward their foreign neighbors were much higher in the early 1990's than they are today (1997). Cooperation and trade with neighboring countries has been especially beneficial for a small group of Russians. The perception from the remaining population (which obviously is not all wrong) of growing corruption and crime by this small group in connection with the increased international interaction has fostered jealousy and antagonism - also towards foreign businessmen.
- Positive: An increasing number of people from the border regions perceive and understand the cultural differences between themselves and their neighbors as well as the differences *between* their neighbors. They have received access to a wider range of information, have more opportunities to travel, to communicate with foreigners, and to improve their professional skills in trading, management, banking, as well as a wide range of other services.

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<sup>18</sup> Unless otherwise noted, the contents of chapter 2.2. are based on a written and oral contribution by Raphael Vartanov, Director of Murmansk Region - Barents Sea Sustainable Development Project, Education Development Center Inc., MA, USA.

### **2.2.1. Russian Perceptions of Western and Nordic Culture and Behavior**

The new opportunities for the West opened by “perestroika” in the mid-1980’s (followed by the collapse of the communist regime in the USSR/Russia in 1991-92) in building relationships with Russia could be realized much better if Western perceptions of Russia and Russians were deeper, and not just based on limited stereotypes. In Russia the new situation also challenged new groups of people to communicate, interact and do business with westerners. As soon as these new relationships developed beyond the official governmental level, involving both the expanding Russian business community and other groups of citizens, the role of mutual cultural understanding and perceptions became increasingly important.

Each of the Nordic countries Norway, Sweden and Finland has a different experience and a different history of their relationship with Russia. On the other hand, Russian perceptions of these three countries have not reflected these differences as much as they deserve and are based more on a common perception of the entire Western world rather than on a perception of each nation as a separate entity. The Russian perception of the West is based on the assumption that the Western world never has had a basically friendly attitude towards Russia and Russians. Many Russians believe that the Western countries do not wish to see a strongly competitive Russia as their neighbor, and that they prefer a weak or destroyed Russia. This perception of Western attitudes must be seen against a backdrop of a very confident Russian self-image that holds Russia as a (potential) world power in all fields.

In the present post-Cold War period, this basic Russian suspicion towards the West is evident in the different international programmes in Russia financed through international loans, grants and even charity. The Russians involved in these programmes are very suspicious regarding the motivation from the Western side for being involved. They regard the “real” motivation for international participation in the cooperation to be a desire from the Western side to acquire valuable information about Russian matters. A common Russian perception of Western participants in these international cooperational programmes is: “They will just get the information and then drop the programme”. It is obvious that what is needed is the patience to build up long-term relationships so that mutual trust can be established.

The Russian mistrust of Western motives is for a large part a legacy of the Cold War, but also has pre-Soviet roots. Similar distrust existed historically between Western European countries, but has largely been overcome in the integration process that took place in Western Europe (and in the west in general) during the decades following World War II. In the same period, the Cold War led to increased misperceptions between Russia (the Soviet Union) and the West.



However, it would be wrong to consider Russia a nation not perceptive to European (i.e. Western) culture or traditions. European culture in the form of literature, art, architecture and music together with the Russian cultural heritage has been considered a common international cultural heritage in the Soviet Union/Russia. Access to that heritage (with some exceptions) was strongly supported by the authorities in Russia, even in the Soviet period. Classics of world literature have for example been translated to Russian and printed in several million copies, as well as being presented on the Russian theatre stage, integrated into educational programmes etc. The Russian contributions to Western culture during and after the reign of Peter the Great (1672-1725) were in fact in many ways rooted in a European cultural influence.

Official Soviet perceptions of the European cultural heritage were basically positive and supportive, as demonstrated by the profile of cultural dissemination through the educational system, publications, theatres etc. The creators of the “socialist realism” school of literature actually considered their style a logical development from the classic Russian and European realism of the 18th to early 20th century. Last but not least it must not be forgotten that the concepts of communism and socialism themselves are a European invention.

In spite of the assumption made above that Russians view their Nordic neighbors in a common manner, there seem to be some differences in the perceptions, based on history. Despite the Winter War in 1939-40 between Finland and the Soviet Union, the Finns probably have the best working relationship with Russians of all the Western states. This is probably due to the fact that Finland during the Cold War was a self-declared neutral state, designing its foreign policy to strike a fine balance between adapting to Soviet interests and retaining an independent Western economy and identity. Finland being part of the Russian Empire (1809-1917) is also an important historical factor that accounts for average Russians being more comfortable doing business with their Finnish counterparts than they are with many other foreigners. In the Soviet period many Russian industries as well as cultural and educational institutions had relations with Finland, and after the “opening” of Russia these relationships were further institutionalised in the form of joint ventures etc.

Regarding Russian perceptions of the Finns, one recent survey indicates that perceptions are based more on a general perception of the Finnish “national character” than on actual experience (Barents-Nytt March 1996, p. 11). Even among populations in Russian towns along the border

that have had contact with Finns in towns on the other side of the border since the 1970's the level of factual knowledge is very low. Russians are more positive towards Finns than the other way around<sup>19</sup>.

Apart from the general Russian scepticism as to Western motives (regarding involvement in the development of Russia), Russians seem to have a generally positive attitude towards Norwegians. Part of this goodwill can be ascribed to history. During the creation of the Barents Region in 1992 the near-forgotten Pomor trade was highlighted as proof of the positive historical relationship between the Russian and Norwegian populations in the region. The Pomor trade is thought to have started at the end of the 17th century in eastern Finnmark, reaching its zenith in the period 1814-1917. The trade basically consisted of the Russians furnishing North Norway with timber and grain in exchange for Norwegian fish. The Russian Revolution in 1917 brought an end to the Pomor trade. (Nielsen 1994, p. 87-93). Norway was allied with the Soviet Union during World War II (from 1941), causing positive perceptions both ways to endure throughout the Cold War period, especially in the "Barents Region" area. This might explain the fact that perceptions of Russians in Northern Norway during the Cold War period generally were more positive than in Southern Norway, in spite of the military build-up in the region.

The Russian perception of Swedes in a northern context is probably even less clear than the perceptions of the Finns and Norwegians due to the lack of a common border between the two countries.

## 2.2.2 Russian Perceptions of Northeast Asian Culture and Behavior

Japan:

Cultural differences and lacking desire to understand each other seem to characterize relations between Russians and Japanese<sup>20</sup>. The Russian perception of Japan (and vice versa) is closely connected with the over fifty-year-old dispute over the four islands in the southern Kuriles, or Northern Territories as the Japanese call them. As long as the Russian government has to take into account nationalist public sentiment the Russian official stand on the Kuriles issue will not change

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<sup>19</sup> The same survey asked the respondents to say if they agreed or not to some general characterizations. The Russian respondents found the Finns to be: conservative (80%), cooperative (80%), violent (80%), open and friendly (69%), and energetic (63%).

<sup>20</sup> A personal impression by Raphael Vartanov: "*Despite the fact that in relations with other nations sometimes there are more reasons to blame the Russian side for underestimating the need to understand the culture and perceptions of the other side, in the case of Japan it seems that the Russian side can not be characterized as the less perceptive one.*"

in any basic way, the issue will remain unresolved<sup>21</sup>, as will the Russians' general perception of the Japanese. Contrary to what one might assume, according to polls young people are more negative towards Japan than the population as a whole<sup>22</sup>.

The regional perceptions of Japan in the Russian Far East are quite positive, with relatively practical and pragmatic relations tradewise and culturally with Hokkaido and the Japanese prefectures facing Primorski Krai on the Sea of Japan coast. Japanese products are regarded as being of high quality, as illustrated by the fact that used Japanese cars are in the majority in the streets of Khabarovsk and Vladivostok. After the annual exchange visits (to the disputed islands for earlier Japanese residents (and their descendants) and to Hokkaido for the Russian populations of the islands) were instituted in the beginning of the 1990's the Russian population on the islands have developed very favourable perceptions of Japan and Japanese intentions regarding the islands<sup>23</sup>. In the Russian Far East the positive attitude towards trade with Japan is tempered by a hard-line view on the issue of the disputed islands. Governor Nazdratenko of Primorski Krai is very supportive of the Russian Foreign Ministry's non-budging stand on the Kuriles question (Simonsen 1996, p. 40).

#### The Koreans:

Russia has positive perceptions of South Korea as a trading partner and a potential source of capital (more about the realities of this relationship in chapter 3). The same cannot be said for Russian perceptions of North Korea, the present dire economic situation in this isolated totalitarian regime having led to famine affecting approximately six million people (Randsborg 1997). In the

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<sup>21</sup> *"The idea of striking a bargain with Japan (economic aid in return for the return of the islands) only feeds critics' (the nationalists') fears of an anti-Russian conspiracy. The opposition (to Jeltsin) claims that financial assistance is in fact designed to render Russia submissive to external dictates and emphasizes that Japan will make Russia pay a very high political price for economic help by insisting on territorial concessions.....In this atmosphere of bitter struggle, any changes in Russian foreign policy that could be favourable to the resolution of the territorial dispute with Japan are unlikely."* (Chugrov 1995, pp. 14-15)  
This was an analysis of the situation as of 1995. In 1997 the situation is basically unchanged, maybe even even more "nationalistic" in view of the impending NATO membership of former Warsaw Block countries.

<sup>22</sup> *"In an opinion poll conducted in Moscow in May 1995 among the general population, Japan was considered an enemy by 6.7% of the respondents, after the United States, Iraq, Iran and Libya. Among young people a full 18% considered Japan an enemy. In a poll among graduate students in international relations at two prestigious educational institutions in Moscow, Japan was named by 7% as a potential enemy of Russia, after the United States at 11%. China was named by only 1% of the respondents. The same students were asked about their views on the territorial issue. None of them supported returning all or even two of the islands, 63% were hardliners, 23% favoured joint sovereignty, while 3% wanted to lease the islands to Japan."* (Chugrov 1995, pp.14-15, in Simonsen 1996, pp. 58-59).

<sup>23</sup> *"In May and June 1993 (after the first exchange visits had been carried out in 1992) the Japanese conducted an opinion poll among the Russian residents, revealing what the Hokkaido government believes to be changing attitudes as a result of the exchange visits. 78.7% were in favour of developing and improving the relationship between Russia and Japan. 33.7% would accept a return to Japanese sovereignty if the rights of the Russian residents were guaranteed. 38.1% were in favour of returning the Habomai islets and Shikotan Island (the smallest islands) to Japan without any conditions."* (Shibuya 1994, in Simonsen 1996, p. 41)

Russian Far East perceptions of South Korea are for a large part based on the trade that has developed rapidly in the last few years. South Korean consumer goods and foodstuffs have a good reputation, as do Korean home electronics which have reached an image of quality in the eyes of the RFE population on par with Japanese products. (Russian Far East Update, February 1996).

China:

Chinese consumer goods and foodstuffs are readily available in the Russian Far East, especially in Vladivostok, Khabarovsk and other cities near the Chinese border. However, in spite of the availability and relatively low prices of Chinese consumer goods, there is a widespread perception in the RFE, and especially in Primorski Krai, that Chinese goods are sub-standard to e.g. South Korean products. This negative perception of Chinese products is largely due to (or has at least been powerfully enhanced by) propaganda from the territory's political authorities. After the present governor Yevgeny Nazdratenko was appointed by President Yeltsin in 1993 (he was then elected to a second term in 1995) the governor's team initiated a barrage of anti-Chinese propaganda with the purpose of discouraging trade with China. This campaign was bought on by the influx of Chinese traders and workmen into the region in the beginning of the 1990's, a development which many Russians as well as the governor were deeply afraid of. (Burns 1995, p. 22). In 1994 the bilateral trade between Russia and the People's Republic fell by a third compared with the previous year, probably partly due to the new requirement for visas for Chinese citizens visiting Russia. The visa requirement was in all probability a reaction in Moscow to pressure from Nazdratenko as well as the RFE popular perception of being "invaded" by the Chinese<sup>24</sup>. (Ferdinand 1995, p. 8-9).

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<sup>24</sup> "The Russian Ministry of the Interior reports about 1 million illegal Chinese immigrants in Siberia and the Russian Far East. The governors of Russia's eastern provinces claim the number is closer to 2 million Chinese in the region...The Russian population of Russia's Far East is only too aware of its relatively small numbers and vulnerability...One observer has noted a great deal of Russian anxiety over these new neighbors, especially since many Chinese are taught that the land was China's until 150 years ago and that Russia owes China 1 million square kilometers." (Ferdinand 1995, p. 11). A more sober Russian estimate puts the Chinese working population in Primorski Krai in 1995 at close to 200,000 (Zagorsky & Romanenko, p. 2). The central authorities in China estimate the number of Chinese illegals in the RFE at 1000-2000 (Kerr 1996, p. 950).

### 3. The Politico-Security Dimension

The security concept discussion is never-ending, having become in many ways quite confusing with its numerous definitions. In latter years the discussion has developed from concerning purely military issues to include economic, societal, political, environmental<sup>25</sup>, cultural and religious issues (Sergounin 1993, p.9). Also resource and demographic issues are modern security issues (Mathews 1989, p. 162). However, in the world today it seems that security of states (in an anarchic world - meaning the absence of a central world government) is still the most useful and realistic level to define security. A definition of national security that I find very fitting in a modern context is: “*National security includes traditional defence policy and also the non-military actions of a state to ensure its total capacity to exert influence and to carry out its internal and international objectives*” (Louw 1978, cited in Buzan 1991, pp. 16-17).

There are several resource and territorial issues involving the Federation of Russia with states on both sides of the NSR. These issues can all be seen through the lens of the extended security concept outlined above. It is striking how differently e.g. the territorial disputes Russia is involved in with Norway and Japan, respectively, have been handled in the bilateral relations between the involved states. The same can be said for the handling of disputed fisheries resources. In the Russo-Japanese context these two issues remain largely unresolved, hindering full cooperative relations between the two states. In the Russo-Norwegian context the territorial issue has not been resolved, but a working relationship has been established in the meantime, while the management of the Barents Sea fisheries resources has been a successful cooperative venture since the time of the Soviet Union. Both of these issues and their comparative relevance for Russia in the Barents Region and Northeast Asia, respectively, will be discussed in the concluding chapter. In the following both military and other elements of the extended security concept will be utilized in order to describe the mutual perceptions that exist between Russia and its NSR neighbors today in the politico-security dimension.

#### 3.1. Non-Russian Perceptions of Russia

Nordic perceptions:

Until World War II the Arctic was not a military arena. The development in military technology during the war and the following decades introduced the Arctic Ocean and adjoining regions as locations of strategic significance, first as deployment areas and an attack route for strategic

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<sup>25</sup> For an in-depth discussion of Arctic environmental cooperation and national security, see Østreg (ed.), Griffiths, Vartanov, Roginko and Kolossov 1997.

bombers, in the 1970s and 80s for new generations of ICBMs (intercontinental ballistic missiles) from nuclear submarines operating under the ice cover. The Northern Fleet based in the Kola peninsula grew to be the most potent and modern of the Soviet fleets by the late 1980s. The Arctic north of the Norwegian Sea went from being a military vacuum before World War II, to a military flank in the 1950's and 60's, to a military front in the late 1980's. (Østreng 1997, p. 24).

Norway, being a member of NATO and bordering so to speak directly on the Northern Fleet, naturally perceived the Soviet Union and its Northern Fleet as the main threat to its security in the Cold War period. After 1991 the Norwegian perception of being threatened by military forces based in Murmansk Oblast has decreased markedly as reports of the dire straits of the Northern Fleet have kept coming, leading to a discussion in Norway about what level to maintain the military preparedness. Yet, as long as some of the heaviest Russian military hardware is based close to Norway a threat perception will be maintained and enforced with contingency plans.

As self-declared neutral states Finland and Sweden formed a buffer zone between the Soviet Union and NATO during the Cold War. Finland developed a foreign policy that entailed a special relationship with the Soviet Union, but which kept Finland safely in the Western camp with regard to the development of society. Sweden built up a strong military defence during the Cold War, with a higher per capita expenditure on defence than many NATO countries. Today the two countries' perceptions of a Russian military threat are basically similar to the Norwegian one(s). Finland has a long common border with Russia, and like Norway has to base its military perceptions at least partly on the physical presence of Russian heavy military weaponry close to its territory, even if the prevailing analysis of the power distribution in Russian politics is that the continued strong development towards economic cooperation with the West points in a peaceful direction as far as potential tension in relations with the West is concerned (Medvedev 1997, pp. 85-87). In fact the Barents Region effort is in itself a very strong indication of the mutual commitment towards peaceful relations. That Sweden does not see Russia as a military threat at present is clear from both the reduction in land forces and in the decreasing number of young men that are called up for compulsory military service (Jacobson 1997, p. 44).

From an environmental point of view, however, the Nordic countries see the Northern Fleet as a serious threat to the security of the Barents Region and adjoining areas. The most pressing issue is that of 141 nuclear reactors belonging to decommissioned nuclear submarines. Admiral Oleg Yerofeev, Commander-in-Chief of the Northern Fleet described the situation in 1995 as "*potentially such a catastrophe, such an emergency situation, that an explosion of some oil pipe appears as a child's toy in comparison.*" Aleksey Yablokov, chairman of the Russian Security Council's Interdepartmental Commission for Environmental Safety has admitted the following: "*We regard our nuclear submarines as floating Chernobyls.*". According to Yablokov, the

removal of radioactive fuel elements lying around on the shore of the Kola peninsula would take more than a hundred years utilizing the four available trains. The Norwegian environmental organisation Bellona estimates that the nuclear waste stored in the Andreeva Bay alone is equal to 5,000 French Mururoa test detonations. (Simonsen, S.G. 1996, pp. 8-10)

In addition to the danger of radioactive contamination of the environment from the nuclear reactors there is the ever-present danger of theft of radioactive materials, which are very poorly secured and guarded. Another environmental hazard involving the Northern Fleet is the question of where large amounts of chemical weapons have been disposed of, as “only” 40,000 tonnes are officially stockpiled in Russia, while many times more have been produced. (Simonsen, S.G. 1996, pp. 8-10). Yet another environmental threat in the region is the unsafe nuclear power plant in Murmansk, perceived as a threat by the Nordic neighboring countries, but not given first priority by Russian authorities having even more dangerous plants elsewhere in the country to upgrade. Industry that pollutes and degrades the environment is also of concern to Russia’s Barents Region neighbors. Even if the Nordic countries want to help clean up, the weak Russian economy coupled with an unclear political situation makes such assistance difficult to bring about. Norway has for example pledged NOK 300 million to clean the nickel works close to the Norwegian border, but this effort has stranded because the Norwegian money is contingent on the Russians being able to raise a corresponding amount (Seierstad 1997).

Northeast Asian perceptions:

Japan is the country in Northeast Asia that harbours the most important historical grievances towards Russia and also considers Russia to be a greater security threat than China and the Koreans do. However, the end of the Cold War has changed the Japanese perception from one of being prepared for a Soviet attack to one of regarding Russian military intentions as a “factor of instability” (Sakurai 1994). The Japanese perception of a “Russian threat” is based on two primary factors; 1) the physical presence of large Russian military forces close to Japan, and 2) uncertainty as to how developments in Russian domestic politics will influence the security situation between the two states (Simonsen 1996, pp. 56-57).

The Pacific Fleet, based in Vladivostok, is the Russian military unit that is most relevant to Japanese military planners. The fleet is indeed big, but the negative development in the Russian economy during the 1990’s has reduced its striking power to a large extent. While the fleet operated in enormous areas during the 1980’s, from the American west coast to the Indian Ocean and the South China Sea (Clarke 1995, p. 27), it is now suffering from a severe lack of funds. This has resulted in not only vastly reduced fleet operations at sea, but also in an extreme lack of vessel-maintenance as well as very little food for the sailors, not to speak of very delayed and minuscule wages. This long-lasting and negative development during the whole of the 1990’s for the Russian

military forces stationed close to Japan has contributed to reducing the Japanese perception of military threat from Russia<sup>26</sup>.

However, it is probably the unstable domestic situation in Russia that constitutes the largest threat factor for Japanese security experts. It is difficult for them to predict how Russian security and foreign policy will develop in the future, even in a relatively short time perspective. The issue of the Northern Territories/Kurile Islands is dragging into its sixth decade without any solution in sight, the nationalist sentiment in Russian politics being an effective veto to any territorial concession at all towards Japan (Chugrov 1995, pp. 14-15).

The Koreans do not perceive any threat to their military security from Russia today. Russia is, unlike the Soviet Union, not a major supporter of North Korea, and is therefore not the indirect threat to South Korea that the Soviet Union was. North Korea is presently too occupied with domestic drought and famine to even consider Russia a military threat. However, it is very probable that the North Korean leadership feels short-changed by the Soviet Union/Russia, given the fact that Russia has developed good relations with Seoul and that Moscow in 1991 reneged on the Treaty of Peace and Friendship between the two countries (even though it officially stayed in force till September 1996) (Quinn-Judge 1997a, p. 23). China does not consider Russia a security threat in the present situation, relations on the governmental level being very friendly. The traditional border disputes have been resolved, though they are actively being obstructed by Governor Nazdratenko on Primorski Krai, to the embarrassment of the federal government in Moscow (Ferdinand 1995, p. 68). China did at first consider Russia to be somewhat of a traitor to communist ideals during the dismantling of the Soviet Union, but Beijing is a long-term and realistic player in international affairs, and is probably content to have a friendly non-communist neighbor in the north rather than a repeat of the ideological confrontation of the 1960s and 70s.

### ***3.2. Russian Perceptions of Threat***

First of all, it is safe to say that Russian public opinion does not have any strong feelings about security relations outside what is termed the “near abroad”, or the states that used to constitute the Soviet Union. Russians do not fear attack from previous archrival USA, even if a large segment of the population suspect the USA (and the West in general) to have a goal of “deindustrializing” Russia and reducing it to a Third World country. The main concerns of the Russian public are the

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<sup>26</sup> “Japanese defense authorities have downgraded the Russian military threat. In an annual defense report they have described the activities of Russian military forces in the Far East as ‘unpredictable.’ The report had previously characterized Russian forces as a ‘tension-causing factor’ and then, in 1992, as a ‘factor promoting instability in the region.’ (Monitor, 17 June 1996).



constantly confusing developments in the domestic arena and the steadily deteriorating economic situation for ordinary people. (Melville 1996, p. 246 and pp. 236-237).

Secondly, even Russian experts on foreign policy have widely diverging perceptions of Russia's place in the world today as well as diverging opinions on what role they want Russia to play in the future. The majority of Russian security specialists do not see a security threat from the West at present. On the other hand, there are many experts who continue to insist on the reality of an external military threat. The main threat according to these experts is NATO and its enormous offensive military potential. Some of these specialists also point to a potential threat from overpopulation in China, which may result in Chinese claims for Russian territory. (Davydov 1996, p. 253). Davydov lists four general trends in security thinking in Russia today (derived freely from Davydov - not quoted):

- 1) The Atlanticists - "Russia must become a fully integrated member of the West along with the USA, Western Europe and Japan."
- 2) The Eurasians - "Russia should develop its own identity and avoid Westernization. Russia's traditional allies lie in the South rather than in the West."
- 3) The "In-between'ers" - "Russia controls the heartland of the Eurasian continent and as such should act as a mitigator between the East and West. It is impossible for Russia to belong to either Europe or Asia."
- 4) The "Domesticists" - "Internal development of Russia is the main task, and the main goal of Russian foreign policy is to ensure a friendly outside world or at least a non-threatening one."

In addition to the above four trends there are the communists ("reestablishment of the Soviet Union and the world socialist revolution as a final goal"), the ultra-nationalists ("reestablishment of the Russian Empire as well as expansion towards the Indian Ocean"), and the military-industrial complex ("undefined goals, but needs international tension to regain its privileged position"). All of the views of Russia's place in the world described above (or varying combinations of them) are very present in Russian academic and political debate. (Davydov 1996, pp. 257-259). None of all the Russian perceptions described above involves considering the Nordic countries a threat to Russian security of any kind (except possibly as agents for the USA in a covert plan to deindustrialize Russia...).

.Perceptions of the Nordic countries:

The Nordic countries were not considered much of a threat in Soviet strategic and security thinking. During the Cold War the Soviet perceptions of threat did not involve a perception of military threat from Norway per se, but only as a part of NATO. Norway's unilaterally imposed restrictions on military activity in the areas near the Soviet border, the policy of not having NATO

troops based in the country, as well as the ban on the presence of nuclear weapons on Norwegian territory, confirmed the Soviet perception of Norway as a basically friendly state that somewhat mistakenly had elected to join the enemy camp. The self-imposed Norwegian restrictions are still in force, and together with the long tradition of successful co-management of fisheries resources in the Barents Sea (in spite of the territorial dispute over the borders of the exclusive economic zones), as well as the formation of the Barents Region, they form the basis for a friendly Russian perception of Norway.

Finland and Sweden are not considered security threats by Russia, either, in spite of the important changes in their status made by their joining the EU in 1995. Finland is the only member of the EU with a common border with Russia, but the long experience of cooperation between the two countries during the Cold War should ensure that this fact does not make a difference in the Russian threat perception of Finland. Should Finland and/or Sweden apply for membership in NATO they can count on negative reactions from Moscow, but even such a step should not influence the Russian perception of Finland and Sweden as peaceful and basically friendly neighbors.

Perceptions of the Northeast Asian states:

During the Cold War the Soviet perception of Japan as a threat to its security was linked to Japan's position as USA's closest ally in Asia. Russia does not perceive Japan (or American forces in Japan) as a military threat in today's situation, but the Russian navy insists on using the strategic position of the disputed Kurile Islands as an argument for not giving any concessions to Japan on the issue. The navy considers the islands to be a "screen of steel" protecting the entry channels into the Sea of Okhotsk for its submarines. (Desmond 1993, p. 42). However, the fact that Russia has reduced its former military presence of 7,000 troops on the islands by at least 50% since 1992 (Parrish 1996) strengthens the indication that Russia does not consider the Kurile Islands issue with Japan to be a matter for military conflict.

As mentioned in chapter 3.1. neither North nor South Korea have reason to perceive any military threat from Russia, and the same is the case the other way around. Russia was a part of the international community's effort to discipline North Korea in 1993-94 when North Korea withdrew from the Nuclear Proliferation Treaty and refused to allow international inspection of its nuclear power plants (Lee 1995, pp. 30-31). Russia shares the international and regional fear of unpredictable behavior from the totalitarian and exceptionally introvert regime in Pyongyang, without believing that an attack on its territory from North Korea is in any way imminent.

Moscow has developed friendly relations with Beijing in latter years, as shown by exchanges of high level visits as well as increasing trade. China obviously does not constitute a security threat of

the military kind in the mind of the federal government in Moscow, as witnessed by the extensive sale of Russian weaponry to China in the last few years<sup>27</sup>. Arms sales are taking place at a good pace, even though Russia is naturally hesitant about supplying a traditional enemy with state-of-art military technology (Clarke 1995, p. 27). Personal contact between Russian and Chinese military personnel is taking place in the form of military personnel exchanges, training, sharing of intelligence information as well as mutual logistic support (FEER, May 26, 1994).

The animosity against China from the Russian border regions, as represented by Governor Nazdratenko in Primorski Krai, is the other side of the coin to Russian security perceptions of China and shows us that the geopolitical conditions between the two powers remain unchanged and there is no reason to believe that the present harmonious relations will last forever. Scalapino contends that the present low level of tension between the two countries is due to the “dominance of domestic priorities”, not to any fundamental compatibilities of geopolitics, culture or even economy, and that “we have not seen an end to their rivalry” (Scalapino, cited in Legvold 1993, pp. 15-16). In spite of the friendly official relations between Russia and China at present, even the Russian defence minister has revealed that the scepticism of the RFE population towards China is shared by many in the capital as well<sup>28</sup>.

### **3.3. Centre - Periphery Perceptions**

The (three Russian regions in the) Barents Region and the Russian Far East are both definitely part of the Russian periphery as measured both in physical and mental distance to Moscow, even though a very strong case can be made for the RFE being the “farthest away” of the two. In the days of the Soviet Union the inhabitants of the Russian North had special privileges such as significantly higher wages than the working population in the central parts of the federation. Now these privileges are gone and the incentives for going north and not least staying there have been done away with.

Within the federal government in Moscow there are widely different perceptions of the Russian North as well as opinions on what policies to implement for the future. No explicit federal policy for the troubled North has been formulated. Some government officials feel that the population

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<sup>27</sup> “In the past couple of years, China has emerged as Russia’s most important arms purchaser.” (Cheung 1993, p. 24). I have found no later sources that do not lend support to this view from 1993.

<sup>28</sup> “Even Mr. Rodionov, Russia’s minister of defence, carelessly but revealingly listed China among ‘potential threats’ to Russia in a speech he gave at Christmas.....By way of self-criticism, Mr. Rodionov circulated a note to officers a few weeks later in which he said that closer ties with China would not compromise Russia’s own security. This failed to dispel the impression that Mr. Rodionov’s real sin was to say out loud what almost all Russians think privately. (The Economist, April 26th 1997, p. 20).

drain and reduction in industrial activity in the Russian North is only natural (Pozniakov 1994), while other experts have a firm belief that the North will retain an important role in the future with the help of foreign investment and the Northern Sea Route (Granberg 1995, p. 47).

As we shall see in the following the foreign ministries in the three Nordic countries differ somewhat in their approach to regional relations with Northwest-Russia. Tokyo and Hokkaido differ mildly in their approach to relations with the Russian Far East, showing us that even in a consensus-based society like the Japanese there can be differences in the way the center and periphery perceive their surroundings. China is very centrally organised politically and the regions bordering on the RFE do not seem to have independent views (even though China is very interested in economic relations in the region). Korean center-periphery issues are hardly relevant in relation to the RFE.

Moscow - Barents Region:

Russia, represented by Foreign Minister Kozyrev, reacted positively to the Norwegian initiative in 1992 to form a Barents Region. Being an "Atlantiscist" Kozyrev saw the Barents Region as a golden opportunity to institutionalize contact with the three Nordic countries, especially as they all three at the time were very close to joining the European Union<sup>29</sup>. From the Russian Foreign Ministry's point of view the institutionalized cooperation in the Barents Region would provide a framework for settling the residual border dispute with Norway as well as other issues that may arise with the three Nordic countries in the future. Moscow also hoped that the Barents Region cooperation could help with the transformation of Northwest Russia from being a region based on military activity to one with a much stronger civilian basis (e.g. conversion of military to civilian industry). (Baev 1994, pp. 175-177).

Within the military hierarchy the attitudes toward the Barents Region vary. The leadership in Moscow have been somewhat more reserved than the regional military leaders, including the commanders of the Northern Fleet. The explanation for the more positive attitude by regional military leaders may be that the Northern Fleet is receiving less attention than before from Moscow and is being forced to be more dependent on local authorities. This may be the reason for the Russian military leaders in the Northwest having a more positive attitude towards cooperation with the West than the leaders in Moscow. (Baev 1994, p. 178).

The total population of the Russian part of the Barents Region is 3.3 million people (as of 1996), with 1.5 million in Arkhangelsk Oblast, 1 million in Murmansk Oblast and 780,000 in the Karelian Republic. Murmansk experienced a 10.2% (117,000) decline in its population from 1989

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<sup>29</sup> Sweden and Finland joined the EU as of 1 January 1995, while Norway elected to remain outside after a referendum in November 1994.

to 1996, Arkhangelsk had a decline of 4.1% (64,000) in the same period, while the Karelian Republic lost a modest 1,4% (11,000) of its population. (Heleniak 1997, p. 86). The reason for the greater emigration from Murmansk is that the Murmansk society historically is quite new (Murmansk City founded in 1915) and largely based on a military presence, with a large part of the population having moved to Murmansk from other parts of Russia. With the loss of fringe benefits as well as an increasing delay in the payment of wages (reduced by inflation) many people do not see why they should stay in the cold north when they can go "home" to warmer and hopefully more economically dynamic regions in the central parts of European Russia, the Ukraine and Belorussia. Arkhangelsk City (founded 1584) is older by far than Murmansk and is based on timber export, timber processing and shipbuilding and repair, which goes to explain why it was not affected as strongly as Murmansk by the crisis.

The oblasts Murmansk and Arkhangelsk and the Karelian Republic have been positive to the Barents Initiative all along, especially as it has involved the unprecedented possibility of interacting with foreign neighbors (in the Regional Council) somewhat independently of Moscow. The three regional governments are hoping that developing international contacts will be able to compensate the regional economy for the reduced transfer of funding from the central government in Moscow. Even though the Foreign Ministry and President Yeltsin are positive to the regional contacts that are being formed across the national borders with Russia's neighboring countries in the northwest, they have emphasized that the newfound freedom must not lead to separatism. (Baev 1994, p. 180). An interesting question in the continued development of the Barents Region cooperation will be how it will affect the relationship between the Northwestern Russian regions with Moscow. The Nordic side's overarching reason for transferring knowledge, technology and funding to the Russian side is to contribute to stability in the region, and perhaps even build relations that can withstand future crisis between Moscow and the Nordic capitals. Increased interaction with the Nordic northern counties may again have the side-effect of making the Russian regions become more self-confident and assertive in their demands to the federal government. One can reasonably speculate that the effect may be the opposite one of contributing to the regions' bargaining power: Moscow may consider that since the Northwest regions are doing so well as a result of the Barents Region cooperation, the need for central funding has been reduced. (Hønneland 1997, p. 20).

The largest economic development potential in the short and medium term for Northwest Russia lies in the petroleum industry. Huge natural gas deposits as well as large oil deposits exist both on land and offshore in the region, and have drawn the keen and concrete interest of American and other Western oil companies. A future issue of conflict between the region and Moscow will undoubtedly arise when the Murmansk and Arkhangelsk Oblasts as well as Nenets Autonomous Okrug claim a larger share of the revenue from petroleum extraction.

Moscow - Russian Far East:

The Russian Far East is far from being a homogeneous region, lacking the common attributes and infrastructure necessary to form a perception of community between the various administrative entities. First of all there is a marked division between the very isolated and thinly populated northern parts of the RFE and the southern parts, where the population<sup>30</sup> is located along the Trans-Siberian Railway. The regional economy is linear and nodal, characterized by isolated settlements of industrial (and other) activity that have little contact with each other unless they happen to lie along the same route to the “outside” world. The Sakha Republic and the Arctic Ocean side of the Chukchi Okrug are especially isolated in relation to the rest of the RFE, their main lifeline to the rest of Russia being the Lena River and westwards along the Trans-Siberian Railway. (North 1990, pp. 189-190). As a result of the dramatic decrease in federal funding and subsidies in recent years the northern parts of the RFE have experienced a major population drain. The population of the RFE as a whole declined 6.5% (520,000) from 1989 to 1996, while the “northern” part of the RFE (as defined in the preceding footnote) lost 14.7% (417,000) of its population. The northeastern part of the RFE lost between 34.9% (Magadan Oblast - 135,000) and 44.3% (Chukchi A. Okrug - 70,000) in the same period. (Heleniak 1997, p. 88).

The Sakha Republic is the most independent actor in the RFE in relation to Moscow, showing an independent attitude towards Moscow from the very first days of the new Russian Federation. In 1991 Sakha adopted a new constitution containing at least eleven articles that are said to violate the federal constitution by taking precedence over federal legislation. With 99% of all diamond production in Russia, Sakha has spoken out for the right of republics to retain a larger share of the profits from resource extraction (Sheehy 1993, p. 39). Sakha has been relatively successful for its own part in battling Moscow for independent rights, retaining 20% of the diamond revenues in the republic as well as having being granted the right to use federal tax collected in Sakha towards federally-funded programmes in the republic (Asia 1994 Yearbook, p. 199). President Nikolayev of the Sakha Republic is eager to establish relations with the outside world independently of Moscow, as shown by his and the Republic’s active engagement in the Arctic regional organisation *Northern Forum*<sup>31</sup>. Primorski and Khabarovsk Krai are two other regions of the RFE

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<sup>30</sup> The RFE covers an area of 6.2 million sq. km., 36.4 % of the territory of the Russian Federation. The “southern” administrative units are Primorski Krai, Khabarovsk Krai and Amursk Oblast with a total population of approx. 5.2 million. The “northern” units are Kamchatka, Magadan and Sakhalin Oblasts, Chukchi and Koryak Autonomous Okrugs, and the Republic of Sakha, with a total population of only 2.8 million. (Bradshaw 1994, pp. 234-235).

<sup>31</sup> The *Northern Forum* (NF) was founded in Anchorage, Alaska in November 1991. The members are regional governments (20 +) from areas of the world that consider themselves to be “northern” (including South Korea and Leningrad Oblast...). The forum had strong ambitions of promoting pan-Arctic dialogue and cooperation through so-called international priority projects within transportation, economic development, scientific innovation, education and human health. The Northern Forum Secretariat is located in Anchorage, while the Sakha republic sponsors a secretariat in Yakutsk that is supposed to coordinate the Russian

that have pushed for regional advantages in their relations with the federal government. Governors Nazdratenko and Ishaev have made names for themselves together with President Nikolayev while standing up to the central government in their roles as members of the upper house in the Duma (FEER, January 13, 1994, p. 21).

The administrative subjects of the RFE tried to join forces and approach Moscow collectively through the "Association of Economic Coordination for the Far East and Zabaykalye", a cooperative organisation at regional governmental level encompassing of the RFE federation subjects as well as the Buryatia Republic and the Chita Oblast (both east of, i.e. 'behind' Lake Baykal). The signals that emanated from the association in Moscow's direction in 1993-94 were somewhat mixed. On the one hand the association called for more political and economic independence, while on the other hand it asked for more federal support (especially for the regions farthest north) (Matveyeva 1994, Novosyolov 1994). In any case, the RFE territories did not manage to act uniformly and were soon driven apart by Moscow's "divide and rule" tactics<sup>32</sup>.

Nordic capitals - Barents Region:

The Nordic foreign ministries are all strongly in favour of cooperative relations with Northwest Russia as a part of national goals to create and maintain stable security relations with neighboring states, as shown by the fact that the three countries are members of both the Barents Region as well as the Baltic Sea Region. Finland and Sweden give priority to the latter cooperative effort, while Norway is the main Nordic driving force for the Barents Region cooperation.

The reason for these differences in priority are easily understood by taking a look at a map: Helsinki cannot let Lappland receive more funding and support for Barents Region participation than the other counties that border on Russia or face the "cultural cousin" Estonia across the Baltic Sea. Sweden does not even have a common border with Russia, while historic, cultural, political and economic ties across the Baltic Sea to Poland, the three Baltic states and St. Petersburg makes Stockholm very focused on that region rather than the Barents Region. Norway has the whole time felt somewhat marginalised by its Nordic neighbors in the Baltic Sea Region cooperation, recognising that Russia is its most important concern among the former Communist bloc and choosing to channel its regional relations with Russia primarily through the Barents Region. (Svensson 1995, pp. 65-68). Norway is, however, quite active in the Baltic Sea Region

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members of the NF. It is safe to say that the NF has not yet reached the level of influence in Arctic affairs that the founders had as their goal. The governmental Arctic Council (founded on 19 September 1996) may be more successful on this account, *if* American reluctance can be overcome.

<sup>32</sup> "...the federal centre continued to play around with the separate regions, using chaotic handouts to stop up gaps and mouths. In these conditions the rapid disintegration of the not long ago begun political and economic unity of the Far East began. Territories began to be drawn into bilateral contacts." (Minakir 1994, cited in Kerr 1997, p. 947).

cooperation as well. This reflects the interest that Norwegian economic actors are demonstrating with their investments in the Baltic countries as well as illustrating the fear the Norwegian Ministry of Foreign Affairs has of being marginalised in European relations as a result of the Norwegians voting no to EU-membership in the 1994 referendum.

As opposed to the Baltic Sea Region cooperation, which is carried out strictly on the national government level, the participating county governments in the Barents Region enjoy a degree of formalised autonomy through the Regional Council. Within the Regional Council the Norwegian government is more inclined than its Swedish and Finnish counterparts to give the three regional governments in Northern Norway room for independent action compared to Norbotten and Lappland. But even on the Norwegian side there is no doubt that the ultimate power lies with the Foreign Ministry. Representatives from all three Nordic foreign ministries are always present during Regional Council meetings, and the activities that the Regional Council decide upon are of course entirely dependent on funding from the central governments. However, as Svensson rightly points out, for the five Nordic Barents Region counties it is a large step forward to be regarded as important transnational regions rather than national peripheries. (Svensson 1995, pp. 67-68). An important goal for the Nordic governments within the Barents Region is to promote economic interaction between their member regions and the four Russian regions so that the northern populations can stabilize and even increase<sup>33</sup>.

Tokyo - Hokkaido - Russia:

Hokkaido Prefecture, the northernmost island and largest prefecture in Japan<sup>34</sup>, has a northern climate and regards itself as a part of the international northern community. Hokkaido hosted a conference in 1974 initiating the concept of "Northern Regions", a concept that later developed into the founding of the regional organisation Northern Forum in Anchorage, Alaska in November 1991. In 1987 the Hokkaido government and the local private sector established the Northern Regions Center, aiming to promote human exchange and research related to the northern regions. (Hokkaido Government 1992, pp. 53-55). In spite of this all-encompassing northern approach, Hokkaido's main northern concerns are relations with the Russian Far East and the issue of the Northern Territories.

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<sup>33</sup> The population in the Nordic part of the Barents Region has remained stable in the last few years, which means that the population is stagnating and not increasing at the same rate as the southern parts of the country. The populations of the five Nordic counties were as follows in 1993: Finnmark - 76,000 (1997 - 75,500), Troms - 149,000 (1997 - 151,000), Nordland - 240,000 (1997 - 240,000), Norbotten - 266,000, Lappland - 202,000. (NORUT, 1994).

<sup>34</sup> The area of 83,408 square km (including the disputed islands) constitutes 22% of the territory of Japan, while the relatively small population of 5.6 million is approximately 4.6% of the total population of Japan (figures from 1993).



The Foreign Ministry in Tokyo maintains a strong and inflexible stand on the Northern Territories issue and sees this in close connection to the development of both political and economic relations with Russia<sup>35</sup>. The fact that Japan and the Soviet Union/Russia have not signed an official peace treaty after World War II is due entirely to this unresolved territorial dispute.

However, Hokkaido (including the central governmental Hokkaido Development Agency in Tokyo) and Tokyo differ somewhat in their practical approach to relations with their northern neighbor. While supporting the rigid official view on relations with Russia, Hokkaido is at the same time quietly preparing for the day when the island issue has been resolved. This preparation takes different forms such as the previously mentioned exchange visits, a Joint Committee on Economic Cooperation between the Hokkaido government and representatives from Sakhalin Oblast, Primorski and Khabarovsk Krai and the Russian federal government, expanding ferry and air connections, the unofficial purchasing by the private sector in Hokkaido of fish and crabs from the Russian population on the disputed islands, etc. etc. While carrying out this mildly independent policy towards relations with the RFE, Hokkaido is a strong and loyal supporter of the official governmental policy on the Northern Territories issue, as shown by the yearly Northern Territories Day in Hokkaido. Tokyo is consciously tolerating Hokkaido's policy of careful overtures towards the RFE while at the same time standing firm in its foreign policy position towards Moscow, a typical example of an Asian-style "two-track" policy of doing two basically incompatible things at the same time. (Simonsen 1996, pp. 44-45).

Beijing - Dongbei (Northeast China) - Russia:

In the last few years there has been a development in China (as in Russia) towards de-centralising control of foreign economic relations so as to obtain increased economic growth and rationality. Beijing's (and Moscow's) dilemma is how to achieve the regional economic growth without losing too much control of strategic national goals both domestically and abroad. Dongbei consists of three provinces: Liaoning (coastal), Jilin and Heilongjiang (both inland and bordering on Russia)<sup>36</sup>. (Kerr 1996, p. 931 and 935). The Dongbei as a whole is still dominated by heavy industry and lags behind the coastal regions in southern China in implementing the economic reforms of "market socialism". The economy of the region is therefore conducted centrally from the province capitals and Beijing. (Kuribayashi 1993, pp. 50-60). An important factor that indicates that at least Heilongjiang will be under strong central influence at least in the coming

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<sup>35</sup> Commenting on how the Northern territories issue influences Japanese investment in Russia, Mr. Kuninori Matsuda of the Russia Division in the Foreign Ministry clearly stated: "*We are ready to go 60-70% now, and 100% of the way upon a satisfactory Northern Territories solution.*" (Matsuda 1994).

<sup>36</sup> When looking at the population figures for this region (as of 1991), it is easy to understand the fear in RFE of being "invaded" by the Chinese: Liaoning - 40 million, Jilin - 25 million, and Heilongjiang - 36 million, altogether 101 million people in an area of 780,000 sq. km. as compared with the 5.2 million people living in the three RFE territories (total area 1,354,000 sq. km.) bordering on China.

few years is that the state sector in the province still accounts for 75% of the industrial output (The Economist, January 14th 1995).

Potentially, the Dongbei and the RFE are complementary in terms of resources (RFE) and manpower (Dongbei). A Russian economist has actually proposed inviting Chinese peasants to develop agriculture in the RFE, but this sort of creative scheme is not realistic due to the Russian scepticism to Chinese immigration. Both regions need foreign investment to carry out their development plans, and it is not unthinkable that the RFE will lose to the Dongbei in a competition for Japanese and South Korean investment capital. (Skak 1993, p. 163).

#### 4. The Economic Interaction Dimension

Economic interaction is the most important (or at least the easiest to measure) dimension of Russia's foreign relations with its neighboring states, both in the Northwest and in the Far East. Very many people interact, many individual experiences are made, leading ultimately to a wide range of mutual perceptions. Since the downfall of the Soviet plan economy Russia has been grappling with the challenge of modernising its economy and integrating into the international economy. Many actors in the neighboring countries are eager to involve themselves in this process. However, non-Russian business actors have been reluctant to invest very much till now in a Russian society they perceive as lacking predictability<sup>37</sup>, being content to engage in short-term trade.

*“Restructuring and modernization require knowledge and venture capital. Even if the Nordic peripheries are poorly equipped in these terms compared with their centres, they are highly developed in comparison with North-Western Russia.”* (Svensson 1994, p. 97). This is a central point for economic relations in the Barents Region (the same argument is valid for the economic relationship between the RFE and Hokkaido). In addition to local northern venture capital all three Nordic governments have spent and are spending money assisting trade with and investments in the ex-communist European states, but the Norwegian government is the only one that has Russia as the primary goal of its Eastern Europe project funding, having identified Northwest Russia as

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<sup>37</sup> However, many companies and foreign investors have entered the Russian market and had some tough experiences. Merchant International Group (MIG), a London-based corporate intelligence and research consultancy has made a survey of emerging markets and how the business community perceives them in terms of corruption and bureaucratic delays combined with more conventional political risk analysis. Russia stands out as the riskiest of them all. And the foreign companies that involve themselves in these emerging markets do not take the necessary precautions. A representative from MIG said that the companies surveyed had *“piled into the emerging markets where they had no experience, no local contacts and little understanding of the risks to which they were exposing their businesses. We were amazed at the levels of ignorance, naiveté and arrogance we saw in the companies in our survey.”* (Lapper 1996, p. 16).

the main target. However, well-meaning and/or profit-hungry westerners with governmental funding in their pockets do not necessarily find it easy to do business in Russia.

In econometric studies on international trade in general it is maintained that four types of barriers to economic interaction are important to consider:

- *“Lack of transport and distance bridging costs such as transport and communication costs;*
- *Linguistic and cultural dissimilarities;*
- *Differences in the scope of social and political life, including lack of institutional competence;*
- *Political influences, deliberately or unintentionally resulting in the separation of countries.”*

(Wiberg 1995, p. 79)

In the Barents Region context the two latter types of barriers are being sought overcome, while the two first types of barriers still exist and will continue to for a long time. In the Far East all four types of barriers to economic interaction obviously exist to a strong degree.

#### **4.1. The Non-Russian View**

In the following relevant parts of a survey of Norwegian companies' experiences from doing business in Russia will be related, the list of perceptions they have and problems they have run into in all probability being representative for Finnish and Swedish companies as well as other West European actors in the evolving Russian market.

- Even if a Russian partner company (joint venture) is not required for a foreign company to do business in Russia today, many Norwegian companies choose a Russian partner in order to gain access to Russian authorities. Russian authorities are perceived as being more corrupt and more complicated than their Western counterparts. Partnership with a Russian company is a rational attempt to bypass a number of potential problems with authorities and others, but is in itself no guarantee for success, as several Norwegian companies suffering major losses in Russia can testify to. Norwegians have tended to be somewhat careless in their choice of joint venture partners. In Russia it seems that more importance is attached to friendship than to contracts, and therefore personal relationships and friendships are worth more than written agreements when problems arise.

- Norwegian companies point to the fact that both Russian legislation and the judicial system are weak. In earlier reports it has been pointed out that the legal framework for investment in Russia is in fact for a large part satisfactory, but that the practical enforcement of the laws is too weak.

Likewise, the EBRD (European Bank for Reconstruction and Development) has reported that the enforcement of the penal code for protection of property or combating corruption is perceived as being uneven.

- The stockholders and even the board of a Russian company exercise little influence compared to the director of the company. In the West the shareholders together with the board are the deciding factor of a company's behavior, while in Russia the chief executives have problems with accepting the shareholders. The shareholders' rights were strengthened by the Duma in a law passed in November 1995, but it remains to be seen whether it will give the same degree of protection as in Western market economies.

- Foreign companies starting business in Russia have to register with the authorities. The largest companies have to register with the federal government, while smaller ones have to register with regional or local authorities. The Norwegian companies surveyed had widely varying experiences in this regard. The documentation to be presented together with the registration application was extensive, different levels of authorities could disagree on where the companies should register, while the most exasperating fact was that the registration fee that the authorities demanded varied from \$2,000 to \$10,000, indicating arbitrary treatment. Some companies reported that they had no problems with the registration process. The companies that included Russian partners had less problems, while a company's size was absolutely no indication of whether problems with registration would arise or not.

- The Russian taxation system is regarded as complicated and unpredictable by the surveyed companies. There are a number of different taxes, and constantly changing taxation rules are made all the time, some are even given retrospective force. These changes are not made known directly to the companies, making it necessary for them to follow the newspapers very closely. The companies naturally find it difficult to calculate the right amounts of tax to pay, and often have to pay extremely large fines many times the lacking amount of tax. The companies also perceive the penalties for tax infractions to be arbitrary and unfair. The taxation level in general is considered high.

- Norwegian company executives consider their Russian counterparts to be well schooled technically, but consider them poorly adapted to the demands of a market economy. One respondent said that for Russians time did not seem to have a price or be considered expensive. This lack of knowledge about the mechanisms of a market economy is of course a consequence of the plan economy mentality.

(Maurseth, pp. 68-94)

Fisheries issues (as well as all other ocean-related questions) are not an official part of the Barents Region cooperation. Being the only two countries with coasts on the Barents Sea, Russia and Norway are the primary fishery actors in the region. The new situation in Russia after the Soviet Union has resulted in a very large part of the Russian fish catch being delivered and sold to the fish-processing industry in northern Norway, leaving the processing industry in Murmansk underemployed. On the other hand, fish is also a large export article the opposite direction, constituting (in 1995) more than one third of total Norwegian export to Russia (Maurseth 1996, p. 111). However, it is important for the Norwegian fish-processing industry to be prepared for the possibility that this favourable situation will come to an end in the not too distant future. A renewal and modernization of the Russian trawler fleet and processing plants will inevitably result in decreasing deliveries of Russian fish to Norwegian processing industry.

Finland had a special position in economic interaction with the Soviet Union through the treaty of 'Friendship, Cooperation and Mutual Assistance'. The downfall of the Soviet Union led to a sharply negative development in Finnish-Russian economic relations, and resulted in a crisis for the Finnish economy. The Soviet Union left Russia with a substantial trade debt to Finland (FIM 7 billion), and this debt is an obvious hindrance to credit and aid to Russia from Finland at the present time. (Svensson 1995, pp. 59-64).

In the beginning of the 1990's Finland, Norway and Sweden all implemented action programmes with quite large sums of funding to support a democratic and economically sustainable development of the transition process in Russia and Eastern Europe. Sweden placed first priority on Poland and the Baltic states, Finland placed highest priority on the Baltic states with Estonia as the most favoured, while Norway placed Russia and especially Northwest Russia highest on the list<sup>38</sup>. Economic interaction is an important focus of these programmes, but strongest emphasis has been placed on a sector that indirectly benefits economic development, i.e. environmental measures including cleaning and development of "clean" industrial activity (not very successful so far<sup>39</sup>). The Norwegian programme has in particular supported individual Norwegian firms and organisations directly with funding in their establishment of relations with counterparts in the target regions, while the Swedish and Finnish funding concentrated more on providing macro-economic support. (Svensson 1995, pp. 60-64).

Northwest Russia is a potentially very large market for Nordic exports as well as a potential arena for investments. After the enthusiasm of the early 1990's, investment by Scandinavian companies

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<sup>38</sup> "Norway, the driving force behind the Barents initiative, has pumped NKr.1.3bn (\$175m) into Russian development since 1993. Sweden and Finland have also allocated substantial sums." (McIvor 1997, p. 3).

<sup>39</sup> "...environmental projects have been less successful. Progress in easing the severe environmental problems on the Russian side - one of the main triggers behind the Barents accord - has been slow. The part of Russia covered by the Barents initiative suffers from radioactive contamination as well as industrial pollution." (McIvor 1997, p. 3).

stagnated, but is now looking up as the more serious companies with long-term interests are increasingly arriving in the region (McIvor 1997, p. 3). In spite of the fact that very many Russians are struggling to maintain the same living standard that they had in the Soviet Union, and in spite of the economic crisis in Russia so far in the 1990's, the opening of the Russian economy in the 1990's has resulted in a steadily increasing segment of the Russian population with buying power at a level equal to the middle and upper classes of Western Europe<sup>40</sup>. So apart from the Nordic efforts in relation to Russia being a way of securing stable relations with their mighty neighbor from a national security point of view, they may also be seen as a way of securing new markets for own exports.

The level of Japanese economic interaction with Russia was higher in the 1970's than it is today, the result of the Japanese government having linked the Northern Territories issue closer to economic interaction during the course of the 1980's. The change in Japanese perceptions in this sector may have to do with adverse experiences from the 1970's, but are also rooted in the tougher climate of the Cold war in the early 1980's. In spite of the changed political situation in Russia and internationally in the 1990's, the Japanese scepticism with regard to economic cooperation with Russia remains at the same level as in the previous decade. Japanese commerce and industry do not perceive very many attractive business and investment opportunities in the RFE and Siberia at this time, due to what they perceive as a very unpredictable and unsafe business environment<sup>41</sup>. According to a survey of major Japanese companies trading with Russia the major obstacles to increased trade between the two countries are "*...problems of nonpayments, political and economic instability, legislation unsteadiness, backwardness of the infrastructure.*" (Rodionov 1994, p. 7). Japanese culture prizes predictability and a feeling of security, elements that Russian society at present cannot provide. In a RFE context, in spite of the Association of Economic Coordination for the Far East and Zabaykalye, Japanese companies experience a lack of coordination between the different Russian regions<sup>42</sup>.

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<sup>40</sup> In spite of the economic crisis in the same period, the number of cars and telephones in relation to the population have increased with 50% and 11%, respectively, since 1990. (OECD figures from 1995, cited in Maurseth 1996, p. 115).

<sup>41</sup> The list of largest foreign investors in Russia in 1995 has the economic superpower on a modest 10th place. The number one is the USA (US\$ 385.6 mill. - 27.5%) followed by Germany (US\$ 276.2 mill. - 19.7%), with Japan (US\$ 44.4 - 3.2%) behind small European countries like Austria (5.4%), Belgium (5.2%) and Finland (3.6%). (Barentsnytt February 1996).

<sup>42</sup> During a visit by a large Japanese delegation (including the Keidanren - Federation of Economic Organizations - and the Chamber of Commerce and Industry) to Primorski, Khabarovsk and Sakhalin the Japanese were struck by the uncoordinated positions of the representatives of the three regions: "*...the head of the Japanese delegation, when in Khabarovsk, couldn't help making a figurative comparison of the generalized efforts of three regions with the construction of three bridges separately across the same river, each being slightly shorter than the width of the river itself.*" (Rodionov 1994, p. 8).

South Korea and Russia normalised their diplomatic relationship in June 1990, resulting in, amongst other things, a three-year loan package totalling US\$ 3 billion from Seoul to Moscow. Trade between the two countries doubled from 1989 to 1991 (US\$599 to US\$ 1.2 billion) and ambitious plans for South Korean investments in the Soviet Union (car and truck production and a natural-gas pipeline from Siberia to South Korea) were made. With the downfall of the Soviet Union the political advantage for South Korea of the new-found relationship (containment of North Korea) disappeared, and the optimism regarding investments in Russia faded away due to Russian tax laws, conflicting federal government decrees and environmental claims (Lilley 1994, p. 77). Russia was not able to pay back its debt stemming from the loan package from 1990 and trade fell to US\$ 859 million in 1992. The heavy South Korean investment in Siberia and the RFE has not come about, the South Korean business community choosing to concentrate primarily on trade (which in fact increased to US\$ 2.2 billion in 1994). (Lee 1995, p. 28-30). Russian-North Korean trade and economic interaction has been virtually non-existent<sup>43</sup> compared to the pre-1990 situation. Russia is trying to regain a friendly, but realistic relationship with North Korea, hoping that the proposal for an international economic zone at the mouth of the Tumen River (the border between the two countries), in a trilateral cooperation including China, will help in this regard.

Chinese-Russian economic relations during the last few years have been based on exports of Russian high-technology weaponry to China, and the export of Chinese consumer goods and foodstuffs to Russia. Trade between the two countries reached an all-time high of US\$ 7.7 billion in 1993, falling to US\$ 5 billion in 1994. (Ferdinand 1995, pp. 8-9). The prediction is that the total trade figure will exceed US\$ 7 billion in 1997 (Quinn-Judge 1997b, p. 16). China has good reason to be happy with the situation of weapons technology being so readily available from an earlier arch-enemy.

#### **4.2. *The Russian View***

Russians in general have mixed feelings toward economic interaction with Western countries. Even among the segments of the population that definitely favour opening up economically to the West there is a perception that most foreigners are in Russia to “buy everything for nothing or next to nothing”. The most sceptical parts of the population are convinced that the West is out to destroy Russia’s industrial capacity by competing it to bankruptcy or even buying the key industries with the clear aim of getting rid of troublesome competitors. 74 years of plan economy has made it hard for Russians to understand the workings and logic of market economies, and the

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<sup>43</sup> An exception being the North Korean-run logging camps in the RFE where approximately 7,000 North Korean loggers work for a salary that is a pittance even in today’s Russia. Pyongyang and Moscow signed an agreement in February 1995 granting the North Korean loggers the same treatment as Russian workers. However, allegations of slave-like conditions continue. (Akaha 1996, p. 103).

notion that Western actors in the Russian market basically are after one thing, profits and a return on their investments.

In the beginning of the 1990's many Russians thought that Western money was only waiting to invest in Russia. But as shown above, the Western (including Japan and South Korea) business actors are sceptical to long term engagements and investments in Russia due to the uncertainty of both the economy and the political/legal system. They prefer to concentrate on trade with short term profit, waiting with heavy long term industrial investments to a point in the future when at least the legal security of their investments will be satisfactory. Russian regional leaders in the north are baffled by this attitude, and continue to believe and hope that the sheer amount of natural resources waiting to be extracted will attract the necessary foreign funding and investment. It is quite natural that the early optimism in Russia regarding foreign investment is being replaced by resentment and sceptical attitudes towards Western businessmen and their motives for doing business in Russia.

An example of Russian industry actually losing out in competition with industry in a neighboring country is found in Murmansk. The outdated fish processing industry in Murmansk is losing the competition for Russian fish catches to the north-Norwegian processing plants. In Norway the Russian fishermen receive payment on delivery, while in Murmansk they may have to wait for a long time with no guarantee of ever receiving payment. The complicated Russian tax system as well as the fact that customs duty is much higher in Russia than in Norway are additional factors listed to explain the situation by the deputy director of what was once the largest fish processing plant in Russia. The deputy director, Mr. Grigorij Skrylnik, also mentions that petrol and oil for the fishing vessels is cheaper in Norway than in Russia, and that repairs are more readily available in Norwegian shipyards because of the difficulties in obtaining spare parts in Russia. Mr. Skrylnik asserts that in spite of the fact that Norwegian fish products are more abundant than Russian products in Murmansk's stores at the present time, the Russian consumer actually prefers the Russian products.<sup>44</sup> (Seierstad 1997b, p. 24).

Russians in the RFE have trouble understanding Japanese business practice. In meetings with potential Japanese business partners Russians become impatient and perceive the Japanese as not interested in doing business with them. This is because Japanese business culture is long-winded and formal - very occupied with doing things correctly in the right order. The Japanese are persistent in raising problems of nonpayment, problematic infrastructure, instability etc. with their Russian counterparts - resulting in the Russians perceiving the Japanese as unwilling to cooperate

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<sup>44</sup> The Russian consumers may prefer the Russian products. The Norwegian journalist in question could not, however, agree personally to this assertion at all after having tried comparable Russian and Norwegian processed herring products....



and not really interested in doing business. According to a Russian analyst Russian enterprises do not do the necessary “homework” in finding out about Japanese economy, business practice, decisionmaking, or detailed information about specific companies. The Russian reasoning is that since the natural resources are Russian it is up to the Japanese side to do the necessary homework to make cooperation work. (Rodionov 1994, p. 7).

The sceptical RFE attitude to Chinese immigration and trade is not matched by Moscow. Moscow has again taken the driver’s seat in economic relations with Beijing. The leaderships in the two countries have recently agreed to establish cooperative structure of commissions and working groups headed by twice-yearly meetings of prime ministers, the purpose of the structure being to develop cooperative projects within oil and gas production, electroenergy and transport. (Quinn-Judge 1997b, p. 15). Moscow is obviously hoping that it will be easier to develop cooperative economic relations with a state-controlled economy in China than with Japan and South Korea. The marked difference between Moscow and the RFE in perceptions of relations with China illustrates the centre-periphery issue in Russia very well and confirms the tendency of Moscow now trying to regain some of the control over outlying regions (at least the ones that are acting against what Moscow perceives as national interests) that was relinquished in the beginning of the decade.

The question of centre-periphery control aside, it seems rational for the RFE to further explore the possibilities for strongly increasing the import and export from/to the Pacific region instead of hoping that the presently prohibitively expensive transportation with the Trans-Siberian Railway to European Russia will become cheap and commonly available again. The reorientation towards Asia and North America is a development that is already well under way but that cannot be properly developed before the authorities in Moscow decide to support the concept wholeheartedly<sup>45</sup>.

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<sup>45</sup> There are signals from Moscow that confirm that the leadership has begun to think in these terms: “*Speaking to a symposium on improving Russian-Japanese relations, Foreign Minister Yevgenii Primakov said that the days when ‘all the economic ties of our Far East passed through Moscow’ are gone, ITAR-TASS reported on 13 September. Primakov said Russia’s regions should be given both the legal and material means to manage their own foreign economic relations, especially since the Asian-Pacific region will be the world’s most important political and economic area in the 21st century.*” (Belin 1996). A concrete development that supported this policy statement by the foreign minister came in October 1996: “*The government’s agent for grain imports, Roskhleboprodukt, began negotiations with Canadian firms on delivering grain to Russia’s Far East, ITAR-TASS reported on 16 October. Deputy Prime Minister Alexander Zaveryukha explained that in some parts of the country importing grain is cheaper than transporting it from central Russia. He also noted that the volume of grain imports will be determined locally.*” (Gurushina 1996).

## **5. Conclusion - Similarities and Differences in Russia's Foreign Relations with its NSR Neighbors - Lessons to be Learned?**

As recounted in the previous pages of this report there are obviously both many similarities and differences in the relations/perceptions that Russia has with/of its neighboring states at both ends of the Northern Sea Route. In the following the important likenesses and differences will be briefly compared with a view to identifying any possible lessons for the countries and regions involved. The most obvious case that comes to mind is how Japan can learn from the Barents Region experience in handling its difficult relations with Russia. Norway and Japan have many factors in common in their relationships with Russia such as common fishing interests, a territorial dispute and the fact that they are situated in the close vicinity of the two largest Russian military fleets, the Northern Fleet and the Pacific Fleet. Norwegian Deputy Foreign minister Ms Siri Bjerke noted after a visit to Tokyo in the spring of 1997 that Japan intended to use Norway's experience with the Barents Region cooperation as a model for extended dialogue and contact with Russia (Fyhn 1997).

### ***5.1. Similarities and Differences in the Cultural Dimension***

Due to a relatively similar culture, the three Nordic countries have quite common perceptions of Russia and Russian culture and behaviour and vice versa. In Northeast Asia, on the other hand, it is quite safe to say that the Asian countries in Russia's proximity are culturally very different from each other and are indeed perceived to be so by Russia. Japan, China and the Koreas are so culturally and historically different from each other that they look at Russia from three different viewpoints.

We have seen that both from an Asian and a Nordic viewpoint Russians are considered to have a low work ethic and a lack of respect for time as an expense in business dealings. The Russian bureaucracy is seen as arbitrary and inconsistent. In general, Russian society stands forth as somewhat anarchistic in the eyes of foreigners, especially seen from the well-organised Japanese culture. It is my firm impression that the Japanese culture must be one of the cultures in the world least resembling the Russian one. However, in a political sense, the Russian and Asian cultures have historically shared a tradition of strong government and social order, without that being enough for them to fully understand each other's cultures. To some extent Russia and the Nordic countries have a European cultural heritage in common, as well a history of northern relations going back several hundred years. Many Russians also have a tendency to look askew at ethnic groups very different in appearance from themselves. From the Russian side the Nordic countries are therefore culturally seen as being less different from Russia than the East Asian neighbors.

Summing up, it can safely be said that in spite of some common denominators both ways, Russian culture different from both the East Asian and the Nordic (European) cultures.

### ***5.2. Similarities and Differences in the Politico-Security Dimension***

After the end of the Cold War the perceived military security threat from Russia has greatly diminished as seen from both East Asia and the Nordic countries. In the Far East Japan is the most wary due to the seemingly endless dispute with Russia over the Northern Territories/Kurile Islands. But even Japan does not view Russia as an immediate military threat in any way. China will always have a long common border with Russia and will therefore never completely discount the Russian threat, but at the moment Beijing enjoys very good relations with Moscow and is investing extensively in Russian weapons technology to upgrade its military forces.

While the Nordic countries do not perceive any imminent military threat to their security from Russia, they regard Russia as a threat to their security in the environmental arena. The environmental threat in Northwest Russia is first and foremost a threat to the nature and people of the region itself, but it is natural that the neighboring Nordic countries view unsafe nuclear plants, nuclear waste, and heavily polluting metallurgical industry as a threat to their territory and population as well. However, the environmental threat is commonly perceived by Russia, and by Norway, Sweden and Finland, and as such is a common problem that can be solved through cooperation.

The unstable political and economic domestic situation in Russia is in fact what both the Asian and the Nordic countries see as the biggest potential threat to their security. A worst case scenario being the upsurge of a strong nationalist/communist movement in Russia that perceives the rest of the world as hostile to Russia, giving rise to a new “Cold War”.

The population of the RFE harbour the most serious threat perceptions on the Russian side, specifically in their fear of illegal immigration from Northeast China. At the moment Moscow perceives neither the Nordic countries nor its East Asian neighbors as security threats of any kind, being pre-occupied with domestic problems and the ex-Soviet republics.

### ***5.3. Similarities and Differences in the Economic Interaction Dimension***

We have seen that Western (including Japanese and South Korean) companies for a large part have very similar experiences when doing business in Russia. The business environment in Russia is perceived as being unsafe, with both unpredictable rules and regulations and unsavoury business

practices by Russian business actors. The general lesson for Western companies has therefore been to concentrate on trade with Russia at the present time, and refrain from investing in the long-term industrial projects and ventures that the Russians hope for. One exception to the rule of not having a long term perspective seems to be the present active (but still waiting) role of American and other Western oil companies (including Statoil and Norsk Hydro from Norway and Neste from Finland) in Russia. The oil and gas resources in Siberia are so vast that the oil companies feel that they cannot afford to stay out of the country, in spite of the many problems they encounter (Bjørnevoll 1997, p. 24).

In spite of the similar experiences, it seems that at least the Japanese and Nordic business actors have a somewhat different approach to doing business in Russia. As related in Chapter 4, the Japanese are very particular and safety-oriented when exploring business opportunities in the RFE, while many Norwegian businessmen are far too trusting and impatient and have a tendency to pick less than respectable Russian business partners. After initial optimism among South Korean investors in the beginning of the 1990's with regard to investments in long-term industrial and infrastructural projects in the Russian Far East and Siberia, the South Koreans have also found it prudent to concentrate for the time being on trade. Chinese and Russian federal authorities are turning to the methods of the past and are attempting to promoting further trade and investment between the two countries through top-heavy centralized cooperation in commissions and working groups.

In Russia the scepticism towards foreigners is widespread in many parts of the population. Many Russians say that they "want Western money but not Westerners". There is a concrete fear of selling out Russia's resources to foreigners. Business transactions with foreign companies are regarded as zero-sum games, where what one party wins the other party necessarily must lose. There is little understanding for synergy effects, and the perception is that foreign companies interested in investing in Russia have the intention of extracting larger values than they will leave in Russia. (Bjørnevoll 1997, p. 29).

#### ***5.4. Lessons to be Learned?***

Are there any lessons to be learned from all of the above? Can Russia and Japan find a solution to the issue of the disputed islands by applying the experiences of Norwegian-Russian relations? Is a Barents Region-like concept viable for Northeast Asia?

It is abundantly clear that Russia's relations with its NSR neighbors in the east and west, respectively, are very different in many ways. The reasons for this are complicated, rooted in history, culture and not least geopolitics (China and Japan are large international powers, while the

Nordic countries are small and “harmless”). Suffice to say that the relations in the Barents Region represent a completely new approach by Russia in foreign relations with Western countries, while the relations in Northeast Asia are still all bilateral. Even if the Barents Region had not come about, the Nordic countries would have had better and more open relations with Russia than Japan has.

Norway and Russia handled bilateral relations very well during the whole Cold War period despite the fact that Norway was a strategically important NATO member with the Soviet Northern Fleet very close to its territory. The territorial issue in the Barents Sea after Norway and the Soviet Union declared new 200 nautical mile economic zones in 1976 has been under negotiation between the two states ever since, but the important thing is that a temporary mutual understanding regarding the utilisation of the disputed sea territory has been in place and is still functioning. The most important part of the above understanding is the “Mixed Norwegian-Soviet (now Russian) Fisheries Commission”, an agreement that regulates the setting of yearly fishing quotas in the Barents Sea based more or less on the recommendations of cooperating Norwegian and Russian scientists. The management regime includes extensive cooperation to control that the actual catches do not exceed the set quotas. (Hønneland 1994, pp. 500-503). The Russo-Japanese fisheries relationship is not as harmonious<sup>46</sup> as the Russo-Norwegian arrangement, largely because of the Northern Territories/Kurile Islands issue, but it is “muddling through” in a pragmatic manner. At the end of 1994 there was a movement towards the negotiation of a fisheries pact that would have allowed Japanese fishing boats to operate in the waters of the islands, but these negotiations came to nothing because Japan declined to accept any rights because that might be taken as a sign that Japan accepted de facto Russian sovereignty over the islands (Monitor, 1 September 1995).

Another Norwegian- Russian relationship that should be of interest to Russo-Japanese relations is the Svalbard experience. Norway has sovereignty over the Arctic archipelago of Svalbard, but according to the Svalbard Treaty of 1920 all signatories to the treaty have the right to freely indulge in trade and industry on the islands. The Soviet Union at one time operated three coal mines in three different settlements on Svalbard, Soviet citizens constituting the majority of the population on the islands. Now the Russian activity has been reduced to two mines (soon to be only one) and Norwegians are in the process of taking over the population majority on Svalbard. The reason for mentioning Svalbard here is that it may be possible to use the Svalbard model as inspiration in working out a pragmatic solution to the disputed islands issue between Japan and Russia.

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<sup>46</sup> Japanese fishing vessels regularly venture into the territorial waters of the disputed islands and are occasionally shot at by Russian border guard vessels, sometimes even resulting in physical injuries to fisherman and the sinking of fishing boats (Foye 1994 and Clarke 1996).

It does not seem very probable that a regional cooperative effort in Northeast Asia based on the Barents Region model will come to pass or even be proposed by any of the states in the region. For that to happen the Japan-Russia relationship will have to make significant steps in a positive direction, entailing movement in the Northern Territories/Kurile Islands issue towards a new arrangement of some kind. The Korean question must also find some workable solution. That being said, it should be possible some time in the future to construct a multilateral regional cooperation in northern Northeast Asia. Hokkaido, the Dongbei and the RFE are all northern peripheries in their respective countries, and as such have common interests. The RFE entities need to develop the working relationships with their neighbors both as a part of the effort to become more independent of central steering from Moscow and as a part of raising the Russian Federation's profile as an Asian country as well as European.

What has this report contributed to the INSROP programme? Nothing at all in the way of direct knowledge about the Northern Sea Route. But in my view it is important to be aware of the content of Russia's political relations with its NSR neighbors as a part of the total INSROP programme. Based on the information identified in this report it is easy to understand why the development of the NSR towards international commercial use is imminent in the western part of the route bordering on the Barents Region, while both regional use of the NSR in the eastern sector as well as transit is much further in the future, as is Northeast Asian regional cooperation.

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INSROP DISCUSSION PAPER  
PROJECT IV.2.3b

Russia and its NSR Neighbours in Northeast Asia and the Barents Region: a comparative view of relations and perceptions  
by Henning Simonsen

Comments by Clive Archer

This is a good over-view of the subject that completes what it sets out to do. If anything, it attempts too much in a short space and, for example, Russian perspectives (2.2) are bound to be a taste of such views. Nevertheless it does give guidance on the relations between the countries involved and on the important centre-periphery relations.

On p.27 it should be noted that Norway is now putting more resources into Baltic cooperation. This may reflect the relative failure of Barents cooperation to go beyond a Russo-Norwegian bilateral relationship and/or it may be a result of Norwegian firms spreading their wings in the Baltic. However, the key to Norwegian policy in both areas is a fear of marginalisation - not so much by Nordic neighbours but by their own geography (being maritime as well as Nordic) and by their own choice in staying out of the EU.

The section on pp.30-2 provides an interesting insight into doing business in Russia.

This work has captures something of the perceptions and has also dealt with the substance of relations at each end of the NSR. It is a successful study as it provides a political and cultural backcloth for the project.

## The three main cooperating institutions of INSROP



### **Ship & Ocean Foundation (SOF), Tokyo, Japan.**

SOF was established in 1975 as a non-profit organization to advance modernization and rationalization of Japan's shipbuilding and related industries, and to give assistance to non-profit organizations associated with these industries. SOF is provided with operation funds by the Sasakawa Foundation, the world's largest foundation operated with revenue from motorboat racing. An integral part of SOF, the Tsukuba Institute, carries out experimental research into ocean environment protection and ocean development.



### **Central Marine Research & Design Institute (CNIIMF), St. Petersburg, Russia.**

CNIIMF was founded in 1929. The institute's research focus is applied and technological with four main goals: the improvement of merchant fleet efficiency; shipping safety; technical development of the merchant fleet; and design support for future fleet development. CNIIMF was a Russian state institution up to 1993, when it was converted into a stock-holding company.



### **The Fridtjof Nansen Institute (FNI), Lysaker, Norway.**

FNI was founded in 1958 and is based at Polhøgda, the home of Fridtjof Nansen, famous Norwegian polar explorer, scientist, humanist and statesman. The institute specializes in applied social science research, with special focus on international resource and environmental management. In addition to INSROP, the research is organized in six integrated programmes. Typical of FNI research is a multi-disciplinary approach, entailing extensive cooperation with other research institutions both at home and abroad. The INSROP Secretariat is located at FNI.

