

*A.K.M. Abdus Sabur*

## GORBACHEV'S POLICY TOWARDS THE ASIA-PACIFIC REGION

### Introduction

The accession of relatively young, dynamic and innovative Mikhail Gorbachev to the post of General Secretary of the Central Committee of the Communist Party of the Soviet Union (CPSU), the top decision-making position in the USSR, led to wide speculations regarding possible changes in Soviet domestic and foreign policy. The sterility of the final years of Breznev's tenure, his heavy-handed foreign policy and the lack of effective leadership following his death have had some significant consequences for Soviet Union affecting almost all spheres of life. Internally, Gorbachev inherited a stagnant economy, an obsolete technology and a decaying system of management. There was a notable decline in work discipline and morale of a significant part of working force including the officialdom. On the other hand, Kremlin was involved in a new spiral of arms race with the US. Its economic relations with the West has also been severely disrupted. The total cost of maintaining Soviet allies rose from between \$ 13.6 billion and \$ 21.8 billion in 1971 to between \$ 35.9 billion and \$ 46.5 billion in 1980.<sup>1</sup> In addition, Soviet extraordinary activism in the Third World, particularly, its military involvement in Afghanistan made it virtually

---

1. Francis Fukuyama, *Moscow's Post-Brezhnev Reassessment of the Third World* (Rand/R-3337-USDP. The Rand Corporation, Santa Monica, 1986), pp. 1-2.

isolated in international arena. The significance of all these developments for the USSR have been indicated by Gorbachev as he said "what is at stake today is the ability of the Soviet Union to enter the new millennium in a manner worthy of a great and prosperous power."<sup>2</sup> Faced with such predicament, Gorbachev initiated a series of economic and political reforms, widely known as "perestroika" and "glasnost". They are designed to restructure, revitalize and rejuvenate Soviet economic and political system so as to maintain the USSR's superpower status. In the international arena, Gorbachev appears to be in favour of the relaxation of tension which is conducive to the fulfilment of his domestic objectives and not detrimental to the fundamental strategic interests of the USSR.

Though domestic scene remains Gorbachev's prime concern, he has shown no less alert about the Soviet image in international arena. Since assuming office, he has been pursuing a foreign policy devoid of ideological rigidities and undue reliance on military force which had isolated the USSR in the world political arena. The USSR under Gorbachev is undergoing through a process of modification of its tactics and readjustment of its foreign policy in the context of the changing circumstances in international arena. The thrust of Gorbachev's "New Concept",<sup>3</sup> in diplomacy is to free the Soviet Union from the isolation and improve its strategic position through easing its relations with the countries concerned. Gorbachev has taken a number of new initiatives to redress some serious problems concerning a wide range of issues and geopolitical regions. Recent Soviet overtures towards Asia-Pacific region is an important component of his "new" foreign policy. In addition to sustained efforts to woo China, the USSR is also trying to normalize its relations with Japan. While maintaining its friendly relations with Indo-China, the Soviet Union

---

2. Quoted in Seweryn Bialer, Joan Afferica, "The Genesis of Gorbachev's World", *Foreign Affairs*, (Vol. 64, No. 3, 1986), p. 605,

3. Han Nianlog, "Views on the Current Situation in the Asia-Pacific Region", *Chinese Institute of Foreign Affairs Journal*, (No. 4, June 1987), p. 4.

is employing considerable efforts to improve its relations with the countries of ASEAN. Moreover, it is also courting Australia, New Zealand as well as the countries of Micronesia. The USSR has also modified its previous hardline and confrontational policy towards the US. In short, the Soviet Union is courting every country in the region irrespective of their socio-economic system and foreign policy orientation.

More important, the USSR is changing its approach and readjusting its policies towards the region so as to meet at least some of the grievances of the countries concerned. Over the last two years, a number of policy statements were made by the Soviet Union to this effect. Gorbachev's preparedness to revise Brezhnev's Asia-Pacific policy was first expressed in his address at a banquet for Indian Prime Minister Rajiv Gandhi in Moscow on May 21, 1985. In his report to the 27th Congress of the CPSU held in February 25, 1986 Gorbachev more precisely indicated a possible change in Soviet policy towards the region. Subsequently, on 24 April, 1986 the Soviet Government issued a statement on the Asia-Pacific region which reflected the official view on and policy objectives towards the region. Finally, on July 28, 1986, Gorbachev delivered an important speech in Vladivostok the principal focus of which has been the Asia-Pacific region. He indicated Soviet preparedness to pay due respect to and come to compromise both bilaterally and multilaterally with the countries of the region through certain degree of flexibility. He promised to contribute to the enhancement of peace, stability, mutual trust and mutually beneficial cooperation among the states of the region. Finally, he came forward with a proposal for a Helsinki-type conference with a view to establishing a comprehensive system of international security in the region. Thus recent Soviet diplomatic overtures and public pronouncements signalled a significant departure in Soviet policy towards the Asia-Pacific region from ideological rigidities and bipolarism of Brezhnev era to a more pragmatic, flexible as well as multi-pronged and comprehensive approach. However, the new policy is far from clear in its objectives, tactics and methods and in the degree of its preparedness to accommodate

with the current realities of the region. While Gorbachev's policies are bound to be a combination of continuity and change, the question how far and in which fields he is bringing about changes is less certain. All these made the new Soviet policy an object of intense discussions among the academicians as well as policy makers.

In this backdrop, an attempt would be made below to study Gorbachev's approach as well as practical policy towards the region with particular relevance to the main actors and issues concerned. The paper is designed firstly, to gauge the underlying reasons and the significance of new Soviet assertiveness in the region. An attempt is made to evaluate the change in Soviet policy in the region regarding main actors and issues concerned. Particular attention also would be paid to the reaction of concerned Asia-Pacific countries towards Gorbachev's overtures. Finally, an attempt would be made to assess the significance and possible outcome of Gorbachev's Asia-Pacific policy as well as its prospects for the future.

## I

### The Asia-Pacific Region in Gorbachev's Politico-strategic Perspectives

The Asia-Pacific region has emerged as one of the most important economic, commercial and geo-strategic centres of the present day world. It is a vast area washed by the waters of two oceans and currently populated by more than half of the mankind. It is an area where the interests of four great powers, the United States, the Soviet Union, Japan and China interact. Besides, there are a number of large countries like Canada, Australia, New Zealand, India, Indonesia, Bangladesh, Afghanistan, Pakistan, Vietnam, the Philippines, Thailand, Singapore and others who play important roles in international relations and world economy. The region occupies an important strategic position at the crossroads of dozens of major sea and air routes.

Since the World War II, the region has been undergoing a dramatic transformation. The countries of the region, gifted with

abundance of mineral, power and other natural resources witnessed spectacular growth in their economies, technological and scientific development parallel with the deepening of their economic cooperation and interdependence and rapid increase in their share of world trade. The region already accounts for over half of the global industrial output and almost one-third of international trade.<sup>4</sup> Great strides in transportation and communications spectacularly expanded cultural, economic, scientific and technological exchange among the nations of the Pacific. All these factors are increasingly shifting the balance of importance from the Atlantic Ocean to the Pacific Ocean setting the stage for the 'Age of the Pacific'.<sup>5</sup>

To highlight the significance of the growing importance of the Asia-Pacific region a renowned Soviet academician Mikhail S. Kapitsa quoted Karl Marx, who wrote over a hundred years ago that "the Pacific is the Ocean of the future, around which human life will concentrate, just as the Mediterianean was in the ancient times and the Atlantic Ocean at the time of the Industrial Revolution".<sup>6</sup> The Soviet Union can not remain unprepared to that future while it is the largest in terms of territory and one of the largest in terms of population Asia-Pacific power. About two-thirds of Soviet territory lies in Asia.<sup>7</sup> It's thirty five percent of population live in the continent.<sup>8</sup> Soviet 12,000 miles of Pacific coastline is the longest of any state overlooking the Pacific basin.<sup>9</sup> Another important factor, Siberia with its abundant mineral and natural resources is expected to play a vital role in the economic development of the USSR during the

4. Mikhail S. Kapitsa, "Soviet initiatives for peace in Asia-Pacific" *India International Centre Quarterly*, (Summer 1987), p. 37.

5. Saburo Okita, "The Outlook for Pacific Co-operation and the Role of Japan", *The Indonesian Quarterly*, (Vol. XV, No. 3, 1987), 494,

6. Mikhail S. Kapitsa, *op cit.*, p. 37.

7. O.N. Mehrotra, "Gorbachev's Foreign Policy", *Strategic Analysis*, (Vol. XII, No. 1, April 1987), p. 31.

8. *Strategic Studies*, (Vol. IX, No. 4, Summer 1987), p. 3.

9. O.N. Mehrotra, *op, cit.*, p. 31.

decades to come. It will dictate the necessity of cooperation with the Asia-Pacific countries both for technology and market. However, Leonid Brezhnev left the USSR at odds with almost everyone in the region. Therefore, the improvement of Soviet relations with Asia-Pacific countries became one of the important tasks of Gorbachev's foreign policy.

In recent years, the USSR has reinvigorated its efforts to be recognised as an Asia-Pacific power. The statement of the Soviet Government on the Asia-Pacific region published on April 24, 1986 regarded the USSR as "one of the most important power in Asia and the Pacific".<sup>10</sup> In Vladivostok, Gorbachev repeated that "the Soviet Union is also an Asian and Pacific country".<sup>11</sup> The Soviet claim to be an Asian Power is as old as the Soviet Union itself. All Soviet leaders, Leonid Brezhnev in particular, echoed Lenin's claim that "geographically, economically and historically Russia belongs not only to Europe but also to Asia".<sup>12</sup> Gorbachev in his Vladivostok speech also repeated the same arguments. He however added some new contents to the claim. First, while Brezhnev took for granted Soviet Union's standing as an Asian power and wanted every body recognise the reality, Gorbachev appealed to the Asia-Pacific countries to accept the Soviet Union as an Asia-Pacific country and he seems to be prepared to discuss the price to be paid by his country for such an acceptance. It was evident in his comparatively flexible approach to Afghanistan and Kampuchea issues. He was aware of Soviet image in the region and sought to pacify the grievance of the Asia-Pacific countries concerned by declaring that "our interest is not a claim to privileges and special position, not egoistic attempts to strengthen our security at some one else's expense, not a search for benefit to the

10. *Pravda*, April 24, 1986.

11. "The Voldivostok Speech", *Strategic Digest*, (September 1987), p. 1737.

12. Vladimir Lenin, *Polnoye Sobraniye Sochineniy* (Complete Collected Works), 5th ed. Gospolitizdat, Moscow, 1962, Vol. 30, p. 326.

detriment of others....We are in favour of building together new, fair relations in Asia and the Pacific".<sup>13</sup>

Second, the new policy is a significant departure from the bipolarism and ideological rigidities of the past. Brezhnev intended to deal largely, or even solely with the United States in Asia, while paying little regard to the realities of the region where China, Japan and the countries of ASEAN also play an important role. While recognising the crucial role played by the United States, Gorbachev is employing vigorous efforts to establish and improve its relations with all other countries who matter in regional and international affairs. At Vladivostok, Gorbachev made it clear that "the Soviet Union will seek to lend dynamism to its bilateral relations with all countries situated in the region without exception".<sup>14</sup> He also tended to de-emphasise the ideological differences and employed efforts to court every one irrespective of their ideological orientation. More important, there was no mention of Soviet support for the cause of national liberation movements.

Finally, the new Soviet Asia-Pacific policy seems to be a new thrust in favour of economic considerations as distinct from the traditional preoccupation with political and security concerns. Gorbachev has however brought very little, if any, change in Soviet military policy in the region and in terms of military build up in the region he is indeed continuing the course of his predecessors. The Soviet Union under Gorbachev has not hesitated to build up its military capabilities and those of its allies in Asia, nor it has shown any sign of retrenchment from its overseas military strongholds. Only exception may be recent Soviet decision to withdraw a division of troops from Mongolia—a concession to China—which is unlikely to affect super-power military balance in the region.

Gorbachev has however brought some changes in Soviet perception of security in general and that in the Asia-Pacific region

13. "The Vladivostok Speech", *op. cit.*, p. 1739.

14. *ibid.*, p. 1738.

in particular. He is de-emphasising the role of military factor in Soviet foreign and security policies. The strategic military parity between Warsaw pact and NATO has long been regarded as a "guarantee" for international peace, but, the new CPSU Party Programme has redefined it as merely one 'factor' among others.<sup>15</sup> Gorbachev appears to have uncovered new threats to peace and security, including economic insecurity, environmental hazards and industrial pollution.<sup>16</sup>

With regard to Asia-Pacific region, Gorbachev came forward with a number of concrete proposals aimed at both reducing military confrontation as well as establishing a code of conduct for the maintenance of regional peace and the enhancement of mutually beneficial cooperation. His proposals included : non-use of force and peaceful settlement of conflicts and the mutual reduction of nuclear as well as conventional capabilities. He also endorsed regional initiatives for the creation of the Zones of Peace in the Indian Ocean, Southeast Asia and Korean Peninsula. He also proposed to undertake measures for security in the sea lines and to reduce superpower naval activities in the region. Finally, he came out with a proposal for an Asia-Pacific Security Conference in the mould of Helsinki Conference, to be attended by all countries gravitating towards the Ocean. He proposed Hiroshima as its possible venue. As he envisages, the proposals are designed to integrate the Asia-Pacific region into the general process of establishing a comprehensive system of international security.<sup>17</sup>

---

15. Yukata Akino, "Gorbachev's New Policy towards Asia" *The Indonesia Quarterly*, (Vol. XV, No. 3, 1987), p. 421.

16. *Far Eastern Economic Review* August 14, 1986, p. 32.

17. For details on Gorbachev's proposals, see "The Vladivostok Speech", *op. cit.*, pp. 1737-41 ; and "Mikhail Gorbachev's Interview to Indonesian Newspaper 'Mardeka'," *Strategic Digest*, (September 1987), pp. 1721-23.



The Soviet Union has long advocated proposals for nuclear-free zones, non-aggression pacts, principles for peaceful co-existence and the like. The underlying principles of Gorbachev's proposal in substance are almost identical to those of Brezhnev's proposal for an Asian Collective Security System. The same principles have been incorporated into the Helsinki Final Act of the Conference on Security and Cooperation in Europe in 1975.<sup>18</sup>

However, Gorbachev's proposal, in terms of approach and scope appears different from that of Brezhnev. First of all, the proposal seems to be based on more realistic understanding of the region, complexity and diversity of its problems as well as difficulties of evolving a comprehensive security system for it. Gorbachev appreciated the diversity of the region in its traditions and its beliefs and called for "apt attention, study and respect".<sup>19</sup> He also indicated that the Soviet policy towards the region would be based on recognition and understanding of the realities existing there.<sup>20</sup> Second, he seems to be determined to break with bipolar world outlook of the Brezhnev era. He made it clear that he does not intend to deal solely with the United States and has showed due attention to China, Japan, the countries of ASEAN, Australia, and others and demonstrated preparedness to respect their interests. Gorbachev even went to the extent of recognising that "international relations cannot currently be built without regard for the interests of all states. There should be a balance of interests."<sup>21</sup> Third, in contrast to Brezhnev Gorbachev does not treat security in its military aspects alone. He put emphasis on other aspects of security, particularly economic aspects. He perceives "international economic security as being organic part of the concept of universal security" and links it with the

---

18. Hiroshi Kimura, "Soviet Focus on the Pacific", *Problems of Communism* May (May-June, 1987). p. 13.

19. "The Vladivostok Speech", *op. cit.*, pp. 1735-36.

20. *ibid.*

21. "Mikhail Gorbachev's Interview to Indonesian Newspaper 'Mardeka'," *op. cit.*, p. 1720.

"disarmament for development" principle.<sup>22</sup> Finally, in contrast to Brezhnev's Asian collective security plan which China suspected to be an attempt to isolate and encircle her, Gorbachev's plan does not exclude any country.

The response of Asia-Pacific countries to Gorbachev's overtures tended to be cautious, guarded and to a certain extent cool. The proposal for an Asia-Pacific Security Conference is being studied by carefully <sup>by</sup> the countries concerned. Some Asia-Pacific countries expressed skepticism regarding the relevance and viability of a Helsinki-type conference in the context of the existing realities in the region. Others suspected it to be a Soviet propaganda device. Particularly, Gorbachev's attempts to put the United States in the defensive by advancing such proposals which have appeal to the region but unacceptable to her did not escape Washington's attention. The regional countries by and large remain non-committal on their assessment of Gorbachev's intentions as well as their response to his proposal.<sup>23</sup> To sum up, the proposal generated interest among the countries of the region, but judgement is suspended pending actual Soviet action.

The proposed Hiroshima Conference is likely to remain a non-starter for many years to come. However, such prospects seem to be not disappointing for the Soviets. Recently, Kapitsa predicted that it may take 10, 15, or even 20 years for such a conference in Asia.<sup>24</sup> The thrust of Gorbachev's policy seems to be to settle political and security issues when it is possible and to learn to live with them when a solution is not within the reach, the main objective being to prevent political and security issues from blocking the development of bilateral and multilateral economic cooperation. Practical implementation of Gorbachev's policy—as in case of any big power's policy—would be a complex and multidimensional, and not infrequently,

22. *ibid.*, p. 1725.

23. For details on regional response see, *Far Eastern Economic Review* August 14, 1986, pp. 39-40; and *Asiaweek*, August 10, 1986, pp. 11-23.

24. *Far Eastern Economic Review*, August 14, 1986, pp. 32-33.

contradictory process leaving room for suspicion, misjudgement side by side with certain degree of optimism. Therefore, the study of current Soviet policy towards the Asia-Pacific region would need a careful examination of Soviet public pronouncements in the context of its practical policy regarding main actors and issues in the region.

## II

### China

Sino-Soviet relations began to improve following Brezhnev's appeal for a *rapprochement* in his speech in Tashkent in March 1982. However, the move was stalled due to the lack of flexibility on the part of both sides.<sup>25</sup> Gorbachev has added dynamism to the process of Sino-Soviet *rapprochement*. For him, there are obvious reasons to believe that China would be more susceptible to Soviet overtures than other two major powers in the region. First, China is more vulnerable to Soviet military might than the United States or Japan. Secondly, China has also economic compulsions to reduce its arms buildup along the Sino-Soviet border. China can expect significant benefits from Sino-Soviet economic cooperation. Moreover, China has little economic interests in the region to be challenged by the Soviets. Third, in recent years, China has signalled that its three conditions for Sino-Soviet *rapprochement* are not as rigid as they appear to be. Fourth, both the countries share similar socio-economic system. Therefore, both of them have something to learn from each other's experiences something increasingly realized by both the sides.<sup>26</sup> Last, but not the least, over the recent years, China has been pursuing a more or less independent foreign policy as distinct from undue reliance on and tilt towards the West.

25. For details see, A.K.M, Abdus Sabur, 'Sino-Soviet Relations: Quest for Rapprochement', *BISS Journal*, (Vol. 4, No. 2, 1983), pp. 48-68.

26. See, "The Vladivostok Speech" *op. cit.*, p. 1740; and Herbert J. Ellison "Changing Sino-Soviet Relations", *Problems of Communism*, (May-June 1987), pp. 25-26.

Over the recent years, Sino-Soviet relations developed more or less smoothly in the economic fields. Since 1982, annual trade between the two countries has increased three times to reach US \$ 2 billion.<sup>27</sup> Soon after the accession of Gorbachev to the top post, a five-year trade agreement was signed in June 1985 between the two countries envisaging a trade turnover of US \$ 14 billion.<sup>28</sup> Though relations between the two countries have improved markedly in the field of trade, scientific and technical cooperation, culture and sports, political deadlock continued due to what China terms the "three obstacles" in the way of the normalization of Sino-Soviet relations. The issues are: (i) Soviet arms buildup on the Sino-Soviet border and in Mongolia; (ii) the Soviet military presence in Afghanistan; and (iii) Soviet support for Vietnamese intervention in Kampuchea. In addition, there are a number of outstanding border issues between the two.<sup>29</sup>

Until recently, the Soviets resisted Chinese attempts to link these "obstacles" with the improvement of bilateral relations and refrained from discussing any concession on them as they affect the interests of third countries. Even at the 27th Congress of the CPSU Gorbachev said that the Soviet Union will not seek the improvement of Sino-Soviet relations if it was 'detrimental to third countries.'<sup>30</sup> Nonetheless, at Vladivostok Gorbachev offered concessions on at least two key issues. He indicated Soviet preparedness to withdraw "a substantial part of Soviet troops from Mongolia"<sup>31</sup> and expressed willingness to discuss with China "concrete steps aimed at proportionate lowering of the level of land forces".<sup>32</sup> He also announced the decision of Soviet

27. See, *Strategic Studies*, (Vol, IX, No. 4, Summer 1987), p. 4.

28. Herbert J. Ellison, *op. cit.*, p. 24.

29. See, A.K.M, Abdus Sabur, "Sino-Soviet Relations: Quest for Rapprochement", *BIISS Journal*, (Vol. 4, No. 2, 1983), p. 60.

30. *XXVII Syezd Kommunisticheskoy Partii Sovetskogo Soyuza: Stenographicheskly otchet* (Stenographic Record of the 27th Congress of the Communist Party of the Soviet Union), Politizdat, Moscow, 1986, Vol. 1, p. 95.

31. "The Vladivostok Speech", *op. cit.*, p. 1738

32. *ibid.*, p. 1741.

leadership to withdraw six Soviet regiments from Afghanistan.<sup>33</sup> In addition, Gorbachev also touched on the long-standing dispute over the demarcation of Sino-Soviet border along the Amur River. To the great surprise of outside observers, he agreed for the first time that the "official border might pass along the main ship channel"<sup>34</sup> as it was insisted by China. It is probably the only instance where the USSR has gone as far as to revise its national boundary to improve relations with its neighbour.

As a followup of Gorbachev's Vladivostok speech, the Soviet Defence Ministry announced on January 15, 1987 it will withdraw a division of troops from Mongolia from April to June, 1987.<sup>35</sup> Six regiments of troops have also been withdrawn from Afghanistan.<sup>36</sup> Chinese response to Soviet gestures has been mixed. Its stance on Afghanistan and Kampuchea issues remained unchanged.<sup>37</sup> Soviet flexibility on boundary issues and partial troops withdrawal from Mongolia presumably encouraged China to resume long-suspended Sino-Soviet border talks in February 1987, where both sides agreed to discuss the entire alignment of the boundary line between the two countries.<sup>38</sup> The signing of a Sino-Mongolian consular agreement soon after Gorbachev's speech is also meaningful.<sup>39</sup>

Over the recent years, the Soviet Union and China have gradually improved their bilateral relations which has been more visible in economic and trade relations and scientific and technical cooperation than in political and security matters. The Soviet Union is clearly making persistent efforts to normalize relations now, but China seems to feel

33. *ibid.*, pp. 1741-42.

34. *ibid.*, p. 1738.

35. O.N. Mehrotra, *op. cit.*, p. 30.

36. *ibid.*

37. See, Robert C. Horn, "Soviet Leadership Changes and Sino-Soviet Relations", *Strategic Digest*, (August 1987), pp. 1508-11.

38. Han Nianlong, *op. cit.*, pp. 2-5.

39. Gerald Segal, "Sino-Soviet Detente; How Far, How Fast", *The World Today*, (May 1987), p. 88.

the need to move cautiously making its own cost-benefit analysis of Sino-Soviet *rapprochement* particularly in terms of its relations with the US, Japan, ASEAN and others.

### Japan

In recent years—since Gorbachev's coming to power in particular—the Soviet Union is paying more and more attention to Japan. The Soviet press is now favourably disposed to the "land of the rising sun" and have carried out numerous articles underscoring Soviet need to "learn from the Japanese people's unique capability to creatively master technology."<sup>40</sup> Objectives behind recent Soviet attempts to court Japan are manifold. First, the Soviets can no longer afford to ignore the importance of Japan in world economy and international relations, not to speak about its role in the Asia-Pacific region. Now, the Soviet Union clearly realizes that it will have to mend its fences with Japan or at least reduce the strong anti-Soviet feelings among the Japanese in order to gain acceptability in the region. Second, as already mentioned, Gorbachev appears to be committed to enter the new millennium in a manner "worthy of a great and prosperous power". This would inevitably compel him to seek high technology from advanced capitalist countries. From strictly economic point of view, Japan could be the ideal choice. Third, the Soviet leaders in the past also has tried to attract Japanese cooperation in the development of Siberia and the Soviet Far East which are extremely rich in mineral and natural resources. Gorbachev has put more emphasis on it which has been reflected in the introduction of new laws in the Soviet Union allowing for the establishment of joint ventures with the advanced capitalist countries.<sup>41</sup> The Soviets expect that if political issues could be settled or bypassed, then technologically highly advanced but resource-starved Japan could easily be attracted to participate in the development of rich mineral and natural resources of Siberia and the Soviet Far East. Finally,

40. See, Hiroshi Kimura, *op. cit.*, p. 7.

41. *ibid.*, p. 14

there is a significant degree of complementarity between the economies of the two countries. Therefore, tremendous scope for mutually beneficial economic cooperation exists.

In contrast to Brezhnev, Gorbachev has been quick in grasping the significance of the emergence of Japan as an "economic superpower" and its increased role in regional and international affairs. In Vladivostok, he praised the accomplishments of Japan in industry, trade, education, science and technology and characterized it as a "power of front-rank importance".<sup>42</sup> Regarding the development of bilateral relations the Soviet leader emphasised on economic cooperation and came forward with a number of proposals, including the establishment of joint enterprises in adjacent and nearby regions of the USSR and Japan.<sup>43</sup>

However, like his predecessors Gorbachev also failed to offer any compromise regarding Japanese claim to "Northern Territories"—strategically important four islands of Hokkaido, comprising a total land area of about 4,996 sq. km.—occupied by the USSR during the Second World War. Japan remained suspicious in dealing with the Soviets and skeptic about Gorbachev's overtures. Nonetheless, high-level contacts have increased. Foreign Ministers of the two countries exchanged visits for the first time in the past decade. Exchange of top-level visits are under consideration. These developments has been identified by Gorbachev as "signs of a turn for the better".<sup>44</sup> The USSR continued energetically to encourage the expansion of trade and personnel exchanges with Japan. The year 1986 witnessed the signing of agreements on cultural cooperation and prevention of double taxation, as well as the resumption of scientific and technological ties.<sup>45</sup> In 1987, the Soviet Union modified its tough stance and reopened Habomai and Shikotan islands to the Japanese to pay tribute to the deceased of World War II.<sup>46</sup>

42. "The Vladivostok Speech," *op. cit.*, p. 1736.

43. *ibid.*, p. 1739

44. *ibid.*

45. See, Mikhail S. Kapitsa, *op. cit.*, p. 43

46. Han Nianlong, *op. cit.*, p. 2

Deadlock in political relations nevertheless continued as neither side has to offer any concession on the issue of the "Northern Territories". This remains the crux of the problem in Soviet-Japanese relations. Without the settlement of this issue, the Soviets can hardly develop meaningful economic cooperation with Japan. Gorbachev has also shown no sign of flexibility on the issue. He seems to be prepared to make almost any concession short of returning these four islands to Japan. Aware of the fact that the Japanese for their part would not be prepared to accept the Soviet position immediately, Gorbachev has embarked on a strategy of holding out hope that gradual improvement in bilateral relations would eventually lead to the return of the "Northern Territories". His compromise on Sino-Soviet border issues could also be designed to generate similar hope among the Japanese. In Japan as well there are people who see territorial return as a goal to be reached as a consequence of improved relations.<sup>47</sup> Such line of thinking, however, to-date could not have any influence on Japanese official policy towards the Soviet Union and its prospects also remain bleak.

### Southeast Asia

The Soviet Union under Gorbachev continued to maintain and expand its alliance relationship with Vietnam and Soviet objectives with regard to ASEAN are still conservative. The objectives are : (i) to prevent ASEAN from being transformed into an anti-Soviet block with security ties to the US ; (ii) to build normal, if possible, friendly state-to-state relations with the countries of ASEAN; (iii) to ensure unhindered passage for Soviet naval and merchant ships through the sea routes in the region and if possible to obtain harbour facilities in some ASEAN countries ; (iv) to expand economic relations with the regional states in order to secure access to markets and raw materials.

In view of the important role played by the countries of ASEAN in the economic and political matters of the Asia-Pacific region, the

---

47. Hiroshi Kimura, *op. cit.*, p. 9.



success of Gorbachev's recent initiatives to a certain extent would depend on ASEAN-Soviet relations. The dilemma facing Gorbachev in Southeast Asia is that the continuation of Soviet military assistance and diplomatic support to Vietnam on Kampuchea issue is alienating the ASEAN countries. On the other hand, if the Soviet Union stops its military assistance and diplomatic support to Vietnam, the alliance relationship would be meaningless for the latter and the very existence of the alliance would be at stake. No less important is the fact that the Soviet Union can not accept the military defeat of Vietnam, its only ally in a vast and strategically important region. Therefore despite the fact that Vietnam became a political liability for the Soviet Union in developing its relations with the ASEAN countries, Moscow judged it expedient to continue with its previous policy.

Since Gorbachev came to power, however, Soviet policy towards the ASEAN has become somewhat more activated and dynamic. In an effort to court ASEAN countries, Gorbachev in his Vladivostok speech, underscored only positive sides of ASEAN and expressed Soviet willingness to expand ties with Indonesia, the Philippines, Thailand, Malaysia and Singapore.<sup>48</sup> In recent years, the USSR has been increasing the exchange of visits of senior officials with ASEAN countries. In October, 1985 Soviet Deputy Prime Minister Ryabov visited Indonesia and Malaysia—Kremlin's chief policy targets in the ASEAN. He made efforts to strengthen ties with them through economic channels.<sup>49</sup> During 1986-1987 a number of high officials including Shevardnadze and Kapitsa visited the ASEAN countries.<sup>50</sup> The Soviets are trying to convince the ASEAN countries that Soviet participation in the economy of the Pacific region can be a blessing for them, which have been suffering both from US trade protectionism and from deficits in their trade with Japan.<sup>51</sup>

---

48. "The Vladivostok Speech, *op. cit.*, pp. 1738-40

49. Yukata Akino, *op. cit.*, pp. 425-26,

50. See, *ibid.*; and also, O.N. Mehrotra, *op. cit.*, pp. 33-34,

51. Yukata Akino, *op. cit.*, p. 426.

ASEAN response to Gorbachev's overtures depends on the perspectives of respective countries over Vietnamese intervention in Kampuchea, Soviet-Vietnamese alliance and Soviet activities in the region. Indonesia and Malaysia tend to downplay the Vietnamese threat and are less concerned about Soviet objectives in the region. Thailand and Singapore remain vehemently opposed to the military presence of Vietnam in Kampuchea as well as Soviet-Vietnamese alliance.<sup>52</sup> In recent years, the Soviets have managed to improve its bilateral relations with Indonesia. Commercial transactions, particularly Indonesian export to the USSR are also increasing.<sup>53</sup> Indonesian Foreign Minister Mochtar Kusumaatmadja has assessed bilateral relations between the two countries as "better than correct, almost good". More important for Gorbachev, Kusumaatmadja has been favourably disposed to Vladivostok initiative.<sup>54</sup> Malaysia also seems to have modified its view of the Soviet threat to the region. Malaysian officials now are even critical about raising hue and cry about Soviet danger to Southeast Asia.<sup>55</sup> These developments, however, could neither influence Thailand and Singapore nor could bring about any change in overall approach of ASEAN towards the Soviet Union. Kampuchea remains the central issue which divides the ASEAN countries from the USSR. Without the settlement of this issue any major breakthrough in Soviet-ASEAN relations is unlikely.

### The United States

Gorbachev faces a serious dilemma in his policy towards the United States in the Asia-Pacific region. Like his predecessors,

52. For details see, A.K.M. Abdus Sabur "Quest for a Viable Regional Order in South-East Asia: Problems and Prospects", (*Bliss Journal* Vol. 7, No. 4, 1986), pp. 487-89; and also, Bolveer Singh, "The Soviet Union in Southeast Asia: National Perspectives from the Region", *Contemporary South east Asia*, (Vol. 8, No. 4, March 1987), pp. 280-90.

53. Alexander Popov, "Soviet-Indonesian Trade and Economic Cooperation", *The Indonesian Quarterly*, (Vol. VX, No. 2, 1987), p. 168-69.

54. *Asiaweek*, August. 10, 1986, p. 16.

55. See, Bolveer Singh, *op. cit.*, p. 1737.

Gorbachev as well seeks to reach a deal with the United States to end superpower competition in the region so as to create favourable conditions for greater Soviet participation in the regional affairs. The United States, however, does not see any reason to reach such a deal. As seen from Washington, despite Soviet military buildup in the Asia-Pacific region, it does not pose a serious threat to US security interests there. Economically, the Soviet Union is not a match to either the United States or Japan. Politically, the Soviet Union remains as isolated as ever. Therefore, the United States does not see any reason why it should be very keen towards promoting Soviet interests in the region, while, it has little to gain in exchange.

Gorbachev's awareness of US opposition to a greater Soviet participation in Asia-Pacific affairs made his approach towards the US strikingly different from that towards China and even Japan. In his speech at Vladivostok, Gorbachev blamed the US for undertaking "large scale measures to build up armed forces in the Pacific Ocean". He also added that the militarized "triangle of Washington, Tokyo and Seoul" is being setup under US pressure.<sup>56</sup> His attempts to capitalize on the anti-US and antinuclear feelings has been quite discernable when he mentioned that the United States has deployed nuclear weapon-delivery vehicles in Japan, while the USSR and China pledged not to be the first to use nuclear weapons.<sup>57</sup> Gorbachev also intended to capitalize on US disagreements with its allies. He cited "pressure on New Zealand" as one of the examples "how the contemporary mechanism of imperialist intervention and dictate operates."<sup>58</sup>

Gorbachev, however, has been aware of the role played by the United States in security, political and economic matters of the region. He clearly realizes that "the US is a great Pacific Power" with "important

---

56. "The Vladivostok Speech", *op. cit.*, p. 284-85.

57. *Ibid.*

58. *Ibid.*

economic and political interests in the region" and "without its participation it is impossible to resolve the problem of security and cooperation in the Pacific Ocean in a way that would satisfy all."<sup>59</sup> Soviet approach towards the United States on Asia-Pacific affairs basically remained unchanged. Gorbachev repeated almost the same points in a recent interview to Indonesian newspaper *Mardeka*. While criticizing US security policies and military activities in the region, he also indicated a distinct willingness to reach a deal with the United States.<sup>60</sup> The problem for Gorbachev, however, still is that he does not know how to accord American recognition to the Soviet Union to paraphrase him "as a great Pacific Power with important economic and political interests in the region", which remains a *sine qua non* for the success of his Asia-Pacific policy.

### Australia and Oceania

As a part of its recent drive to expand diplomatic, political and economic ties with the Asia-Pacific countries, the Soviet Union is making persistent efforts to court Australia, New Zealand and particularly, small island nations of South Pacific. In this regard, the Soviet Union is banking mainly on anti-nuclear and concomittant anti-US feelings in the region. Since the early 1970s Australia and New Zealand have been propagating the idea of the establishment of nuclear free zone in the South Pacific. The US sharply reacted to the idea as it would undermine the basic principles of its military-political alliance with these countries within the framework of ANZUS and would restrict the bloc's activities.<sup>61</sup>

Australia and New Zealand never accepted the US position. Subsequently, they were supported by the small island states of

---

59. *ibid.*, p. 1739.

60. "Mikhail Gorbachev's Interview to Indonesian Newspaper 'Mardeka'", *op. cit.*, pp. 1721-23.

61. V.D. Chopra, "Anti-Nuclear Trends in the Southern Asia-Pacific", in Eduardo Faleiro *et. al.*, *Southern Asia-Pacific: Current Trends*, (International Institute for Southern Pacific Studies, New Delhi), pp. 23-24.

South Pacific. During the 1980s all South Pacific countries, with New Zealand in the forefront, assumed a strong anti-nuclear posture which was by all indications directed against the United States. Two subsequent developments severely undermined US influence in the region. First, on August 6, 1985 at the 16th Session of South Pacific Forum,<sup>62</sup> held in Rarotonga the South Pacific Nuclear Free Zone Treaty widely known as Rarotonga Treaty was signed. The main purpose of the Treaty is to ban the presence, in any form, of nuclear weapons on the territories of the signatories to the Treaty.<sup>63</sup> Second development is the exit of New Zealand from the ANZUS which resulted in virtual paralysis of its activities. The Soviet Union supported the Rarotonga Treaty. Moreover, recently, Gorbachev himself criticized the United States, Great Britain and France for their refusal to be parties to the Treaty.<sup>64</sup> With regard to Australia and New Zealand, however, recent Soviet overtures did not bring tangible results. Despite their recent disputes with the United States, Australia and New Zealand continues to belong to the West. Both of them seem to be determined not to let the Soviets take the advantage of their disputes with the US.

However, the Soviets have been successful in expanding their ties with the island states of South Pacific. They maintain diplomatic relations with Papua New Guinea, Western Samoa, Tonga, Fiji, Kiribati, Nauru, Tuvalu and Vanuatu. In recent years, the Soviet Union has been trying to expand its presence and influence in the region through economic inducements to the island states. In this regard, an opportunity was offered to her by recent US disputes with the island

---

62. A regional political and economic organization comprising 13 nations : Australia, Cook Islands, Kiribati, Nauru, New Zealand, Niue, Papua New Guinea, Solomon Islands, Tonga, Tuvalu, Vanuatu, Western Samoa and Federal States of Micronesia.

63. See V.D. Chopra, *op. cit.*, p. 24 ; and also, *Asiaweek*, (August 17, 1986), p. 16.

64. "Mikhail Gorbachev's Interview to Indonesian Newspaper 'Mardeka' ", *op.cit.*, p. 1721.

states over the intrusion of US Tuna boats in their Exclusive Economic Zones (EEZ.) for fishing. According to the US law, they were doing no wrong as Tuna was a "migratory" fish.<sup>65</sup> However, the island states did not accept the US position. The Soviet Union has taken full advantage of the situation. In 1985, it concluded an agreement with Kiribati for \$1.7 million annual fees which gave it right to fish in an area of two million square miles. In 1987, the Soviet Union has concluded another agreement with Vanuatu for \$1.5 million.<sup>66</sup> Soviet intentions behind such deals have been an object of wide discussions. Some analysts argued that from strictly economic point of view such deals do not make any sense.<sup>67</sup> Therefore, the Soviets might have been going for something more than just fish. These deals has certainly given the Soviet Union opportunity to increase its presence and influence in the South Pacific island states where until recently it was almost unknown. In economic terms, some of island states would be significantly dependent on the USSR. In certain places, like Kiribati, the amount represent 10 percent of the GNP.<sup>68</sup> Such dependence on a superpower could very well bring political influence. This region is also of immense strategic importance and this factor seems to worry the US policy makers most. Admiral Lyons, Commander-in-Chief, US Pacific Fleet, expressed concern that the Soviet fishing fleet could have secondary mission of intelligence collection. Particularly, the oceanographic search vessels could be used to chart the bottom, the currents, and the environment for future submarine operations.<sup>69</sup> US intelligence workers in the region are also scared that there might come trawlers equipped with electronic equipments designed to record US naval movements and missile tests.<sup>70</sup> Such suspicions become more

---

65. *Asiaweek*, August 24, 1986, p. 20

66. See, "Interview with James A. Lyons, Jr., Admiral, U.S. Navy, C-in-C, Pacific Fleet," *Strategic Digest*, (September 1987), pp. 1746-47.

67. *Asiaweek*, August 24, 1986, p. 25.

68. "Interview with James A. Lyons, Jr., Admiral, U. S. Navy, C-in-C, Pacific Fleet", *op. cit.*, p. 1747.

69. *ibid.*

70. *Asiaweek*, August 24, 1986, p. 21.

acute, if it is taken into account that the island states do not have the resources to monitor the activities of Soviet vessels.

The Soviet leaders - including Gorbachev - are making persistent efforts to explain their overtures as designed to establish normal diplomatic and commercial ties. There may be some reasons to believe in Soviet explanations. Given the insignificant importance of island states to overall Soviet interest in the region, the strategic significance of the South Pacific to the US and US determination to guard zealously its security interests there it is unlikely that the Soviet Union would go much beyond diplomatic and commercial ties.

### **Regional Economic Cooperation**

It is obvious from the discussion above that the most innovative and dynamic aspect of Gorbachev's Asia-Pacific policy appears to be his economic policies. In this regard, Gorbachev has made no secret of his tasks and objectives. His programme of the accelerated socio-economic development of the USSR is paying more attention to the territories beyond the Urals-Siberia and the Soviet Far East—whose economic potential is “several times greater than the assets of the European part of the Soviet Union.”<sup>71</sup> This factor dramatically increased Soviet needs for involvement in bilateral and multilateral cooperation with the dynamic economies of the Asia-Pacific region. In this regard, Japan with its high technology, surplus capital, and market for mineral resources and industrial raw materials appears to be most attractive to the Soviet Union. Gorbachev is determined to participate in the economic processes of the Asia-Pacific region in order to develop the Amur Territories, Siberia and the Far East. With this end in view, he is creating the Committee for Asian and Pacific Cooperation. The Soviet planners are planning to make use of the channels of international trade and regional division of labour, and trying to develop all sorts of possible

---

71. “Mikhail Gorbachev's Interview to Indonesian Newspaper Mardeka”, *op. cit.*, p. 1725.

co-operation with the regional countries including border trade, joint ventures and the like.<sup>72</sup> Recently, Gorbachev himself said that the business circles of Asia-Pacific countries could participate in developing the rich resources of Siberia and the Soviet Far East by setting up joint firms and enterprises in these areas.<sup>73</sup> Long run objective of all these gestures is to create a permanent stake on the part of Asia-Pacific countries in economic cooperation with the Soviet Union.

To achieve his goals, Gorbachev seems to be prepared to go far beyond what Brezhnev could imagine. In Gorbachev's statements, in those of his associates and in official documents frequent use of such terms like "interdependence", "integration requirements of economy", "division of labour" "joint ventures", etc., is striking, particularly, as they appear without traditional Marxist interpretations implying their relevance to economic cooperation with capitalist countries as well.<sup>74</sup> Gorbachev has brought some changes in Soviet overall approach to both bilateral and multilateral cooperation with the capitalist countries. Traditionally, the Soviet Union rejected Western-dominated international economic organizations as instruments of collective colonialism. Recently it has made approaches to the IMF, the World Bank and the Asian Development Bank. Gorbachev expressed Soviet willingness to participate in the new round of multilateral trade negotiations under the General Agreement of Tariffs and Trade (GATT).<sup>75</sup> The Soviets are also interested to play an active role in the activities of the ESCAP.

The Soviets have opposed the concept of Pacific Basin Cooperation initiated by Japanese Prime Minister Masayashi Ohira, because of

72. Mikhail S. Kapitsa, *op. cit.*, p. 46.

73. "Mikhail Gorbachev's Interview to Indonesian Newspaper *Mardeka*", *op. cit.*, p. 1725.

74. See, for example, "The Vladivostok Speech," *op. cit.*, pp. 1737; "Mikhail Gorbachev's Interview to Indonesian Newspaper *Mardeka*", *op. cit.*, p. 1725; Mikhail S. Kapitsa, *op. cit.*, p. 46; and *Pravda*, April 24, 1986.

75. Hiroshi Kimura, *op. cit.*, p. 14.



its bloc oriented nature. Nonetheless, the Soviet government's Statement on Asia-Pacific region indicated Soviet readiness to participate in the economic aspects of the proposal. Meaningful has been the Statement's resemblance to the report issued by the Pacific Basin Cooperation Study Group, an advisory group to Prime Minister Ohira in May 1980. Seven of the nine proposals in the Soviet Statment duplicate proposals in the Study Group's report.<sup>76</sup>

The Soviet Union is taking a keen interest in the Pacific Economic Cooperation Conference (PECC). It has perticipated in the fifth session of the PECC held at Vancouver, Canada, in November 1986 as observer. Now the Soviet Union is asking to upgrade its observer status to a full-fledged membership.

Regional response to Soviet "economic diplomacy" by and large has been cool and cautious but not hostile. Asia-Pacific countries concerned tended to demand more concessions on economic issues and link economic cooperation with the settlement of politico-strategic issues.

### Concluding Remarks

The Soviet Union under Gorbachev has accorded to the Asia-Pacific region one of the highest priorities in the conduct of its external policy. Accordingly, it is intensifying and diversifying its efforts in the region to a significant extent. Gorbachev seems to be determined to enter the "new Asia-Pacific era" as an Asia-Pacific power. This new emphasis on Asia-Pacific rigion is a practical outcome of new concepts and new thinking in the making and conducting of recent Soviet foreign policy, which clearly realized the need for "a radical breaking of many customary attitudes to foreign policy".<sup>77</sup> In comparison with his predecessors, Gorbachev has been pragmatic in grasping the complexities and diversities of the Asia-Pacific countries in their problems, traditions, socio-economic and political life, foreign policy perceptions as well as the power configuration in the region.

76. *ibid.*, pp. 14-15.

77. "The Vladivostok Speech", *op. cit.*, p. 1735.

It can be safely pointed out that his Asia-Pacific policy has been devoid of ideological rigidities, and is comparatively flexible, more dynamic and diversified than that of his predecessors.

It is too early to judge the concrete outcomes of Gorbachev's Asia-Pacific policy as its implementation has just begun. However, some developments could be pointed out. Recent Soviet diplomatic overtures in the region have eased, developed or improved its relations with a number of Asia-Pacific countries. The overall atmosphere in the region is somewhat relaxed. The tide of anti-Sovietism generated by Brezhnev's heavy-handed policy has waned. Gorbachev's selection of China as his prime policy target seems to be significant. China has been favourably disposed to his flexibility over boundary dispute and troops reduction along the Sino-Soviet border and expressed cautious optimism about his policy. However, China will do its own cost-benefit analysis of Sino-Soviet *rapprochement* before advancing each step towards this direction. The Soviet Union found Japan harder to deal with than China. Japan's precondition for good relations—the return of the “Northern Territories”—seems to be much more difficult for the USSR to meet than are China's three conditions. Soviet relations with ASEAN are also showing some signs of improvement. Indonesia and—to a lesser extent—Malaysia seem to be receptive to Soviet overtures. Kampuchea issue, however, will continue to remain as a stumbling block in the way of further improvement of Soviet relations with the countries of ASEAN, Thailand and Singapore in particular. The United States, so far, remained non-receptive to Soviet overtures in the region. Gorbachev is anticipating US resistance to greater Soviet participation in political, security and economic affairs of the region. In the circumstances, the region is likely to remain an arena of superpower competition for influence. Further improvement of Soviet relations with Asia-Pacific countries is being thwarted by Gorbachev's failure to offer any substantial concession on issues like Afghanistan, Kampuchea and “Northern Territories”. The Soviet leader appears to be more inclined to by-pass these contentious issues rather than making compromise over them. He is more concerned about economic

cooperation with the region and benefits thereof. On the other hand, his counterparts in the region continue demanding the settlement of political and security issues as pre-condition for better relations and closer economic cooperation. Gorbachev, however, invested so much of personal prestige in his policy that any failure would undermine his credibility both at home and abroad.

Whether or how these issues could be settled would depend on a number of factors, most of which are beyond Gorbachev's control. He has no mandate to make concessions on issues like "Northern Territories". He will have to justify such concessions to the leadership in terms of far reaching gains for the Soviet Union. His innovativeness in domestic and foreign policy has its own opponents within the Party. He is unlikely to risk his position at home by showing weakness abroad. He would rather like to use the foreign policy gains to justify his domestic policy. External factors would also have significant impact in shaping the course of events in Soviet relations with the Asia-Pacific countries.

Regional response would largely be shaped depending on the perspectives of individual countries. China, for instance, besides its three preconditions also would take into consideration the implications of Sino-Soviet *rapprochement* in terms of its relations with Japan, the US, ASEAN and others. For Japan as already indicated, the "Northern Territories" will remain crucial and it will also consider its broader security and economic interests in the region before inching towards *rapprochement* with the Soviet Union. Response of ASEAN countries to the Soviet overtures would depend on the perspectives of the individual states. These states should certainly take into consideration their economic dependence on the West and Japan and their politico-security ties with the US. Finally, the US with its overwhelming influence in security, political and economic matters of the region would continue to play the vital role in influencing the overall attitude of the region towards the Soviet Union. Therefore, Gorbachev's Asia-Pacific policy and its prospect for the future remain uncertain, although not bleak for the moment.