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## CSS STRATEGIC BACKGROUND PAPER – 25 / 2015

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### HOW ANNEXATION OF CRIMEA AFFECTS ASIA

When Russia annexed Crimea on 18 March 2014 and thereby changed the border between Russia and Ukraine there was a tangible effect in the Northern Hemisphere. The effects on Northeast Asia as well as the rest of the Asia Pacific were not tangible but nevertheless significant and far reaching.

One broad impact was that the annexation occurred during a time of questioning the extent to which the United States pivot or rebalancing towards Asia is serious. Russia's moves in Crimea and its continuing actions in Ukraine have certainly grabbed the US's attention. For Northeast Asia and the rest of the Asia Pacific region the assessment has to be made whether the US's attention will be diverted sufficiently to lose concentration on Asia. The interest of all nations in the region in that question is not, of course, the same. China, for instance, would be happy to see the US security commitment lessen. Most of the rest of the region would like a US presence in and a strong commitment to the region to continue.

A second broad impact was that a border was seen to be changed by force. East Asia has an abundance of territorial disputes of its own and seeing a border changed by force produces a haunting fear. That fear is reinforced by China's and others' often overlapping claims to islands and China's sweeping claims in the South China Sea. The United States has compared China's moves in the South China Sea with Russia's land grab from Ukraine. The whole region has received a reminder that geopolitics is alive and well.

Other effects throughout the region are more diverse.

North Korea, for instance, probably feels its position improved. Russia forgave it a major debt and promised it development funds. A year of friendship between the two countries, both under international sanctions, was declared in 2015. One outcome of this pairing may be that Russia will use its United Nations Security Council veto power to thwart any further sanctions on North Korea because of its nuclear and missile tests. Perhaps North Korea will conclude that if Ukraine had possessed nuclear weapons

Russia would not have been able to seize territory (though there is reasonable evidence that North Korea has believed for a long time that its own nuclear weapons prevented any country attempting to force regime change on it). There is no doubt that it will have become harder to persuade North Korea to abandon its nuclear ambitions.

In China the annexation provoked a conflict between principle, inclination and realpolitik. China has long enunciated the principle of non-interference in other states. By any measure Russia's annexation of Crimea was interfering in another state. Yet China was not prepared to condemn Russia. Its inclination was not to join Western countries against Russia. Nor did it want to jeopardise its relationship with Russia for at least five strategic reasons. One was that it wanted its border with Russia secure because it was concentrating on its water claims in the South China Sea. Secondly, it had concluded a major gas deal with Russia at a price believed to be very favourable to China. Thirdly, it buys weapons from Russia which are more advanced technically than those it manufactures itself. Fourthly, it plans defence exercises with Russia, which are still useful to it even if the arrangement does not amount to anything like a defence alliance. Lastly, China has territorial dispute with Vietnam, the Philippines, Japan and India and probably wants to keep its friends where it can find them. As a further indication of China's discomfort with Russia's actions, China explicitly rejected the notion of changing the status of an area through a referendum as Russia did. Considering Tibet, Taiwan, the Xinjiang Uighur Autonomous Region let alone China's own methods of choosing its government, allowing choice of government by referendum is not something that China would be enthusiastic about encouraging.

China resolved these conflicts by abstaining on the UN Security Council draft resolution condemning the proposed referendum in Crimea about joining Russia, which was to be held the next day. . The Chinese representative argued for a balanced approach. The resolution was going to be lost in any case because Russia would have voted against it and as a Permanent Member its vote would have vetoed the resolution but it would have been even more damning against Russia if the draft referendum vote was 14-1 instead of the count that resulted from China's abstention.

In the past China has bought arms from Ukraine. There is something of a tangled picture about whether Ukraine will continue to be a major arms producer and China may look more towards Russia as an arms supplier. That would suit Russia which is suffering from the sanctions and from the drop in international oil prices.

Japan had also concluded a gas agreement with Russia but came under pressure, particularly from the United States, to join the sanctions against Russia. It did so but in a rather limited way. The main effect of the Crimean annexation on Japan has been to demolish any hope that Russia would agree to return to Japan the four islands of the southern Kurils known in Japan as the Northern Territories which Russia seized in the last days of World War 2. Vladimir Putin, President of Russia, will visit Japan during

2015 and Shinzo Abe, Prime Minister of Japan, hoped that Putin would return the islands during this visit. Russia had long seemed reluctant to lose any territory. The annexation of Crimea increased Putin's popularity in Russia and this added to the improbability that he would want to be seen as giving territory away. Russia has announced that it plans to accelerate civilian and military building on the islands. Whether this announcement was directly related to Abe's visit to Ukraine where he expressed support for the country's president is not clear, but the announcement was made shortly after that visit.

India recognised Russia's annexation of Crimea, one of the few countries to do so. Among the factors influencing this were the continuation of the good relations that had existed between the former Soviet Union and India, Russia's support for India becoming a Permanent Member of the Security Council and their shared membership of a number of international bodies including the so-called BRICS group of Brazil, Russia, India, China and South Africa.

Russia has long wanted to extend its influence to Southeast Asia and earlier this year Dmitry Medvedev, Russia's Prime Minister, visited Thailand and Vietnam. Vietnam has been buying Russian military equipment and Russia has built a naval maintenance facility in Cam Ranh Bay, a deep-water port. Russia hoped to sell weapons and to boost trade and tourism with Thailand, whose government has been criticised in the west for granting sweeping powers to the military.

The extent to which New Zealand will need to define its attitude to the annexation of Crimea and Russia's activities in Ukraine while it is on the Security Council remains to be seen. There is an item of the Security Council agenda about the Malaysian passenger aircraft, MH17, shot down over eastern Ukraine. Whether that debate will spread itself into Russia's annexation and other activities in Ukraine is unknown at the time of writing.

Whatever the development New Zealand would do well to stick to its traditional stance of valuing and seeking to uphold the rule of law. If the North Atlantic Treaty Organisation or the United States press to fight on the ground for Ukraine, the Security Council should discourage such a move. Such involvement would be a major misjudgement. A political solution has to be found and it would be a worthy task for NZ to help to contribute to that.

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