

# Russia, India, China Seek 'Mechanism' for Trilateral Cooperation

by Ramtanu Maitra

Russian President Vladimir Putin's visit to China March 21-22 put a slew of strategic issues on the table for discussion and made it evident that the leaders in Moscow, Beijing, and New Delhi are moving forward to assert themselves in a multi-polar world.

Perhaps the most important issue discussed appeared in the joint statement issued by President Hu Jintao and President Putin on March 22. It said: "The two sides favor an early establishment of a mechanism of trilateral cooperation in the Russia-China-India format in the belief that this will contribute to a fuller realization of their potentials for economic development and will strengthen international efforts to stand up to new threats and challenges."

While he explained to the media the underlined importance of this paragraph, Chinese Foreign Ministry spokesman Qin Gang noted that India, China, and Russia are big countries, sharing much common interest in safeguarding regional security, stability, and development. Qin also pointed out that the trilateral meetings at the Foreign Minister level for the three nations have been taking place regularly. The last meeting of these Foreign Ministers was held in June 2005 in the Russian city of Vladivostok.

Interestingly, during President Putin's state visit to India last year, Russia and India had issued a joint statement in which trilateral cooperation among India, Russia, and China was mentioned as a "useful" mechanism in promoting understanding among the three nations. It is likely now that because of the enhanced crises the world over, Moscow, Beijing, and New Delhi could be pushing for an "early establishment of a mechanism for trilateral cooperation."

Just such a "strategic triangle" was proposed by Lyndon LaRouche in 1998. But the "free market" maneuvering of the neo-cons, with its promotion of bilateral deals, delayed such a strategic triangle until now.

## Energy Cooperation

One of the immediate developments expected to emerge out of the new trilateral mechanism, is closer cooperation in the energy sector. Although both India and China are short of oil and gas, and do not possess the capability to establish commercial nuclear power plants at the desired speed and level, Russia has a surplus in all three areas.



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*The nuclear power plant at Kudankulam, India. Russia has supplied two 1,000-megawatt reactors for the facility, which is located in the state of Tamil Nadu. Nuclear power is a flourishing area of Indian-Russian cooperation.*

The importance of energy in trilateral relations became evident during President Putin's visit to Beijing. There, Putin pledged to build two natural gas pipelines to China, and to jointly develop Russian offshore gas fields. The two proposed gas pipelines would deliver 60-80 billion cubic meters of Russian gas to China a year, Putin said in Beijing. He also confirmed Russia's promise to build a diversion to China from a proposed oil pipeline planned for eastern Siberia to the Pacific coast. In their joint declaration, Putin and Chinese President Hu Jintao described the plans as "strategic diversification in the energy sphere." Until now, Russian energy exports have been mainly to Europe.

Half of the annual gas supplies Putin has promised to China—30-40 billion cubic meters a year—will come from western Siberia, which accounts for the bulk of Russian gas production today. Output in western Siberia's aging gas fields is expected to fall from about 500 billion cubic meters today to 300 billion cubic meters by 2015. In other words, contrary to what some observers have pointed out, the relatively small amount of promised gas supply to China by President Putin will not affect the Russian supply of gas to Europe in the foreseeable future.

It is important to note that President Putin's proposal to supply gas to China has met with wide approval from Russia's powerful gas industry. Leading Russian gas industry experts told the media that the country's natural gas supplies to China would help Russia strengthen its position on the international gas market. Gazprom CEO Alexei Miller and China National Petroleum Corporation head Chen Gang signed the gas deal in Beijing on March 21.

Positive statements were issued by Konstantin Simonov,

director of the think-tank Center for Current Politics in Russia. He said that the West Siberian option was preferable, given that China was building liquefied gas terminals on its Pacific coast. "Separating liquefied gas [delivered by sea] and pipeline gas deliveries would make sense, and it would be logical to build a gas pipeline to China's western provinces, where LNG is more difficult to supply," Simonov said.

Meanwhile, Russian Foreign Minister Sergei Lavrov, who travelled with Putin on the China visit, said on March 22 that construction of an oil pipeline from East Siberia to China would start in 2006. "China has been informed [of the plans], and the feasibility study will be done jointly in short time. We will see the start of the construction very soon this year."

The mooted \$11.5 billion pipeline from East Siberia to the Pacific is slated to pump 1.6 million barrels per day for deliveries to Japan and China, but has been dogged by controversy as its planned route lies very close to Lake Baikal, the world's largest freshwater body. Environmentalists are still seeking to get the route changed, claiming that an accident could cause irreparable damage.

Addressing a Russian-Chinese economic forum in Beijing, Putin said the project would be completed, and would help boost oil supplies to energy-hungry China. "If the project is implemented, which I have no doubts about; it will ensure a dramatic increase in crude supplies from Russia to China."

## Strengthening the Weak Legs

For the trilateral mechanism of Moscow, Beijing, and New Delhi to be effective in the world context, it is important to have strong Moscow-Beijing relations. During the extended Cold War period, Moscow-Beijing and Beijing-New Delhi relations were soured, but New Delhi-Moscow relations had blossomed and solidified. It is therefore essential that the two weak legs—Moscow-Beijing and New Delhi-Beijing—be strengthened, to make the trilateral mechanism productive and efficient.

Indo-Russian relations in the areas of defense and energy have remained strong. There is no question that interdependency has developed in the defense sector. In the aviation sector and naval sectors, and missiles, India and Russia are moving towards joint development and production. India has had a longtime link-up with the Russians in the space industry as well.

During his visit to China, President Putin also made clear Russia's willingness to help China with nuclear power generation. Prior to President Putin's departure for Beijing, the Russian Ambassador to China, Sergei Razov, had pointed out to reporters that the construction of the Tianwan nuclear plant

in Lianyungang, in East China's Jiangsu Province, is the largest project in the two countries' bilateral economic cooperation. The project will lay the foundation for future cooperation on peaceful use of nuclear energy, he said. Ambassador Razov also pointed out Russia's willingness to play an active role in the development and implementation of China's nuclear power plan. "Nuclear energy cooperation is of mutual benefit to the two countries and has broad prospects," Razov said.

## Nuclear Energy

The area where India-Russia relations have begun to flourish is the nuclear energy sector. Russia has supplied two 1,000-megawatt nuclear reactors for the Kudankulam atomic power station, located in Tamil Nadu, under an agreement signed in 1988. However, the Russian interest in supplying more reactors, and the Indian eagerness to procure more Russian reactors, got waylaid by the laws associated with the Nuclear Non-Proliferation Treaty (NPT). Russia, as a signatory of the NPT and a member of the Nuclear Suppliers Group, a 45-member group in charge of monitoring of all exports of "dual-use items," cannot supply the enriched uranium fuel needed to run the Russia-supplied pressurized water reactors, because India has not signed the NPT.

Despite these difficulties, on March 17, Russian Premier Mikhail Fradkov sealed a deal with Indian Premier Manmohan Singh, that would make the sale of enriched uranium fuel for India's two 220-MW atomic power stations in Tarapur. Russia will be supplying 60 tons of uranium to the safeguarded Tarapur Atomic Power Stations 1 and 2, under the safety exception clause of the Nuclear Suppliers Group. It has responded to New Delhi's demands for "urgent and limited supplies of uranium fuel to enable the Tarapur reactor to function in safe and reliable conditions," according to India's Ministry of External Affairs. Analysts say that India would be forced to shut down operations at the Tarapur plant by June or July, if not for the supplies from Russia.

Although Washington has expressed concern over the fuel supply, Moscow considers it permissible under the guidelines of the Nuclear Suppliers Group.

While Russia is keen to see rapid development of India's nuclear power plan, and is ready to make India "an exception," Beijing is not yet ready for such concessions. However, the strengthening of Moscow-Beijing relations, and perhaps President Putin's discussions with the Chinese leaders, have softened Beijing's position vis-à-vis India's nuclear ambitions.

Prior to his visit to Australia, Chinese Premier Wen Jiabao told *The Australian* newspaper, in a March 30 interview, that China backs India's peaceful nuclear energy plans, but wants nuclear weapon states to honor their obligations under the Nuclear Non-proliferation Treaty. "India is a friendly neighbor of China and we do not object to its developing nuclear energy for peaceful purposes and co-operating with other

countries in nuclear-power generation. At the same time, we take the position that relevant parties should honor the obligations they have undertaken as parties to the non-proliferation treaty," Wen said.

Although it is evident that Beijing is not ready to embrace India as "an exception," the statements of the Chinese Premier indicate that Beijing is allowing some latitude for discussion on the subject. The first signal came on March 23, when Foreign Ministry spokesman Qin Gang told the press, "China would continue to participate in the relevant discussions at the Nuclear Suppliers Group with an earnestly responsible attitude." The statement did not indicate whether Beijing would support or oppose the landmark deal between India and the United States, struck during President George W. Bush's New Delhi visit in early March 2006.

## 'A True Asian Century'

The statements issued subsequently by China indicate that although Beijing will not summarily accept the unilateral "change of laws" orchestrated by Washington to accommodate New Delhi as "an exception," it does recognize India as an important element in maintaining peace in the region. This was exemplified by Chinese Prime Minister Wen, at a press conference shortly after the end of the national legislature's annual session on March 14, when he said he highly valued relations between China and India, and that "strong bilateral ties will usher in a true Asian century."

Releasing a compilation of important bilateral documents as part of the "2006 India-China Friendship Year," Chinese Foreign Minister Li Zhaoxing said on March 28 in Beijing: "China and India joining hands . . . in their pursuit of common development to the benefit of both people who account for two-fifths of the world's population carries a significant meaning for peace, stability, and development in Asia and the world at large. Today, China and India are brimming with vigor and vitality. The two countries are presented with important opportunities for deepening their relations. China and India with similar national conditions and respective strengths, share extensive common interests and have a great potential for cooperation."

According to New Delhi, the strengthening of bilateral relations between India and China is expected to come via a breakthrough in the Sino-Indian border settlement. A legacy of the British colonial era, the inadequate demarcation of the Sino-India border led to a border clash between the two nations in 1962 and embittered bilateral relations. Both Beijing and New Delhi are now hopeful that this logjam may end soon. On March 12, the Indian media reported that India and China were close to settlement, although nothing will be announced in this round of talks. The China-India border talks center on Chinese control of Aksai Chin in Kashmir in the north, and border areas of Arunachal Pradesh in the east. "The talks are moving in the right direction," said Indian National Security Advisor M.K. Narayanan.