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Russia and Myanmar – Friends in Need?

Ludmila Lutz-Auras

Abstract: To date, few political scientists have researched the political, economic, and social relationships between Russia and Myanmar. The two countries, which at first glance may seem to have little in common, have intensified their cooperation in recent years. This article explores the ties between the two countries, not only the historical development and the dimensions of the relationship, but it also examines the current advantages and disadvantages of the relationship. Is Myanmar Russia's open door to the region in order for it to become a significant player in the Asia-Pacific region? Can Russia provide a 'counterbalance' for the smaller Southeast Asian countries against the great powers such as China and India? Will this relationship be a pivotal one for both countries in the future, or will it remain a limited partnership, restricted to particular interests?

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Keywords: Russia, Myanmar, Burma, ASEAN, Asia-Pacific

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Introduction

Since the decline of the Soviet Union, Russia's foreign policy has evolved from a Western-oriented one to a multi-dimensional one, with a stronger focus on Southeast Asia. With the aim of establishing new contacts, or to strengthen existing collaborations, the Russian policy-makers initially concentrated all their efforts on one goal – China. But soon the game took a different course from the one desired when the overdependence on China started to threaten Russia's independent policy in the region, and encouraged Russia to rethink its strategy. The rise of China, and the US counter-offensive, reinforced this decision because some of the Southeast Asian countries felt the need to strike a balance between their dependence on these two powerful players.

One of these states is the Republic of the Union of Myanmar, which returned to the international political stage in 2011 following decades of isolation caused by military rule. Myanmar became the centre of global interest not only because of its domestic reforms, but also because of its natural resources, the potential of its emerging markets, and its geographic location. Simultaneously, these circumstances stimulated keener geopolitical competition among the world's major powers like China, the United States, India, Japan, the European Union and Russia. These powers compete for sufficient influence in Myanmar, which occupies a strategic location facing the Indian Ocean, and is the only land transportation hub linking East Asia, Southeast Asia and South Asia.

While Myanmar's relationships with neighbours such as China, India and Thailand has been the spotlight of many analyses, the significance of Myanmar's ties with its 6,256.89 miles away partner, Russia, largely passed unnoticed. In the middle of the 1950s Russia, the major republic of the Soviet Union, and Burma pre-1989, a young independent state, entered into a substantial political dialogue. This prepared the ground to impose certain interests. Soviet Russia, generally accepted as a great power after World War II, sought out allies with the aim of reducing the influence of the USA and Western European countries by using belligerent tactics, and sometimes acting in a quite reckless manner. When Burma regained its independence on 4 January 1948 after a long period of anti-colonial struggles and movements for sovereignty, it faced many difficult challenges, including the desire for national self-determination, territorial integrity, economic growth, and the reduction of poverty. With these goals in mind, the early Burmese governments based their foreign policy on 'neutralism' or non-interference in international affairs, expecting that this principle would form the basis for regulating foreign

relations, and build frameworks in terms of much wanted financial and technical assistance.

At present, both countries are deeply involved in processes of enforcement of certain ambitions – the Russians mostly oriented outwardly, the Myanmarese predominantly inward looking. At the same time, both states have a strong focus on their status within the international community. Myanmar, which remains one of the poorest countries in the world, has broken free from the bonds imposed by the British Empire, but hasn't been able to avoid a new intensive economic dependency on China. For that reason, Myanmar seeks the option of freeing itself from the influence of Beijing, and searches for actors such as Russia who can offset the influencing factor of Myanmar's biggest neighbour. The Russian Federation, which defines itself as a revived 'great power' and wants to be treated as such, is willing to take on this task. This complex tangle of interests raises some important questions: (1) In what way can Russia and Myanmar support each other to accomplish their goals? (2) Since the Kremlin officially expresses its wish to have closer ties with Myanmar, is it realistic to expect serious change in the near future? and (3) Against the background of constantly growing interactions, is there potential for greater progress, and a decisive improvement in the relationship?

This paper will demonstrate that Russia and Myanmar look back on more than 65 years of diplomatic, economic and military ties, which have intensified at certain times, but then often weakened again. This paper, divided into five parts, discusses the tenor of the Russia–Myanmar dialogue, especially since 1991, and assesses Moscow's responses to new challenges in this region, considered as strategically crucial. Following a short introduction reviewing the nature of Russia's recent regional policy in Southeast Asia as a whole, the article then evaluates the most important historical milestones in terms of bilateral ties. In connection with this, further investigation will concentrate on three areas, which are particularly suitable for dealing with the Russian–Myanmar partnership: economic interdependency, military cooperation, and education. The final section provides concluding remarks, and tries to give an adequate response to the question of whether Russia can indeed assume the role of the new 'counterbalance' in Myanmar, and if Myanmar can satisfy Russia's craving for presenting itself as a 'great power' in Southeast Asia.

Russia's Southeast Asian Pivot

Before exploring the nature of Russia's Southeast Asia policy, and its motivation to become a 'counterbalancer' in Myanmar, it seems im-

portant to establish some theoretical clarity on the use of the key concept, namely that of a 'great power'. The significance of this approach to Russia's foreign policymaking should not be underestimated because the ruling elite in Russia has made a return to that status a unifying theme since 1991. Aleksandr Meshkov, an eminent Russian political scientist attested, "Russia cannot help but conduct itself in the world as a great power. [...] Russia has been prepared for this role by history (Meshkov 1999: 3)." As evidence for this status, Meshkov cites Russia's military technology, its educated technical personnel, and its natural resources.

His American colleague, Kenneth Waltz, stipulated five criteria to reach such an influential position: population and territory, resource endowment, economic capability, political stability and competence, and military strength (Waltz 1979: 131). According to Barry Buzan and Ole Wæver (2003), classifying any actor as a 'great power' requires a mixture of the following: material capability, formal recognition of that status by others, and a response by other great powers on the basis of system-level calculations about the present and future distribution of weight in world politics (Buzan and Wæver 2003: 32–35). The last reference indicates that there is the potential for states to belong to such a high category not only when dealing with countries in the same geographical area, but also when operating in other regions and on the level of the global political system. This interpretation of a 'great power' will serve as the methodological basis for the subsequent deliberation.

As far as land area is concerned, more of the Russian Federation is in Asia than in Europe. The eastern part of the country comprises 74.8 per cent of the whole territory, and possesses more than 90 per cent of the coal reserves, 67 per cent of the iron ore, and the largest gas reserves in the world. Both Tsarist Russia and the communist Soviet Union set their sights on a small part of the gigantic eastern province, seeing that the Asian district would yield a treasury rich in raw materials, which was exploited in the interests of the development of the central government (Kuhrt 2012: 471–493).

Despite three-quarters of its land lying in Siberia and the Far East, where 22 per cent of the total population live, for many years Moscow neglected Asia in its foreign policy debates and actions. These mainly focused on its own sphere of influence, the post-Soviet region, and regarded the West as the predominant modernisation partner. The logic of this strategic course of action seemed somewhat justified. With the downfall of the two-superpower system, the primary aim of those who 'had lost' was to join the 'winners' in order to become a part of the international political and economic landscape (Trenin 2009: 64–78). Con-

sidering the metamorphosis of the global economic and strategic balance eastwards, a traditionally Europe-oriented Russia began to realise its Asian dimension and opportunities therein. The main driver of this new important orientation has been economic evolution, followed by an effort to keep an eye on its biggest regional neighbour, China, and the growing engagement of the USA in this region.

Furthermore, the ‘Foreign Policy Concept of the Russian Federation’, adopted in 2009 following the accession of President Dmitry Medvedev to office, and renewed in 2013 by Putin, placed a greater emphasis on the Asia-Pacific as the top priority of Russia’s future foreign policy (Ministry of Foreign Affairs of the Russian Federation 2013). Vladimir Putin stated this premise in the annual *Presidential Address to the Federal Assembly* on 4 December 2014:

We see how quickly Asia-Pacific has been developing over the past few decades. As a Pacific power, Russia will use this huge potential comprehensively. Everyone knows the leaders and the drivers of global economic development. Many of them are our sincere friends and strategic partners (Putin 2014).

Moreover, the Ukraine crisis, which flared up in November 2013, has increased Southeast Asia’s importance, with the threat of European and American economic sanctions spurring Russia to intensify its search for suitable alternative allies. Against the backdrop of the crumbling partnership with the West, good relations with other actors are fundamental if the Kremlin is to avoid international isolation.

In this context, Russian politicians and experts alike have noted the extensive relevance of East and Southeast Asia, which are lauded by some as the ‘powerhouse of growth’, or the ‘vital centre’ of the world economy (Medvedev 2010; Lavrov 2013). Southeast Asia’s eleven countries have a combined gross domestic product of 1.9 trillion USD, a population of almost 600 million people, and an average per-capita income nearly equal to that of China (World Bank 2014). In this light, the policy makers in Moscow decided to deal more intensively with the region. Russia joined the ASEAN Regional Forum (ARF) in 1994, became an Association of Southeast Asian Nations (ASEAN) dialogue partner in 1996, and signed the Treaty of Amity and Cooperation in 2004. In 2010, Russia, together with China, the USA, Japan, South Korea, India, Australia, and New Zealand, took part in the ASEAN Defence Ministers’ Meeting (ADMM) (ASEAN Centre at MGIMO 2014). The first Russia–ASEAN summit in 2005 agreed to a “progressive and comprehensive partnership” covering “political and security, economic and development

cooperation” (Joint Declaration ASEAN-Russia 2005). At their second official session in 2010, the two sides agreed to collaborate more closely on the construction of a security and cooperation arrangement.

As well as the enhanced participation in multilateral regional institutions, there is an astonishing enthusiasm for Russia to extend bureaucratic and academic spheres. The Russian foreign ministry has as many departments for Asia as it currently has for the Commonwealth of Independent States (CIS), while research centres for ASEAN and the Asia-Pacific Economic Cooperation (APEC) have been established at some high-profile universities (MGIMO – Moscow State Institute of International Relation (Russian: МГИМО Московский государственный институт международных отношений) in 2009; RANEPА – Russian Presidential Academy of National Economy and Public Administration under the President of the Russian Federation in 2010).

In view of the rise of China, and America’s ‘Pivot to Asia’ announced by the Obama administration, Russia does not want to risk any kind of marginalisation in Southeast Asia, a region that is becoming increasingly strategic. If the Russian Federation wishes to survive as one of the major global powers, it will have to cement a presence in this pivotal region of the twenty-first century. But in regard to this, in many respects Russia’s action plan appears to be more a conglomeration of bilateral alliances rather than a coherent regional strategy (Kanaev 2010). Although Medvedev and Putin have been able to widen diplomatic relations with all ASEAN members through a number of meetings, commitments and talks at ministerial levels, the substance of the political dialogue varies enormously from country to country. Using the example of Myanmar, such a case will be examined more closely, with the focus on three aspects: the political, the economic, and the military.

Historical Overview of Russia–Myanmar Relations

It was not delegates from Myanmar and Russia that prepared the first document for the start of diplomatic relations on 18 February 1948, and initiated by the Burmese national hero Aung San, but deputies from Burma and the Soviet Union, which was centrally governed by the Russian Soviet Federative Socialist Republic. Civil war broke out in Burma immediately after the proclamation of independence, and initially the Soviets helped the Burmese communists in the war. As a consequence, the exchange of embassies did not take place until 1951 (Nepomnyash-

chiya 1954: 10). The first round of meaningful bilateral talks began with a two-week tour to the USSR by the Prime Minister, U Nu, between 21 October and 4 November 1955. During that trip, where he met an array of senior officials, including Soviet leader Nikita Khrushchev and Foreign Minister Vyacheslav Molotov, U Nu signed a joint declaration with the chairman of the Council of Ministers, Nikolai Bulganin, pledging Burmese support for Soviet foreign policy. This included the rejection of military blocs, and support for membership of the UN by communist Chinese, whose seat was at that time occupied by the nationalist government of Taiwan (Kaufman 1973).

U Nu's expedition was followed by a return visit by Khrushchev and Bulganin in December 1955, and another in February 1960, for which the hosts prepared very conscientiously. Schools and government offices were closed, the populace of Rangoon were told to line the streets as the Soviet motorcade passed by, and the local authorities issued instructions on how to cheer, apparently the foreign habit (Foley 2010: 120–121). Taking their cue from the success of the American foreign-aid programme, and in response to U Nu's request in Moscow for economic help, the Soviet leaders took advantage of their stay by offering the Burmese the promise of support in seemingly generous amounts. The USSR provided assistance to rebuild various Burmese cities and towns, installed a technological institute in Rangoon, and built a 206-room hotel on the shores of Lake Inya and a hospital in Taunggi. The Burmese offered to repay the bill of 5–10 million USD by supplying rice, but the required amount calculated in 1957 was no longer sufficient because the price of rice on the world market had increased significantly (Goldman 1967: 142).

Moreover the prime ministers, Nu and Bulganin, issued a joint communiqué in Rangoon which seemed to indicate Burmese assent to all the major publicly declared aims of Soviet foreign policy, which were: the transfer of Taiwan to Chinese Communist control; resolution of the Indochinese problem “in accordance with the decisions of the Geneva Conference of 1954”, the latter in the spirit that had been violated in numerous ways by the Communists; and the reunification of southern Korea with the communist northern half that continues to refuse foreign inspection of its ‘democracy’ (Vasil’ev 1963). This Soviet initiative, striving for a shift in international relations, was launched at a time when the global situation had changed markedly. In 1954, the members of the North Atlantic Treaty Organization (NATO) unanimously decided to integrate West Germany into its ranks, and in the spring of 1955 the

USSR retaliated with the formation of its East European counterpart, the Warsaw Pact.

This was the beginning of a long-lasting and highly complex relationship between the Soviet Union and the West, which was also influenced by major developments in North and Central Africa, Latin America and Asia. In these areas of the world, where the consequences of the disintegration of the colonial empires like those of France, Belgium and Great Britain made themselves felt, Nikita Khrushchev searched for ways to offset western policy. China contributed on this score by intensifying ties with India, Indonesia and other states, resulting in a conference of 29 nonaligned countries of Asia and Africa at Bandung in Indonesia in April 1955. The participants roundly condemned colonialism, and as a result the USSR benefited from the principle of peaceful co-existence, which the summit adopted under the Indian concept of '*panchashila*' (Abdulgani 1981). Thus, Khrushchev and Bulganin travelled to India, Afghanistan and Burma, where they hoped to increase Soviet prestige, and to develop closer contacts with the nonaligned movement.

In general, the Soviet delegation made a significant impression on the Burmese people. Khrushchev's reputation for ferocious tirades against the West, especially against Great Britain, with whom Burma maintained cordial relations, and to which Nu made no objection, did not materialise, and the guests did their best to appear as warm, friendly, and sincere men (Vandenbosch and Butwell 1958: 239). Following a triumphant tour through the exotic Southeast Asian country, Nikolai Bulganin ordered his ambassador in Rangoon to thank U Nu by presenting him with an exclusive gift – three kilograms of black caviar. On returning home, Nikita Khrushchev recorded the following in his memoir: "Sooner or later new people would come to power in that country and the good seeds that we had shown would sprout and grow and eventually produce good fruit" (Khrushchev 1997: 758).

But the harvest of those expected fruits kept them waiting until Ne Win's Revolutionary Council on 3 March 1962 issued a statement on foreign policy that indicated that Burma would, in the Soviet's estimation, develop a policy of positivity instead of passive neutrality, of which the USSR approved. Apart from the fact that there had been no revolutionary democracy towards socialism in Burma, both countries based their relations on five principles of peaceful coexistence: a rhetorical commitment to territorial integrity, non-aggression, non-interference in each other's internal affairs, equality, and mutual benefit (Vasil'ev 1963: 23ff.). But the People's Republic of China was afraid of Soviet influence in Burma, and exerted political pressure on the Burmese government. So,

with the aggravation of the Sino–Soviet confrontation, the Burmese leadership embarked on reducing their contacts with the USSR. In this complicated situation, Ne Win’s leadership preferred not to antagonise its big neighbour, and reduced contact with its former ally, so that no high-level Soviet officials visited Burma for a long time. At the same time, the Burmese rulers expanded economic contracts with the West and with Japan, which showed that their situation excluded any direct interest in the Soviet Union, despite the adoption of internal industrial and agricultural socialist programmes (Ooi 2004: 1160). For the USSR, the Burmese experience was one that ultimately failed to affirm assumptions with regard to a non-capitalist path in the Third World.

In 1991, the Russian Federation was unofficially declared heir to the ruined Soviet Union. As a result of that, the new state insisted on a permanent seat at the United Nations Security Council (UNSC), membership of the Organization for Security and Co-operation in Europe (OSCE), and not least, the country’s own nuclear capabilities. The head of state, Boris Yeltsin, tried to speed up Russia’s genuine integration into the new international community, with the intention of balancing the growing power of global actors such as the USA, NATO and the European Union (EU). Unfortunately, Yeltsin mostly employed the ‘divide and rule’ approach to foreign policymaking, which resulted in chaos and factional rivalry, and led to an incoherent course accompanied by the absence of a clear strategy to re-establish the former heavyweight status (Tsygankov 2008: 66–98). Russian behaviour on the international stage during the 1990s can be described as reactive, ad hoc, and often contradictory. Myanmar, which was isolated from the outside world at this time, did not have any particular importance in this process.

On the contrary, the consolidation of authority under Vladimir Putin resulted in a more comprehensive and proactive approach towards the remote region. The bid for greater power caused the Russian elite to specify its interests and goals in the once nearly completely forgotten, but now very popular, Southeast Asia. For many reasons, Myanmar plays a key role in this strategy, serving as a bridge for the passage of a large amount of natural resources between China and India. Exchange of high-power visits have become more frequent since the mid-1990s. Since the joint declaration on the basic principles of bilateral relations dating from 2000, in particular, the two countries have strengthened their ties in the defence and energy sectors. During the visit of Vice Chairman Senior General Maung Aye to Moscow in April 2006, the two sides signed agreements for cooperation in the oil sector, in anti-drug trafficking, and on the protection of secret information (Meyer 2006).

The year 2007, when China and Russia jointly vetoed a U.S.-sponsored resolution criticising Myanmar's human rights record and called for the release of all political prisoners, became one of the turning points, with the start of widespread dialogue, and ending the military attacks against ethnic minorities. Russia's ambassador, Vitaly Churkin, told the council,

We believe that the situation in this country does not pose any threat to international or regional peace; this opinion is shared by a large number of states, including most importantly those neighbouring Myanmar (Lynch 2007: 12).

Churkin emphasised that the issue would be better handled by other UN organisations, particularly the Human Rights Council and the General Assembly of the UN, and by humanitarian agencies such as the World Health Organization (Lynch 2007: 12).

On several occasions, Myanmarese officeholders have thanked Russia for vetoing the resolution, which marked another cornerstone in the weakened dialogue between the two partners. Nevertheless, it took more than five years for a notable guest to arrive in Moscow in February 2012, Myanmar's minister of Foreign Affairs, Wunna Maung Lwin. The Russian minister of Foreign Affairs, Sergey Lavrov, travelled to Naypyidaw in January 2013, the first person of political importance to do so since Nikita Khrushchev. He characterised the relations as traditionally friendly and trustworthy, emphasising the following:

We share a common approach to the problems of the modern world according to which all states should respect international law, the central role of the United Nations and its Security Council and strive to settle all disputes exclusively through peaceful, political and diplomatic means (quoted by Shestakov 2013).

Relating to this, Lavrov presented the idea of multipolarity, which has evolved as a template-like foreign policy initiative, intended to solve Russia's strategic dilemma following the demise of the Soviet Union. There are ways of interpreting this phenomenon since EU logic embraces a chain of meanings of multipolarity, which include: integration, dispersal of sovereignty, norm-based identity, soft security, and democratisation through Europeanisation. In contrast, for Russia this motive has strong connotations with regard to sovereignty, self-assertiveness, and self-sufficiency (Makarychev 2011: 17). According to this conviction and the Myanmarese multifactorial foreign policy, the ambassador extraordinary and plenipotentiary of the Russian Federation in Yangon, Boris Pospelov, clarified the relevant issues:

Myanmar didn't abet the U.N. resolution, which urged states not to recognise the results of the referendum in Crimea. It is intelligible, that Myanmar didn't vote in favour of sanctions against Russia. This country was also overtaken from such a fate, and therefore understands the non-constructivity of such measures (quoted by Kir'yanov 2014).

For Myanmar, the sense of coalition with Russia derives from its hope for the backing of a strong country in international forums, and from its desire to balance ties with its neighbouring powers. Meanwhile, Russia expects to gain a 'foothold' in the Southeast Asian region. But, although Prime Minister Dmitry Medvedev talked with President U Thein Sein in Naypyidaw as part of his participation at the East Asia summit in November 2014 (*ITAR-TASS* 2014), the head of state, Vladimir Putin, has not until now mentioned the Myanmar situation.

Economic Cooperation: Steady Progress and Persisting Problems

Early in 1955, a Burmese marketing delegation toured the Soviet Union and Eastern Europe in search of customers for the most beloved, treasured indigenous crop – rice. A series of trade deals was reached with Czechoslovakia, East Germany, Poland, Hungary, and in June 1955 with the USSR, which promised to buy some 600,000 tons of rice grain. In exchange, Burma stood to receive a range of communist goods, including industrial plants, vehicles, heavy machinery, and chemicals (Rabonovich 1957: 656–657). Partly because of Burma's need to offload a large quantity of surplus rice, this caused an initial burst of interest, and Soviet-Burmese trade peaked in 1957, but fell steadily thereafter to about one fifth of the 1957 volume by the time of the military coup in 1962, and it stayed at that level until the collapse of the 'Red Empire'. The Burmese government had hoped that their new partners would purchase at least 20 per cent of their rice with British sterling, but the purchasers complained about the poor quality of the grain which had been stored for too long in warehouses, and had "become unfit for consumption". Also Soviet monetary aid over the period 1954–1979 was limited to just 15 million USD, while 75 million USD came from Eastern Europe, and 85 million USD from Chinese sources (Buszynski 1986: 20).

Nikita Khrushchev, who started the economic dialogue with the Southeast Asian partners, may have felt that the Soviet Union was slow off the mark doing business with Burma. One hot afternoon, while tak-

ing a boat ride in Rangoon, his thirst was quenched by a delicious cold beverage, a rare sight in the abstinent, Buddhist country. When he took a look at the label, he was surprised to find that, “with their trading skills the Czechs had already succeeded in promoting their beer as far away as Burma” (Khrushchev 1997: 755). No Soviet product could have registered such an effect at the mysterious looking market, where the locals experienced widespread disaffection for several reasons: many imported goods were partly unmarketable, such as electrical items that did not fit Burmese sockets; there were extensive delays in delivery; and their products were generally overpriced (Sanchez-Sibony 2014: 148).

At the beginning of the 21st century, as well as security challenges and political ambitions, Vladimir Putin’s observance of Southeast Asia was strongly motivated by economic interests. In Russia, the region is perceived as a potential opportunity for profit, as a market for exports and as a potential partner for modernisation, especially for Russia’s own eastern territories. The Kremlin is well aware that the country will only be recognised as a major power in this area if it can safeguard that claim economically. For this reason, the speed up of the mutual cooperation is regarded as an extremely important measure intended to connect Moscow with the actively developing states, from where Russia has hitherto been almost totally absent (Bordachev and Kanaev 2014). Two conditions speed up the prevailing attitude towards Southeast Asia: Europe’s efforts to reduce its dependence on the supply of energy resources from its eastern neighbour, and the sanctions already imposed by the USA and the EU against Russia relating to the crisis in Ukraine. For example, the one-year embargo announced on 7 August 2014 bans imports of meat, fish, dairy, fruit and vegetables from the USA, the European Union, Canada, Australia and Norway. As a result of this, the Russian Economic Development minister, Alexei Ulyukayev, has called for stronger agricultural product exports from ASEAN (Ministry of Economic Development of the Russian Federation 2014).

Beyond the traditional regional leaders such as Singapore, Malaysia, Thailand and Indonesia, which is establishing an ambitious infrastructure investment as the pillar of its growing affluence, Myanmar is coming in from decades of international isolation, and is receiving increasing attention. The Myanmar economy, once stagnant under socialist policies and dominated by state-owned industries, has recently turned into a major player, opening up as a new frontier for foreign investment. The mainly rural, densely-forested country is particularly rich in natural resources, including oil, gas, teak, minerals, and gems. Furthermore, it is conveniently situated at a crossing point in Southeast Asia, bordering

China, Thailand, India, Laos and Bangladesh. Despite all that, Myanmar fulfils the role of the poorest country in the region, with over 32 per cent of the population living in poverty, while the wealth is in the hands of an exclusive group of military leaders and their business cronies. Health expenditure amounts to only about two per cent of GDP, constituting globally the second to last ranking after North Korea (Gaens 2013: 6).

In contrast to Western superpowers such as the United States and the European Union, who adhered to the economic sanctions imposed upon Myanmar, Russia has never interrupted its contact during the era of stagnation, mismanagement and isolation, even if the amount was pretty feeble. Russia is one of the top exporters of petroleum, coal, gas, aluminium and iron, and traditionally standing at the head of the list of its largest trading partners are the Netherlands, Germany, China, Ukraine and the United States (CIA 2014a, b). However, the present awkward situation forces the Putin administration to look for new horizons, for instance in faraway regions.

According to the statistics, the very weak current economic relationship between the Russian Federation and Myanmar cannot be denied. According to the survey of Russian Federal Customs Service (see Table 1), commerce between the two countries totalled 113.9 million USD in 2013, a trivial amount compared with the 4 billion USD trade with China. Machinery, industrial equipment and vehicles (86.7 per cent), chemical products (5.9 per cent), and metals (5.1 per cent) comprised most of the Russian exports. Food products (75.9 per cent), mainly rice, and textiles (18.7 per cent) accounted for the composition of commodities imported from Myanmar (Ministry of Economic Development of the Russian Federation 2014).

Compared with the activities of Chinese, Thai and Indian entrepreneurs, Russian business in Myanmar looks quite insignificant. Different factors have caused this very unsatisfactory condition: on the one hand, Myanmar strives for potential foreign capital and for that reason passed an attractive investment law; on the other hand, there is still an element of wait-and-see for a clear direction (Turnell 2014: 373–386). Additionally, the unusual specifics overwhelm the Russian entrepreneurs, who perceive the Myanmar market as a risky minefield.

Table 1: Russia's Bilateral Trade with Myanmar (2009 to mid-2014)

	2009	2010	2011
TURNOVER	54.1 USD	113.9 USD	533.9 USD
growth rate (%)	141.9	210.5	468.7
EXPORT	49.9 USD	99.4 USD	509.3 USD
growth rate (%)	153.3	200.8	512.2
IMPORT	4.6 USD	14.5 USD	24.6 USD
growth rate (%)	78.8	314.6	170.0
	2012	2013	First half of 2014
TURNOVER	166.0 USD	113.9 USD	45.4 USD
growth rate (%)	31.1	68.6	59.8
EXPORT	123.9 USD	78.8 USD	25.5 USD
growth rate (%)	24.3	63.6	45.9
IMPORT	42.1 USD	35.1 USD	19.7 USD
growth rate (%)	171.1	83.4	97.0

Source: Ministry of Economic Development of the Russian Federation/Federal Customs Service of Russia, 2014.

The vice-chairman of the Russian Society of Friendship and Cooperation with the Union of Myanmar, Aleksander Ostrovsky, articulates those persistent difficulties:

Our managers don't pay enough attention to state-owned details, which are very relevant to Myanmar people. One false step, a wrong selection of brokers or translators or in a non-sensitive tone formulated correspondence can hamper your multi-million dollar deal. [...] Russian companies are unfamiliar with the particular economic mechanisms in Southeast Asia and they suffer from serious deficit of specialists for that part of the world, who speak the local language or know something about the culture (quoted by Shestakov 2013).

Even some prestigious ventures have failed in the past: the key energy producers, Itera and Zarubezhneft, financed exploration of the coastal shelf but, considering the complexity of the venture, decided to take no risks. In 2004, Tyazhpromexport intended to construct an iron-smelting plant funded by 143 million EUR over six years, but during that time, instead of producing iron, this project made a loss of 93.5 million EUR. After this debacle, the state corporation, Rostec, which got additional funding from the Ministry of Industry, has pledged to fulfil the contract, but the responsible director, Nikolai Ulyanov, resigned just a few months later (Dzhumajlo and Popov 2013).

Nevertheless, there are also positive aspects to report: from October 2013 to March 2014, Myanmar awarded 36 major oil and gas blocks to a total of 47 companies. These included giants such as Total, Shell,

and Chevron, and the Russian oil company Bashneft International B.v. won the right to develop an onshore energy block, EP-4, with an area of 841 square kilometres, situated in the Central Burma Basin. With an investment reported to be around 38.3 million USD, Russia's sixth-largest oil producer, Bashneft, acts as the main operator of the undertaking, holding a 90 per cent stake, while Sun Apex Holdings Limited from Myanmar owns the remaining 10 per cent. The partners are implementing a three-year geological exploration programme, which may be extended for another three-year period, and includes seismic surveys and drilling of two reconnaissance wells (Mel'nikov 2013). Russian firms might have a comparative advantage in participating in Myanmar's energy sector, not least because they are well-experienced in functioning under both physical extremes and institutional or political uncertainty. Although Russia may seem to be a late entrant into that booming market, it could also be seen as a calculated move, considering the vast Chinese engagement in the country.

Maybe motivated by this encouraging occurrence, the Russian Economic Development minister, Alexei Ulyukayev, travelled to Naypyidaw on 29 August 2014, where he proposed increasing bilateral trade to 500 million USD per year by 2017, up from the current 114 million USD. Of greater consequence than these beautiful words was the signing of a historical deed with his Myanmar counterpart, the minister of National Planning and Economic Development, Kan Zaw. This document contains the establishment of an unprecedented inter-governmental Myanmar–Russia commission for trade and economic cooperation, which began working immediately after the ceremony. More than 60 Russian enterprises took part in the first session of the new committee, including Bashneft, Inter RAO, the Sukhoi Company, and the United Aircraft Corporation (*The Moscow Times* 2014). Grasping the nettle, Russia sent a clear political signal, especially to its Western contractual partners.

One of the first outcomes of this meeting was agreement in the nuclear field. Myanmar's leaders have long recognised that shortages of electricity are a major hindrance to economic and social development. Moreover, they realised that the need for electricity is huge, but also there is vast potential for its production. For this purpose, in 2000 some members from the military-led government of Myanmar officially asked their Russian colleagues for help in building a nuclear research centre. In February 2001 the two sides began concrete negotiations regarding the establishment of a 10–15 megawatt (thermal) light water pool-type research reactor, and an isotope laboratory. Russia's Atomstroyexport Corporation was chosen as the leading company for the project, and

finally signed a contract with Myanmar to design the centre in June 2001 (Luchin and Fedchenko 2003).

The plan failed in 2003 due to Myanmar's inability to find the hard currency needed to pay for construction costs, so in 2007 the Russian state atomic energy agency, Rosatom, came to an agreement with the former Science and Technology minister, U Thaung, that contained the foundation of a nuclear research centre. It was proposed that this institute should comprise the following: a 10 megawatt light-water reactor working on 20-per-cent-enriched uranium-235; an activation analysis laboratory; a medical isotope production laboratory; a silicon doping system; and nuclear waste treatment and burial facilities. To achieve a successful result, Rosatom wanted to train 350 Myanmarese specialists. So far, this operation has made no headway because of the Saffron Revolution that took place between August and October 2007, and Cyclone Nargis which caused the worst natural disaster in the recorded history of Myanmar (Khlopkoc and Konukhov 2011).

The development of a nuclear technology in the Southeast Asian country attracted international attention, which posed some worrying questions. Might the ruling generals be trying to acquire nuclear weapons? Could cooperation between Russia and Myanmar in the nuclear area pave the way for a military nuclear programme later? This bilateral programme especially irritated the George W. Bush administration at a time when US-Russian relations were already in deep trouble over a number of issues, ranging from missile defence to the future of Kosovo. In response, the military elite in Yangon emphasised that the reactor would be used only for strengthening the medical sector, for research purposes, and for the effective production of energy. Russian contracting parties insisted that Myanmar was entitled to peaceful nuclear technology, and that there was "no way" it could use the apparatus to manufacture nuclear missiles. In addition, both sides referred to some important propositions from the agreement; in particular the document required that Myanmar should be a party to the International Atomic Energy Agency (IAEA) additional protocol before signing the contract for the construction of the centre. The agreement also specified that Myanmar is contracted not to use the supplied nuclear or special non-nuclear material for the production of nuclear explosive devices, or for any other military purposes. Furthermore, Myanmar gave its assurance not to use the equipment, materials and technologies supplied from Russia in nuclear facilities not placed under the IAEA safeguards (Government Resolution of Russian Federation 2006).

But, in the light of the huge political changes in Myanmar, and the fact that Myanmar had signed the additional protocol on the application of safeguards in connection with the Treaty on Non-Proliferation of Nuclear Weapons in September 2013, implementation of that nuclear deal became topical again. Despite concern from the USA and the EU, Russia and Myanmar signed a memorandum of understanding for cooperation in the peaceful use of nuclear energy as a side issue during the St. Petersburg International Economic Forum on 18 June 2015. The document was signed by the director general of the state-run nuclear corporation Rosatom, Sergey Kirienko, and the minister of Science and Technology of the Republic the Union of Myanmar, Ko Ko Oo (Rosatom 2015). While previous deals have stalled, this time there is a greater chance of success. From a Russian perspective, nuclear exports have become an important market at a time when other avenues are constrained due to sanctions. In this regard, the associate professor of the School of Regional and International Studies at the Far East Federal University, Ivan Zolotukhin, stressed:

Russia needs to develop a comprehensive strategy of presence in Southeast Asia. Nuclear cooperation serves as one of the most optimal directions in which to focus on the economic benefits and on the solution of strategic problems and security issues. This area of cooperation between Russia and countries of the region may contribute not only to solving the energy issue, but in the long term could become a lever for the development of constructive cooperation in other spheres (Zolotukhin 2014).

The Russian government seems serious about this issue. In April 2015, Rosatom won a tender to prepare blueprints for a research reactor in Indonesia, and offered to collaborate on building nuclear reactors in Malaysia, Thailand and Vietnam. The transfer of such technology can also be seen as a practical geopolitical tool, since favourable conventions have the potential to generate broader political influence, reflected by the recent bilateral nuclear agreements with states such as Hungary and Iran. Furthermore, if these ways of proceeding are anything to go by, the Myanmarese government can expect very generous financial terms from Moscow. In a wider geostrategic sense, Russian investments can also counterbalance the growing role of China, which has bankrolled numerous economic projects in Myanmar.

Russia's Participation in the Military Sector

President Vladimir Putin has increased defence spending since coming to power in 2000, seeing the rebuilding of the armed forces as a central part of his attempts to restore Russia's position as a great power. In this regard, the resolute head of state pronounced,

It is important to strengthen Russia's presence on global arms markets. Beyond doubt, this should help national defence industries to plan for an expansion and update of production, and create new quality jobs (Putin 2014).

This wish seems to have come true. In the near future, the Russian Federation could even win the match against its biggest opponent, the USA, which started at the outset of the Cold War. Russia delivered weapons to 52 states in 2009 – 13 of which totalled an estimated 29.7 billion USD – while the USA supplied more arms than any other supplier, to at least 94 recipients with an average value of about 26.9 billion USD. In contrast to the USA, which mostly sells expensive, ultra-modern equipment to its allies, Russia tends to trade in time-tested Soviet designs at relatively low prices (Smith and Gould 2014).

At the beginning of the 21st century, the members of ASEAN agreed upon the modernisation of their national forces and other military installations, resulting from continual conflicts and the urgent needs for protection against terrorism, piracy, organised crime and illegal migration. If they continue to spend on the military at the current rate, these countries are expected to spend about 32 billion USD in 2015 and 40 billion USD in 2020 on weapons technology, which makes the region very attractive for Russian manufacturers. Southeast Asian states acquire their arms imports from a variety of sources globally, underlining the highly competitive nature of companies in the aerospace and defence markets. Singapore, Indonesia, Thailand, and Malaysia have a wide variety of suppliers, including the USA, the EU, Russia, and South Korea (Dowdy et al. 2014: 13).

Myanmar has not bought any weaponry from the USA (see Table 2) until today. The commencement of military cooperation between Russia and Myanmar began in the 1990s, and gained momentum during the 2000s. In 2001, Russia sold Myanmar four MiG-29 jet fighters, another ten in 2002, and in 2006 the Russian Aircraft Corporation MiG opened an office in Yangon. In 2009, the state-owned enterprise, Rosoboronexport, signed a contract to supply twenty more MiG products to Myanmar, winning the contract in competition with China (see Table 3). Taken as a whole, the official weapons purchases have come almost exclusively

from the Russian Federation and China, with sales divided almost evenly between the two.

This high-status investment did not really give an adequate answer to the needs of Myanmar’s traditional strategic counter-insurgency operations. But the MiG deal alarmed many of Myanmar’s neighbours, especially the pro-US oriented Thailand. Although the Thai Air Force is well-equipped with numerous US F-16 fighters, the government in Bangkok has never hidden its fear that the Myanmar MiGs may be used against its own interests (Lintner 2001: 23). But the jet fighters are expensive to use, and are often just grounded at Yangon’s International airport, unless enough foreign tourists are there to watch them take to the skies.

Table 2: Countries Importing Weapons from Russia Alone, Not from the USA (2013)

Country	Value of Russian weapons in USD
China	3,060,350,000
Algeria	2,097,860,000
Vietnam	1,910,710,000
Syria	1,570,280,000
Myanmar	520,450,000
Sudan	431,340,000
Uganda	310,130,000
Belarus	267,360,000
Turkmenistan	149,720,000
Mongolia	106,940,000
Libya	81,990,000
Iran	58,820,000
Malaysia	24,950,000
Cyprus	10,690,000

Source: The Stockholm International Peace Research Institute, Federal Service for Military-Technical Cooperation of Russia 2014.

Following the political changes, the arms imports into Myanmar in 2011 increased to an all-time peak of nearly 700 million USD, more than double the next highest annual figure since 1989. Simultaneously, fatalities in domestic military conflicts have also risen during this period. Since June 2011, the downward trend that had lasted for more than a decade was reversed following the massive rearming of the fighting forces, and its subsequent offensives against the Kachin Independence Army (Sommer 2013). According to statements by the Russian Defence Ministry, Myanmar’s armed forces used the 30 MiG-29 advanced supersonic fighters, the 30 Mi-17 gunship helicopters, and the 11 Mi-24 attack helicopters to good effect, presently utilising Russia’s Pechora air defence system. The

Myanmarese detachments also employ several T-72 battle tanks and short-range air-to-air missiles, but the exact number is still unknown (Frolov 2012: 16–26).

Apart from any profitable commercial transactions, Russia regards this positive development as a prelude to a very prosperous cooperation in that region. Because it has lost its standing in many traditional markets, including Libya, Syria, and Iraq, the world’s second largest weaponry exporter has also begun to increase the arms trade with Myanmar. In Southeast Asia, the defence industry is one of the rare high-tech sectors, and one of the very few areas where Russia remains competitive with China and the USA. Russia has become an important defence modernisation partner, especially for states such as China, Indonesia and Myanmar that lack or have lacked alternative suppliers because of Western arms embargoes.

Table 3: Export of Russian Military Aircraft (2009–2010)

Importer	Object of a contract military hardware supplied	Contract date	Cost in USD	Delivery date
India	29 MIG-29K	12 March 2010	1,5 billion	not specified
Vietnam	8 SU-30MK2 12 SU-30 MK2	2009 February 2010	320 million 1 billion	2010–2011 2012–2013
Algeria	16 SU-30MKI (A)	March 2010	800 million	2011
Myanmar	10 MIG-29B 6 MIG-29 SE 4 MIG-29 UB	7 December 2009	511 million	2011–2012
Uganda	6 SU-30MK2	March 2010	300 million	2011–2012
Overall	91 units		4,400 billion	

Source: Periodical *Torgovlya vooruzheniyami (arms export)* 2012.

In contrast to the USA that delivered major weapons to 94 recipients from 2010 to 2014, out of which none accounted for more than nine per cent of total US exports, Russia’s arms distributions were more concentrated. Three purchasers – India, China and Algeria – accounted for almost 60 per cent of total Russian exports (Wezeman and Wezeman 2015: 2).

But, in an attempt to establish a position of considerable influence in the Southeast Asian arms market, the Russian Federation increasingly wants to turn from large weaponry contracts with major nations such as India or China to working in parallel with a number of smaller states. In this context, one of the renowned Russian military experts, Vyacheslav

Tseluyko, emphasises that Myanmar can be a significant ally, despite its poverty:

Myanmar [...] does not have the money to place massive orders for complex military equipment. However, if Russia gains a foothold in that country it will have a chance to eventually start selling arms to Bangladesh, Laos and Indonesia, as well as expanding its military exports to Vietnam (quoted by Mikhailov 2013).

Certainly, it must be mentioned that Russian military exports have some drawbacks as well as advantages. In recent years, within the defence industry in Russia there has been a transition from working below capacity on occasional contracts to large-scale production. The transition itself can be seen as positive, but this seemingly positive phenomenon paradoxically results in some unpleasant consequences. This is due to the fact that during the last two decades this sector experienced a big shortage of manpower, and has in most cases been unable to boast modern production facilities. All this creates pressure to fulfil contracts, which in turn calls into question the ability to satisfy the rising demand from consumers (Russian Government 2015). Another problem is the shortage of aircraft carriers and lack of foreign bases, which provides a good opportunity for competitors such as China that already sell Russian spare parts to Malaysia.

Although Myanmar's defence relations with Russia have grown steadily over the past decade, they are not as robust as those with China, which recorded its neighbour as one of its main customers for weapons. However, if ties with its Russian partners continue to grow, Myanmar could eventually represent a key strategic site in Southeast Asia. As long as their respective national interests coincide, both Russia and China can take cordial or even collaborative foreign policy actions to counter American pursuits in this region.

Against this background, in 2013 the Myanmarese army's commander-in-chief, Min Augung Hlayn, and Russian Defence Minister Sergei Shoigu met twice to discuss deepening the relations between the two countries (Aleksandrov 2014). The ambitious plans that both sides conceived during the meetings were accompanied by a symbolic gesture. To commemorate 65 years of diplomatic relations between the two states, three Russian navy ships made a six-day port call to Yangon in November 2013, the first ever by Russian warships in the modern era, and an event that could set the tone for future joint military exercises. The chairman of the Russian army general staff, Colonel General Valery Gerasimov, expressed confidence about future progress:

This visit was an excellent demonstration of the high level of trust between our countries and reaffirmed their mutual interest in more active military-to-military cooperation (quoted by *ITAR-TASS* 2014).

Another result of Shoigu's trip to Naypyitaw was the idea of founding a Centre for the Russian Language in order to train the military personnel. Currently, Myanmar officers and enlisted servicemen go to Russia for three years to receive instruction in the use of the weaponry and equipment produced there. During the first 12 months, the cadets are obliged to take only Russian courses, before being introduced to specialist disciplines such as mathematics, informatics, machine engineering, nuclear energy, missileery, and aircraft manufacturing. To cut costs for the Myanmar government, future students should attend local colleges to learn the basic Russian military terminology, including drill commands, the Russian names for military ranks and army kit items, the correct way to address senior officers, and so on (Mikhailov 2013). This procedure is quite unusual because it was the Ministry of Defence that took the initiative, not the Ministry of Culture or Ministry of Education.

One of the reasons for such actions is the fact that a large number of personnel from Myanmar are studying at Russian military schools. As recorded by the Russian Ministry of Education, 4,705 Myanmar people attended university lectures between 1993 and 2013, more than from any other Southeast Asian country except Vietnam. Sometimes the proportions are rather larger. In 2006, a third of all the foreigners enrolled at the Moscow Aviation Technology Institute were Myanmar. In the 2010–2011 academic year, Myanmar represented the biggest group of foreign students at the Moscow Institute of Steel and Alloys (Ministry of Education and Science of the Russian Federation 1997–2014).

Cooperation in this field began with a student exchange programme, a project that was under the direct responsibility of the Soviet and Myanmar Ministries of Education. In 1972, 12 students from Burma were sent to Moscow State University, while six young Russians enrolled at Rangoon University to study multicultural courses and technological sciences. Over the following 40 years, the Myanmar government spent more than 150 million USD on students in the Russian Federation, and more than 50 million USD to integrate the educational system in their homeland. The Russian partners invested about 100 million USD in infrastructure-building in the educational sector; for instance, the Government Technological University in Yangon and the main library of Mandalay Technological Institute were built under the budget authorisation of the Kremlin (Tatarinov 2007).

The specific courses to be delivered to Myanmar students in Russia are chosen by the Myanmar government, within the limits set by Russian legislation. As a rule, a Myanmar Embassy official confers directly with the university in question on the number of scholars to be sent for training, and the list of the lectures they will take. The programme is then vetted by the Russian Ministry of Education and Science; also by the Russian Nuclear Energy Ministry in the early periods. The full expenses of the training are paid for by the Myanmar government, which provides a welcome opportunity for Russian universities to make some money, especially since the number of indigenous students had fallen due to Russia's demographic trough during the 1990s.

There are no official statistics available to show the career paths of former Myanmar students, but by combining different sources it is possible to make some statements. The academics from the ASEAN Centre in the Moscow State Institute of International Relations (MGIMO) recorded that one result of the bilateral exchange is the fact that new study programmes in oil and gas, computer sciences, social work, market economy, and tourism were expanded and developed in the universities of Myanmar. Furthermore, they found that a group of DSc and PhD students who graduated in Russia are trying to establish the very first institute of aviation in Myanmar. Some of the young people are now working with Russian tourists back in Myanmar, where their knowledge of the Russian language gives them a competitive edge. Other Myanmar specialists who have trained in Russia then leave for other countries, especially Singapore, where their skills are in high demand (Htet 2015).

The education of specialists abroad is part of Myanmar's efforts to nurture a cadre of elite technocrats. The candidates chosen for study are therefore mostly technical and military officers who have usually better basic training than civilians. The choice of Russia is not only based on its reputation in science, but is also an expression of Myanmar's attempts to find a counterbalance to China, which continues its economic expansion in the country. In the view of the Russian Federation, the exports of education services are not just a profitable line of business, but also a significant component of foreign policy. Russia needs to make good use of Myanmar's decision to choose Russian establishments, and step up the efforts to develop closer relations.

As a result, Russia wants to offer specialist training in the control of radioactive and fissile materials, because Myanmar officials have previously said that their country lacks the equipment and expertise in this field. For example, the training programmes provided to Myanmar by

Rosatom (State Nuclear Energy Corporation), the Ministry for Education, and the Federal Customs Service, could include nuclear security and safety courses. Such classes could be delivered independently, or as part of the IAEA projects at the Institute of Global Nuclear Security set up at the Interdepartmental Special Training Center in Obninsk (Kaluga Region), which belongs to the MEPhI National Research Nuclear University (Rosenergoatom: Press release 2015). But the Russian high schools, military academies, universities and the Export Control Commission under the Ministry of Education must be careful about the choice of opportunities they open up to Myanmar's younger generation. There needs to be a balance between economic benefits from teaching foreigners and Russia's non-proliferation commitments, as well as wider national security interests.

The small number of students in military areas, and rather modest weapons exports, shows that relations between Russia and Myanmar are not as tight as assumed by some experts. Undoubtedly, for the near future India and China remain the main strategic partners of the Russian Federation concerning arms exports, but their demand will be exhausted one day. Still, the experience that Russia has gained through this transnational cooperation may serve as a kind of business card in the competition for entry into the markets of Southeast Asia, and may be applied to intensify existing contacts, such as those with Myanmar.

Russia – A New ‘Counterbalance’ in Myanmar?

Vladimir Lenin, the father of the Great October Socialist Revolution of 1917, once proclaimed, “Let us turn our faces towards Asia; [...] the East will help us conquer the West” (quoted by Hopkirk 206: 1). His need for a relationship with Asia stemmed from his disappointment with the non-acceptance of revolutionary ideas in Europe, trusting that Marxism would find better ground in the East. Twenty-first century Russia's reflection of interests towards Asia is less ideological, and stimulated by a more pragmatic motive: the opportunity of economic development within the rising Asia-Pacific area. In addition to the enduring foreign policy ambition of reasserting Russia's influence in the post-Soviet space, Vladimir Putin has also drawn up a plan to court key allies well away from Russia's immediate vicinity. Thus, Russia could extend its geopolitical leverage, form solid business collaborations (particularly in the energy and arms sectors), and counter the clout of the United States. With reference to Southeast Asia, the Kremlin tries to prevent any further erosion and marginalisation of Russian power, as this could lead to a limita-

tion of autonomy, for example, through being wedged into a ‘junior partnership’ with China. For that reason, the political elite makes great efforts to label Russia with a new self-image as a ‘Euro-Pacific power’, accompanied by the long-felt will to recapture its former international greatness.

As early as 2001, the Australian scientist Andrew Selth assumed that, at critical times, Burma has been a cockpit for rivalry between the superpowers and, in the fluid strategic environment of the early 21st century, its important position is once again attracting attention from analysts and officials (Selth 2001: 5).

This prognosis seems to be proven true, as the following examples demonstrate. India, Myanmar’s second-biggest neighbour, has woken up to reassess its geographical and historical cultural linkages in order to utilise Myanmar for political stability as well as for economic development, by implementing its ‘Look East’ policy. The EU’s recent policy initiatives in Myanmar not only promote the democratisation process and economic reform, but also form part of its increased commitment to ASEAN and Asia as a whole. Japan, the most important reliable American ally in Asia, wants to partner with some other actors to balance China, thereby cutting off China’s main energy route leading to the Indian Ocean, while competing through its attractive financial and technological advantages for a larger market share (Dai and Liu 2014: 5–6).

With regard to the configuration of foreign policy, the Thein Sein administration recognises an auspicious capability. Myanmar’s neighbour, China, has been its closest ally since independence in 1948, and continues to be the dominant international actor there. But many sectors of civil society, particularly the opposition, desire to lessen its leverage and its sometimes ‘patronising’ attitude. When U Thein Sein ordered an interruption to the construction of the Myitsone Dam in 2011, China also received a damper from the official side (Bade 2015: 62–65). It must be mentioned that Russia’s most prominent traditional ally in Southeast Asia was Vietnam. This was based in the past on a shared communist ideology, and mutual distrust of China in light of the Sino–Soviet split and, with regard to Vietnam, deep-rooted historic wariness of China (Kobelev 2013: 15–32). On the other hand, whereas the international community excluded Myanmar for many decades, the country has been strongly associated with China since the 1970s. What makes this complex interplay different from the case of Vietnam, however, is that the state of affairs between China and Russia has changed noticeably since the mid-1960s. While some dissension between the two countries still exists, many foreign policy analysts now speak of a growing China–Russia axis.

Also, the United States has come to realise the opportunities inherent in greater engagement with Southeast Asia, and Myanmar in particular. In 2009, the new Obama administration initiated an elaborate review of US–Myanmar policy that led to the adoption of a more pragmatic attitude towards Myanmar. The beginning of the warmer bilateral contacts is characterised by the Myanmar elections of 2011, when the nominally civilian government proclaimed its intention to commence a process of national reconciliation. In November 2012, Barack Obama declared his intention to hold an annual summit with ASEAN, and became the first American president to visit Myanmar. While US politicians announced that this strategic course is based on supporting democracy, human rights, stability and expanding prosperity in Myanmar, many in Beijing interpret this remarkable change as part of a bigger effort to encircle and contain China (Haacke 2012: 53–60). So, the USA's 'pragmatic engagement' policy is primarily an attempt to use Myanmar as a means for implementing a 'double containment' strategy of China and India, while economic topics remain lower down on the agenda.

While these actions have been taken in the context of geopolitical tensions between China and the USA, the less-developed, but increasingly growing, Russian presence should not be ignored. Although Russia has already established some footholds in Myanmar, the financially stronger United States can be perceived as a serious competitor. Against the background of the Ukraine crisis and the present US–EU sanctions on Russia, Moscow would certainly give precedence to China in Myanmar, and would definitely avoid any cooperation with the USA. Russia's current aspiration is to gain a foothold in Myanmar, part of a three-pronged geopolitical thrust into the Indian subcontinent, the Indian Ocean, and Southeast Asia. Referring to the political dimension, it can be assumed that Russia will not interfere in the domestic affairs of Myanmar, allowing promotion of the implementation of western-style democracy and its values, such as respect for human rights and freedom of the press. The Myanmar people, who are just at the beginning of their political, economic and social transformation after a long period of nearly complete isolation, will highly welcome this deliberate restraint.

Unquestionably, China will remain a mighty economic giant in the region, but the Myanmar government seems to be looking for less dominant alternatives. Because of its historical abstinence in Southeast Asia, Russia might be qualified to this end. The Russian leaders do not seek regional dominance in Myanmar, but they do strive for a position as an independent pole in a multi-polar system, as an equal among the other players. In comparison with the former Soviet Union, Russia benefits

from a much less ‘threatening’ image, and represents an attractive alternative for a number of smaller states like Myanmar who seek a more balanced power distribution in their region. On top of this, the ASEAN-members, including Myanmar, find it advantageous to sustain competition among China, the USA and other notable players, since it helps them to advance their economic progression while retaining political autonomy. This trend coincides with Russia’s attempts to fulfil the ‘counterbalancing role’. The Russian policymakers, in defiance of Russia’s reduced standing on the world stage, think that it still possesses ‘assets for exerting influence’ as a ‘variable force’ or an ‘honest intermediary’ when addressing regional conflicts like the Korean crisis. and ASEAN’s response to China’s rise (Rangsimaporn 2009: 109).

Nevertheless, the economic sphere offers many more opportunities for the intensification of commencing bilateral contacts. Regarding the predominantly promising potential of the military sector, it must be mentioned that Myanmar still represents one of the least developed countries in the world, and is only able to afford to import a limited number of weapons, but it can act as a ‘door-opener’ to other clients in Southeast Asia. Hence, the Russian Federation should focus its attention on other aspects; for example, similar to Vladimir Putin’s proposal to establish a free-trade zone in Vietnam in November 2013, a similar deal could be suggested to Myanmar. The analogic kind of initiative might lead to a pivotal change, which would lift the dialogue between Moscow and Naypyidaw to a new level. In this case, the geographical distance and obvious differences in the export structure make such projects financially rewarding for both sides because no one has to fear an influx of competing products.

Conclusion

During the period of the Cold War, Russia’s interest in Myanmar was among other things driven by an ideological struggle against Western, and especially American, capitalism. Today, the main objective is to provide economic cooperation, to improve its position in the region, and to reassure the Southeast Asian country of its silent, but nevertheless persistent, presence on the map of the World. Finally, it is important to emphasise that the future success of Russia-Myanmar relations relies on a continuation of arms trade, cooperation with ancillary energy security, and opportunities to intensify the support of the education and training sector. As a whole, little by little, the Russia-Myanmar dialogue is acquiring new depth, and becoming more versatile and multidimensional. But

there are still considerable difficulties. On the one hand, Myanmar could not always fulfil the expectations of Moscow, especially in terms of the implementation of large economic projects and the reliability of payments. On the other hand, Russia does not have huge financial resources for necessary investments, and its representatives often have little knowledge of the exotic Myanmar.

Certainly, the bilateral relations started in the middle of the 1950s have the potential for achieving sustainability. But drawing on statistical evidence and the analysis described above, it can be stated that Russia does not act as a leading or a particularly influential 'great power' that constitutes a counterweight to China in Myanmar, though its presence there has stabilised and gained reputation in contrast to the 1990s. In the near future, it can be expected that Moscow and Naypyidaw will extend their partnership, but Russia will also extend the scope of cooperation with other countries in order to raise its influence in Southeast Asia. Myanmar cannot for the moment count on Russia as a 'counterbalance' to China, and will be compelled to find other alternatives in this respect, perhaps more in the form of partnering with an association of states rather than with a single country. To conclude, Russia and Myanmar can be observed more as friends in need than as close allies that have similar strategic considerations with regard to the international community.

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