

Russia Joins Asia-Europe Meeting: A New Round of the EU-Russia Economic Relations

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Abstract

This research addresses the problem of the economic, political and social place of the European Union (EU) for Russia at Russia's debut at Asia-Europe Meeting (ASEM). This research suggests that Russia's prime interest in participation at ASEM is in its desire to increase its political, economic and social relations with the EU. While Russia has the leading position as the natural resources' superpower, the EU presents the largest market of oil and gas consumption. ASEM is an opportunity for Russia to improve its economic relations with the EU as well as to maintain its presence in the European region. The empirical section of this paper presents the main results of interviews with Russian business, social and political representatives, who seem to accept the notion of Russia to improve its economic relations with the EU at ASEM.

Key words: ASEM, European Union, Russia, international relations, regionalism.

1. Introduction

Ever-changing global geo-political situation in and orientation of Europe and Asia triggered the establishment of an inter-regional forum of ASEM. The first factor was the end of the Cold War, which shifted the world from a bipolar to a multipolar orientation. Military power has lost its priority in the international agenda, while economic power and political negotiation became the dominant (Yeo, 2000, 114). The end of the Cold War promoted wider international contacts and, at the same time, led to the stronger competition between countries. According to Dent, new geo-economic relations between countries replaced the previous geo-political orientation of transatlantic relations (Dent, 2001). Consequently, new modes of global interactions required new modes of a global dialogue. The second factor was Asia's morphing political environment. Until the early 1990s, the Prime Minister of Malaysia Mohamad Mahathir and the Prime Minister of Singapore Lee Kwan Yew were aggressively promoting so called "Asian values", an ideological vision, which arguably created a barrier on the way of inter-regional dialogue (Forster, 2000, 793). The following decade (marked by a dramatic Asian financial crisis) saw a change in this paradigm, with Asia looking for more constructive and informed dialogue with the world.

The economic weakness in the relations between the EU and the Asian region is another factor of ASEM's establishment in the 1990s. By the 1990s, the EU companies were inferior in its commercial presence in Asian region to the USA companies. In contrast, East Asia-North America trade cooperation was the most powerful in interregional trade system (Loewen & Nabers, 2008). Besides, the Asian companies preferred to invest in the USA (Dent, 2001, 30). The reason for this active link between Asia and the USA was that in the Triad of the world's dominant economic groups (Europe, East Asia and North America) the USA had "an excessively strong position vis-à-vis these two other regions" (Forster, 2000, 791). Moreover, since the end of the 1980s, East Asia had a rapid economic race compared to the EU and the US, both of which had a general slowdown (Yeo, 2003, 11). By 1992, 24% of global production belonged to East Asia, compared to 35% of the EU and 28% of North American production (Ibid, 10).

In 1997, Asian region secured € 33.8bn surplus with the EU and rose to € 97.2bn by 1999 (Dent, 2001, 736). High technological development and the focus on the sectoral trade are the main reasons of Asian competitive advantage (Ibid, 738). In addition, before the 1990s, particularly between 1986 and 1992, the EU Member-States were mostly interested to create the Single European Market. The development of inter-regional cooperation with Asia was not a priority, giving up to the internal reforms. In particular, the diplomatic issues with Asia were not on the top of the European diplomatic agenda (Shin & Segal 1997, 140). As Yeo argues, "both the EU and Asia were under-investing in each other's region" (Yeo, 2003, 16). The relations between the EU and Asia were a missing link in the political and economic field.

With the break of the Soviet Union in 1991, the Russian Federation became a player that wielded a huge territory, a significant amount of natural resources and the world's largest nuclear power, nevertheless, was concern about its role in Europe and Asia. Russia started rethinking its relations with both Europe and Asia and hence intruded into Asia-European relations. Due to Russia's geographic location and historical connections with both Asia and Europe, Russian political elites seize opportunities for the country to participate in regional institutions at the both continents: the ASEAN Regional Forum (ARF), Asia-Pacific Economic Cooperation (APEC), and the East Asia Summit (EAS) on the Asian side or, for example, Organisation for Security, Council of Europe, Co-operation in Europe and Human Rights Convention on the European side. The associated economic or political benefits from membership of both Asian and European regional institutions were the crucial reasons behind Russia's striving for participation, but such factors as political prestige and the recognition of Russia as an equal partner by other countries were other important concerns. In addition, Russia's choice of whether to be "more European" or "more Asian" is the civilisation question of whether to join "highly institutionalized movement toward economic and political integration in Western Europe" or "less institutionalized and nonpolitical nature of East Asia integration" (Gilpin, 1995, 17).

This article assumes that Russia's desire to participate at ASEM is caused by Russia's intention to renew its own politico-economic position toward the EU. Russia's membership at the ASEM provides Russia opportunity to view its economic, political and cultural relations with the EU from different perspective. Examining Russian business, political and social elite's vision of the EU, this article presents results of empirical research on the attitude toward the EU as Russian closest political, economic and social neighbour. Indeed, the EU is Russia's largest trading partner, its closest neighbour, is an influential scientific, technological and cultural centre. The crucial question is how Russian business, political and social communities view the EU in the frame of ASEM? In order to answer on this question, this article presents results of interviews with business, political and social elites.

2. Methodology

2.1. Data Collection

This research addresses the problem of the international economic, political and social place of the European Union in the visions of Russia's business, political and social elites drawn from a series of interviews conducted between October 2011 and December 2011 with 24 Russian elites¹. For the purposes of this article, the issues of Russia's participation at ASEM will be viewed through the elite's opinion on the EU in the frame of ASEM. This article assumes that the visibility and the conceptualisation of the EU among Russian business, political and social elites crystallise the EU-Russia relations within the frame of the ASEM.

There are two main reasons why business, political and social communities were chosen for interviewing. First, business, political and social representatives have close professional involvement with the EU in the economic, political and socio-cultural dimensions. These three groups have personal interest in Russia's politico-economic and social development at the world arena. Second, these particular groups, businessmen, politicians and NGO representatives, are highly concern about improvement of networking. Being an element of the ASEM framework, the Asia-Europe Business Forum (AEBF) promotes business partnership, entrepreneurship activities and collaboration between private businesses and governments through the informal dialogue. Therefore, business, political and social elites have both individual interests as well as common interests, which can be achieved through work at ASEM.

The survey was conducted through interviews with the leading representatives of business, the top representatives from the ruling Russian parties and the most influential NGO representatives. All the interviews took place in Moscow, where Russian business, political and social elites are predominantly concentrated. It can be argued that conduction of interviews only in Moscow cannot characterise the view of the whole Russia. However, the most influential business and social representatives are located in Moscow. Moreover, the political nature of Moscow is impossible to underestimate – Moscow is the major national administrative centre (Gritsai, 1997, 343). The bureaucratic apparatus and the leading businesses are located in Moscow; hence, Moscow is the most attractive place in Russia to conduct face-to-face interviews with political elite.

¹ The survey constituted an integral part in a multi-country survey elaborated in transnational research project "After Lisbon: The EU as an Exporter of Values and Norms through ASEM" led by Dr. Natalia Chaban and Prof. Martin Holland. For further details, see: <http://www.euperceptions.canterbury.ac.nz/lisbon/index.shtml>.

Conduction of interviews with the leading, the most important and the most influential representatives of business, political and social communities provide in-depth information about elite's opinion on the EU in the frame of ASEM.

2.2. Structure of the Questionnaire

This survey was focusing on five main issues: (1) personal attachment of the interviewer to the EU and general images of the EU; (2) international role of the EU; (3) bilateral EU-Russia relations; (4) specific issues of Russia-EU relations; (5) Effect of ASEM on Russia-EU relations. As Table 1 illustrates, the interviewees were asked 18 questions. The interviewees received a maximum degree of freedom to express their opinion: the interviewees chose a convenient for them time/place for the interview, there was an option for interviewees of complete confidentiality/anonymity. The average duration of the interviews was approximately thirty-five minutes. All face-to-face interviews were recorded on the approval of the interviewees, and later transcribed and translated from Russian into English.

3. Literature Review

After establishment of ASEM in March 1996, the study of ASEM received significant scholarly attention. There is a massive literature, which debates about those factors that led to establishment of ASEM. In political studies, researchers match the establishment of ASEM to the international changes at the world arena. Indeed, ever-changing global geo-political situation in Europe and Asia triggered the establishment of an inter-regional forum of ASEM. The first factor was the end of the Cold War, which shifted the world from a bipolar to a multipolar orientation. Military power has lost its priority in the international agenda, while economic and political powers has become dominant in the negotiation processes. New modes of global interactions required new modes of a global dialogue (Yeo, 2000, 114). The second factor was Asia's morphing political environment. Until the early 1990s, the Prime Minister of Malaysia Mohamad Mahathir and the Prime Minister of Singapore Lee Kwan Yew were aggressively promoting so called "Asian values", an ideological vision, which arguably created a barrier on the way of inter-regional dialogue (Forster, 2000, 793). The economic weakness in the relations between the EU and the Asian region is the third factor of ASEM's establishment in the 1990s. Since the end of the 1980s, East Asia had a rapid economic development compared to the EU and the US, both of which had a general slowdown. Researchers argue that these politico-economic factors were crucial in "rapprochement between Asia and Europe" for greater growth (Yeo, 2000, 120).

Despite scholars have had high academic interest in the nature of ASEM, the topic of Russia's participation at ASEM 2010 is relatively neglected. The issue of Russia's membership at ASEM contributes to the analysis of strengths and weaknesses of ASEM, its current challengers and prospective development. Shortly after the first gathering of ASEM members, Russia showed initiative to participate in ASEM (Robles, 2008, 126). Literature on ASEM studies illustrates: such issues as factors of establishment of ASEM, the nature of ASEM, its necessity and achievements has received significant academic reflection. The problem of Russia's participation at ASEM is primarily seen from the ASEM's point of view. In other words, researchers explore how ASEM benefit from Russia's membership, what difficulties will ASEM face after Russia's membership or what are ASEM's expectations from Russia. In contrast, there is a lack of literature on Russia's view on ASEM and its members. The literature that reflects Russia's view on ASEM, mostly focus on Russia's political and economic relations with its ASEM's partners. None of the scholars have raised the issue of Russia's symbolic and material connections with the ASEM's partners.

This study acknowledges the position of those scholars, who believe that Russia's participation at the ASEM's so called "Third group" was predetermined by the position of the EU who advocates that membership on the "European side", can be open only to EU Member States (Ibid, 27). However, this paper argues that ASEM's "Third group" provides Russia an opportunity to rebuild its relations with the EU. Russia's participation at the ASEM benefits Russia-EU political and economic relations. This study builds its proof by contradiction: Russia has joined ASEM in order to view "European side" in a different perspective. Since the 1970s, researchers have raised the question of how the EU as growing international power is perceived by others internally and externally. One of the largest investigative concerns today is how do citizens of the EU perceives the EU's actions. The most respectful survey that deals with internal perception of the EU is the Eurobarometer (Eurobarometer, 2011). Aiming to identify the reaction of the European internal society to the EU political, economic and social activities, the Eurobarometer conducts about 1000 face-to-face interviews with citizens of the EU Member States.

External perception of the EU actions is another direction of perception studies. In Russia, the number of researches regarding the issue of social reflection on the political events considerably increased after the collapse of the Soviet Union. From the beginning of the 1990s when the general political liberalisation occurred, researchers have been interested to identify how Russian society perceives the international relations between their country and other countries, and how Russian society sees their country in the frame of foreign affairs. The All-Russian Public Opinion Research Centre (VCIOM) is Russian leading institutions for the study of the public opinion. Despite the head office of VCIOM is in Moscow, this company has branches across Russia and has close connection with research centres in other countries (Яковлева, 2007). VCIOM has an internationally recognised importance for perception studies; however, its weakness is that this survey does not deal with media perception of political phenomenon and international actors.

Against this background, the strength of this paper is that vision of the EU in Russia's business, political and social communities is viewed through Russia's participation at ASEM in 2010. There is a number of issues that have been overlooked by contemporary scholars. First, despite the EU is Russia's closest and largest neighbour, its role and politico-economic capacities can be undermined by Russia. Outside of its borders, the EU is profoundly misunderstood (Holland, 2002, 243). Second, researchers have overlooked the fact that sustainable political dialogue cannot happen without mutual understanding of each other. The researchers have not take attention on the fact that the informal nature of ASEM, its intention to progress in other international organisations and its ambitions to contribute to international dialogue present significant platform for scholars to identify territorial and conceptual linkages of ASEM members.

This research has both practical and theoretical outcomes. The practical outcome is investigation of the role of ASEM in Russia's aspiration to grow its economic partnership with the EU. This study suggests that Russia uses ASEM as a sustainable integration platform in order to improve its economic presence in the EU. Russia's participation in ASEM will impact on Russia's relations with the European Union, who still remains Russia's main trading partner. Theoretical outcome is that this study fulfils the gap in the methodological discourse by bringing together the academic knowledge of three continents – Europe, Asia and Eurasia. Although ASEM has become an importance vehicle of dialogue for both Asia and the EU, this inter-regional meeting has the lack of visibility in academic field. The potential outcome of this study is to increase the level of interest in ASEM. Besides, this study suggests viewing ASEM enlargement in close connection with international political development. Therefore, one of the outcomes is to improve multidisciplinary network of ASEM studies.

4. Russia's Membership at ASEM

This article argues that Russia's membership at the ASEM was the result of an obligate course of its political development after the collapse of the Soviet Union. At the beginning of the 1990s Russia favoured political relations with the USA and the EU, however, since 1996 Russia has turned to the concept of multipolarity. In 1996 the first summit of ASEM took place in Bangkok. Shortly after Russia showed initiative to be a member of ASEM.

The beginning of post-communistic period of Russian political development was characterised by so-called "Atlanticist" doctrine. This doctrine was adopted in 1990 when Boris Yeltsin as a chairman of a Russian Parliament came to power. Atlanticism postulated that integration into Western civilization and international institutions had to be the goal of Russia's democratization and socioeconomic transformations after the collapse of the Soviet Union (Rubinstein, 2002, 16). Indeed, at the beginning of Yeltsin's presidency, the goal Russia's development was to accept the superiority of Europe and the United States. In the early 1990s, Yeltsin administration and business community accepted both the idea and the model of Westerns countries. Russia's pragmatic goal was to join Euro-Atlantic institutions. Russia became a member of the Group of Eight and the Council of Europe; it was also a member of the Contact Group during the wars in Bosnia and Kosovo. In 1994, Russia signed the Partnership and Cooperation Agreement with the EU, in 1997, Russia signed the NATO-Russia Founding Act that helped to create the NATO-Russia Council in 2002 (Stent, 2007, 419). As Russian foreign minister Andrei Kozyrev declared "Our choice is – to progress according to generally accepted rules. They were invented by the West, and I'm a Westernizer in this respect – the West is rich, we need to be friends with it – It's the club of first-rate states Russia must rightfully belong to" (Ibid).

There was a high level of criticism of the "Atlanticist" orientation in Russia's development. "Atlanticist" doctrine had significant weaknesses and limitations on domestic and international levels.

On domestic level, it provided opportunities for oppositional forces to mobilise against their country's development. The pro-Western orientation of Yeltsin was criticised for making too high concern about Western powers against the background of ignoring Russian own interests. In 1992, Yeltsin's advisor S. Stankevich argued that Russia's foreign policy neither contribute to Russia's better self-understanding as a state, nor formulate system of national interests that would encourage building statehood (Stankevich, 1992, 47). Indeed, the "Atlanticist" orientation required Western countries to expand fully to encompass Russia. Moreover, Russia had to bring its political and economic system into proximity with Western institutions without paying attention toward its different environment (Grosdev, 2007, 138). On the international level, the Russian foreign policy established to consider itself as a partner with the West, while, in fact, Russia's economic viability did not insure partnership with the West.

When Yevgeny Primakov became the new Foreign Minister in 1996, Russian foreign politics moved away from "Atlanticism" and turned to the concept of multipolarity. As a Foreign Minister Primakov underlined that Russia's status as an influential world power required diversified foreign policy. The 'Primakov Doctrine', as it has been dubbed, called for a fundamental transformation of the international system from a unipolar structure to multipolarity. Primakov believed that narrowness and confrontation with the United States were significant weaknesses of Russian foreign politics. The idea of a multipolar world promoted into Russia's political discourse by Primakov was reaction on the US dominance in international affairs and aimed to block the US influence on Russia. As Primakov argued:

"Russia in her transition from the bipolar world to the multipolar one should play the role of a counterweight to the negative trends that are appearing in international affairs. In the course of this transition not all power centers, determining this multipolarity, have yet formed. And somebody wants to dominate in this situation" (Turner, 2009, 163).

The real strength of the modern world is dialectics between multipolarity and interdependency of new centres of the world system. The future world order is based on competitive interactions of principal centres of power and not on any one power's domination (Примаков, 2009, 12).

Russia's membership at ASEM illustrates multipolar direction of its political relations. There were external and internal factors that determined Russia's choice. Externally, Russia's inclusion in so-called "Third category" was the result of the position of the EU, which argues that the "European side" of ASEM belongs to the EU member-states. Despite some European but non-EU countries incidentally have raised the question of possibility to participate at the "European side" as non-EU members, this issue is still open (Japan Center for International Exchange and University of Helsinki Network for European Studies, 2006, 189). Internally, Russia's Eurasian nature theoretically allows participating both as European and Asian state. Inclusion Russia in the "third category" together with New Zealand and Australia was a flexible solution. In other words, inclusion of Russia in the "third category" postponed the necessity to take any particular decision on the procedures, criteria and principles of further ASEM enlargement.

5. Vision of the EU through ASEM

Three interesting features were observed in the elite's attitude towards the EU's position in international politics in general and in ASEM in particular.

The first feature is that business, political and social representatives primarily highlighted the economic power of the EU. There are 4 business representatives, 4 political representatives and 5 social representatives who noticed an economic issue as the dominant issue in the EU-Russia relations. The EU is considered as the major economic partner, economic neighbour and an economic giant in the world. The most powerful instrument of the EU was viewed in its large market. However, the EU underwent a process of economic turbulence, due to the slowdown of the euro area in the recent years. There are 9 out of 24 elite representatives, who mentioned the financial crisis in their answers on the question about the importance of the Euro vis-à-vis the US Dollar. Specifically, there are 3 elite representatives (1 politician, 1 business elite representative and 1 social representative), who consider contemporary economic position of the Euro as weak. Remarkably, both political and business elites see the reasons of weakness of the Euro in the lack of the controlling financial mechanisms in the EU. Bilateral political settlements with the EU are not as crucial as economic agreements. The political process of developing the strategic partnership between the EU and Russia portrays as slow and inefficient.

A number of supplementary issues were mentioned such as the EU-Russia security dialogue, migration issues, and the EU position toward Russia's desire to join the WTO. Only 1 respondent from political elite category and 1 social elite representative named the environmental issue. Indeed, Russian society does not concern about green (conservation) and global (global warming) issues (Karjalainen, 2006, 59).

The second feature touches the vision of the EU as a single actor. Despite the EU is considered as a political giant, the EU is seen as an actor which often closed up for negotiations. The crucial reason is the lack of unity in the structure of the Union. The internal problems of interrelations between the EU Member States lead to the slowness of the EU's external actions. Another reason is that growing EU bureaucracy and the complex nature of the EU institutions make the EU a difficult partner in the negotiation process. Russian elites remark that promotion of democratic principles in the former Soviet Union countries is a political proselytism. Russian elites often portray the EU as an actor, which infringes upon Russian political interests in the region. While Russia raises a discourse of historic responsibility toward Ukraine, the EU claims "European vocation" of the former USSR countries. The EU does not have a legitimacy to act in the post-Soviet Union, which is considered by Russia as a "very special 'backyard'" (Gower, 2008, 165). The legitimacy deficit of the EU is a remarkable empirical result of this survey.

The third feature is the negative view on the enlargement of the EU. Russian elite considers the management of the 2004 and 2007 enlargement as unsuccessful. The principal outcomes of the enlargement are widening difference between the EU Member States, dramatic migration movements and social conflicts. The EU's enlargement was perceived as a challenge primary for the EU leading countries – Germany and France. Moreover, the majority of elite representatives do not believe in the future enlargement of the EU, due to enlargement leads to more economic and political risks rather than to opportunities for the EU as a single actor and to its particular Member States. Russian political and business representatives are highly concerned about those political and economic processes taken place in the EU, although they highlight the economic and political gaps between the EU and Russia. Elite representatives also expressed hope that ASEM would be able to encourage the EU-Russia dialogue.

5.1. The role of ASEM in the EU-Russia economic relations

Against the background of dramatic improvement of two-way trade, investment and technological flows between Asia and Europe, Russia could consider itself over the side of economic processes taken place on both sides of its border. On the one hand, the Asian members of ASEM are major partners of the EU, accounting for one fifth of the EU's trade in 2003. In 2010, the EU exported 21.1% (€284.168 millions) to Asian members of ASEM of total EU exports. The EU mainly exports integrated circuits and electronic components, accounting for 53% or €8.074, 4 millions of EU total export. On the other hand, the EU shared 33.9% (€508.972 millions) of total EU import. The EU primarily import manufactures – 51.1% or €469.142, 1 million the total import. Machinery and transport equipment covers the largest percentage of import, accounting for 58.9% of the total import (European Commission, 2006). Such close economic ties of Russia's neighbours from its both sides could benefit Russia just under the condition that Russia was a member of their relations. Otherwise, Russia would be treated just as a gas/oil supplier to both regions. ASEM provides Russia additional framework in which Russia can be involved. Russia is interested in the informal nature of the ASEM in order to improve its economic relations with the EU as its largest economic partner. The economic capacities of the EU are enormous.

The EU is the world largest trading actor in merchandise exports, accounting for 71.3 per cent of the world trade in 2006, leaving far behind such trading super-powers as the USA, China and Japan (World Trade Organisation, 2006). Even the current European economic depth cannot undermine the importance of the EU as an economic actor for Russia. The EU-Russia economic relations mainly base on the import/export of raw materials. The EU consumes 27 per cent of Russia's oil exports, specifically, 31 per cent of gas exports and 24 per cent of coal (European Dialogue, 2012).

Russian business, political and social communities highlight that Russia's resource capacities determine Russia's interests in the ASEM. Within the ASEM framework Russia is able to deal with its partners at the informal level. Political elite viewed the ASEM as one more opportunity to work on the country-to-country level and improve bilateral economic relations. Remarkable are words of one of the influential Russian bureaucrats from the International Cooperation Department, Ministry of Transport of the Russian Federation, who wished to participate in the interview anonymously.

During the interview he argued, “We see the ASEM as a ground, as a Forum for demonstration, for lobbying of our interests and our opportunities at the international level. First of all in the field of transit, in the field of sale of fuel and energy resources. And the second is in the field of development of our transit potential”. He also mentioned that Russia seeks to build a constructive cooperation with the EU at ASEM. Indeed, Russia does not want to be outside of the EU-Asia economic relations. A Member of Expert Council at the Council of Federation, T. Parkhalina, suggested that the EU’s participation at ASEM was, in fact, a signal for Russia of what kind of importance the EU gave to the Asian players and to the whole region. A threat to be outside of EU-Asian politico-economic relations has motivated Russia to struggle for membership at ASEM.

6. Discussion and Conclusion

The EU has been primarily perceived among business, political and social communities as an economic actor, secondary as a political actor. Against the background of this data, one crucial conclusion can be made –the high visibility of the EU’s economic actions refer to Russia’s position at ASEM as an economic power, which relations with other actors stay on the ground of gas/oil export. There is a reasonable base for the visibility of the EU from the economic perspective: oil and gas sectors are a locomotive of Russia’s economic growth; Russia is rich in these resources, while the EU is experiencing shortage; there is close geographic linkage between Russia and the EU, which makes efficient transportation of energy resources. Since 2000 till 2008, Russia gained indisputably the first place among countries of importers of crude oil and natural gas to the EU. In addition, the supply of hard coal to the EU Member States increased from 7.9% in 2000 to 23.7% by 2008, well outstrip of the next highest share record of South Africa (15.3%). Arguably, Russia’s rely on gas/oil export will remain in the future. As Russian Prime Minister Putin stated in 2009 following talks with his Hungarian counterpart Ferenc Gyurcsany, “We have enough energy resources to meet...the demands of our European consumers for at least another hundred years” (Russia Today, 2009). Media shapes Russia’s perception about its own economic capacities through imagery of Russia’s largest economic partner – the EU.

A research on attitude of business, political and social communities toward the EU has raised provoking questions about Russia’s political orientation in the world arena generally and within the ASEM particularly. The question is does Russia’s ambitions to put economics first and politics second in the framework of ASEM correspond to desires of other members of ASEM? The answer is yes. At the end of the 1980s-the beginning of the 1990s the EU had relatively small presence of trade and FDI stocks in the Asian region, negotiations on trade liberalisation, investment flow and general development of multilateral economic sector were the crucial expectation from ASEM, when it was just established (Japan Center for International Exchange and University of Helsinki Network for European Studies, 2006, 75). The economic relations between Asia and Europe still remain a topical issue due to, as Vietnam’s Deputy Prime Minister Vu Khoan notices, the current speed of economic co-operation “matches neither the potential of the two continents not the needs of the current situation” (Anonymous, 2004). Specifically, the energy issue and the rise of oil prices concern all ASEM-members, who are either importers or consumers of oil. Moreover, Russia is not the only state that have prioritised economic scheme of ASEM. Compared to other pillars (political and social) of ASEM, the economic pillar is the most developed and substantive (Dent, 2003, 230).

Considering ASEM as a “unique opportunity to relaunch a European presence in one of the world’s most dynamic areas which has vigorous economic and technological growth”, the EU has pursued economic interests to increase its presence in the Asian region (Japan Center for International Exchange and University of Helsinki Network for European Studies, 2006, 75). Being at economically booming region, the Asian members of ASEM have considered the EU as the second largest import partner. The Trade Facilitation Action Plan (TFAP), adopted at ASEM 2 in 1998, is one of the direct outputs of ASEM’s economic pillar. TFAP goal was to reduce custom barriers, remit standards and technical regulations. TFAP is seen as the most significant achievement of ASEM’s economic pillar (Ibid, 78). The point is, despite political and social pillars of ASEM are important, it is an economic dimension, which is as “a vehicle for co-ordination the range of bilateral exchanges” (Ibid, 105). Together with other members of ASEM, Russia perceives ASEM as a platform in order to negotiate trade and investment issues. Empirical research shows that Russia’s political and business elites view the EU as an important economic partner, with whom Russia could build its economic relations within the ASEM. Arguably, the fact that Russia’s political and business representatives highlights the EU as an economic power illustrates that economic dimension is a Russia’s priority of its development as an actor on the world arena.

The analysis of attitude toward the EU among Russian business, political and social elites has two pragmatic contributions. First, answering on the question how Russian elite perceives “European side” of ASEM, this research develops further exploration of Russia’s participation at ASEM. This study has examined business and political elite’s attitudes toward the EU just one year after the 8th ASEM Summit in Brussels (4-5 October 2010) took place, when Russia was formally accepted into ASEM. One year after Russia’s participation at ASEM, there is a strong vision of the EU as an economic power. Arguably, improvement of economic cooperation with the EU is the crucial reason for Russia to participate at ASEM. Unlike APEC’s concentration on economy, more variety of issues can be discussed in ASEM. Second, despite the EU is considered as the closest and the most reliable Russian partner in the economic sphere, the EU is still viewed as a distant political actor. Geographic proximity contradicts to the political coldness between Russia and the EU. Due to Russia has not played a supporting role in recent external activities of the EU, such the participation of the EU in the Libyan conflict, the political dialogue between Russia and the EU has become more reserved and distant.

Despite researchers argue about Russia’s fuel and energy potential in the future (Arbatov et al., 2005) and question a distinct role of the EU in development policy (Holland 2002), Russia and the EU still need to increase closeness in their political, social, environmental and developmental relations. In an increasingly globalizing and interdependent political environment, Russia and the EU need to promote dialogue in order to bridge the gap of political distance and misunderstanding. Russia’s membership at ASEM may turn out to be the start point of new era of Russia-EU political improvement, which may bring the EU closer to Russia in the politico-economic dimension.

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Table 1: Structure of the Questionnaire

Topic area	Questions
Personal attachment to the EU	Professional involvement of the interviewer with the EU; Sources of information on the EU; Media sources used to access news about the EU; Personal interactions with the EU; Three immediate images of the EU;
International Role of the EU	Recognition of the EU as a great power; Recognition of the EU as a leader in the international politics;
Bilateral EU-Russia relations	The importance of the EU compared with other regions; Evaluation of overall Russia-EU relationship; Major issues in Russia-EU relations; Future trade and government policy of Russia toward the EU; Evaluation of the work of EU Delegation; Current importance of the EU to Russia; Future importance of the EU to Russia;
Specific issues of Russia-EU relations	Impact of the EU enlargement of Russia; Evaluation of the Euro as an international currency vis-à-vis the US dollar;
Importance of ASEM	Impact of ASEM on Russia-EU relations; The effect of ASEM on Russia.