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The South Korea-Russia Summit and Feasibility of a Roadmap for Energy Diplomacy

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South Korean president Myung-bak Lee held a summit meeting with Russian President Dmitry Medvedev at the Kremlin in Moscow from September 28 to 30, 2008. South Korea and Russia issued a 10-point joint statement and promoted their strategic and cooperative partnership. Presidents Lee and Medvedev signed a serial of the memorandum of understanding (MOU) including 26 articles that included items such as the issuance of short-term visas. Also, two leaders addressed the TKR-TSR railroad extension, which connects South Korea to North Korea and Russia. Both countries stated that South Korea would take part in the Russian economic development program in the Siberian region and strengthen energy cooperation.

This diplomatic success has been assessed as having two issues. First, Russia and Korea agreed to elevate bilateral relations as a strategic cooperative partnership. In September 2004, the two countries entered into a comprehensive and reliable cooperation. Second, the Korea gas corporation made an agreement with Russia's Gazprom. By 2010, Korea and Russia will conduct a study of gas

pipeline construction and establish a final contract. From 2015, South Korea plans to import 7500,000t, accounting for 20% of Korean gas consumption over the next 30 years.

I. The Outstanding Feat of Energy Diplomacy?

The Korea–Russia summit is considered a great achievement in energy diplomacy. The Korean government expects South Korean energy problems to be solved in the long term. However, it is uncertain that this diplomatic outcome will remain successful. On October 17, 2006, Russia's Gazprom made overtures to the South Korean national gas corporation. At that time, the Korean government planned to import approximately 700t of natural gas via a submarine pipeline crossing Manchuria, Dalian, or Vladivostok. South Korea, thus, anticipated being able to promptly solve approximately 20% of its energy needs. However, this agreement has since been rescinded because of international situations rather than disputes of a diplomatic nature.

The roadmap for energy diplomacy, having concrete and detailed plans with statistical evidence, faces serious obstacles. The 2008 Korea–Russia agreement contains a proviso regarding transit through North Korea. Hence, the pipeline's deal depends on Russian geopolitical strategy and North Korea's nuclear weapons programs. Under such unstable conditions, it is not clear that pipeline construction is feasible.

II. Russia's anti–American diplomatic line and the South Korea–Russia Alliance

Russia has strengthened its diplomatic strategy that implicates the imminent dissolution of U.S unilateral hegemony and the revival of regional hegemony since former president Vladimir Putin took office in the late 1990s. The Russian government has taken advantage of energy resources in order to carry out an aggressive national security policy. Thus, Russia's energy diplomacy connects directly with its military and security considerations. Russia actually extends control over the European and Commonwealth of Independent States (CIS) region by providing pro–Russian countries with natural resources. The Russian government has reinforced energy nationalism, as evidenced by the nationalization of major oil and gas enterprises. For example, the Sakhalin–II oil project operated by foreign companies was forced into termination. The investors

who participated in the Sakhalin-III oil project had to sell their shareholdings.

Moreover, in 2000, Russia took diplomatic revenge for the pro-Western policy of Ukrainian president Viktor Yushchenko by stopping Russian oil transportation. The Ukrainian government was forced to deliver an open apology to Russia. Also, in August 2008, the conflict in Georgia was the result of the US-Russian struggle for hegemonic power over the CIS region. Russia regarded South Ossetia and Abkhazia in the Georgian area as independent countries, while the U.S insisted that the two states were Georgian territories. However, Russia attacked Georgia in order to protect Russian residents in South Ossetia. Georgia surrendered within two days and eventually admitted that South Ossetia and Abkhazia were engaged in Russian-controlled areas. These issues show that energy diplomacy is an inherent part of Russia's hard-line policy.

International communities have criticized Russia's aggressive behavior. It was expected that the Russian economy would experience a downturn owing to a decrease in the price of oil price affected by Russia's attack on Georgia. Nevertheless, Russia has expanded its regional hegemony by tying up with diverse institutional systems. On October 2, 2008, German Prime Minister Angela Merkel and Russian President Dmitri Medvedev took part in a Russia-Germany Forum held in St. Petersburg. Indeed, large German enterprises showed great interest in the event. At the St. Petersburg Forum, Russian President Medvedev declared that the US influence in the world economy had come to an end. Russia has also tried to establish a joint effort with OPEC and clearly desires to exercise its energy influence throughout the world.

In the case of South Korea, Russia's nationalized energy policy has prevented South Korea from importing 1500,000t of LNG despite the Sakhalin gas project with which it had been involved. Russia makes a distinct effort to exert its power through energy programs. Under the current international situations, it is uncertain whether South Korea, which placed the Korea-U.S alliance and its relationship with Russia in the same category, can respond to Russia's anti-American diplomatic line.

III. North Korea's Situations and the Feasibility of Pipeline Construction

Construction of the pipeline alone does not guarantee a profit of \$100 million. Also, the pipeline for energy delivery can easily bring about war. The plan depends on North Korea's nuclear programs as well as the relationship between

North and South Korea, and that between North Korea and Russia. Unfortunately, North Korea has placed a hold on construction of the pipeline. The Korean government, thus, shifted responsibility for pipeline construction to Russia's shoulders. On September 29, 2008, Lee Jae-hoon, a vice minister for trade and energy, said that Russia offered a plan to build the pipeline that will transit through North Korea, and promised to engage in pipeline construction and negotiations with North Korea.

North Korea thinks that the true diplomatic parties are the United States and China rather than South Korea. It is true that North Korea adjusts its foreign policies to the all-inclusive Northeast Asian circumstances affected by the U.S, China, and Russia. Further, Russia pays attention to any changes in the hegemonic structure within the Northeast Asian region while it contemplates North Korea's struggle against the U.S. Essentially, Russia advocates the abandonment of North Korea's nuclear weapons. However, the Russian government has criticized the United States for its unilateral pressure on the nuclear weapons programs. Based on its censure of the U.S attitude, Russia indirectly speaks for North Korea. Thus, the North Korean nuclear weapons programs present a source of possible conflict. North and South Korea have also maintained tense relations for a long time. It is unlikely that North Korea's cooperation and Russia's promotion of the pipeline will be achieved successfully.

IV. Diplomatic Communication between Russia and South Korea

South Korea focuses on Russian energy diplomacy as a priority similar to the Korea-US alliance. Yet, Russia has dealt with North Korea's nuclear weapons issues under the Northeast Asian strategy. At the press conference, Russian President Medvedev said that Russia continued to support the denuclearization of the Korean peninsula through 6-party talks. Major Russian newspapers, such as *Nezavisimaya gazeta*, have often covered North Korea's nuclear programs, but their coverage of energy diplomacy includes one of diverse issues. As well, not only did the Russian daily papers report the first visit from President Myung-bak Lee in a few words, but the Russian foreign minister briefly addressed an official document about the South Korea-Russia summit. As South Korea, thus, becomes a minor partner in the consideration, Russia has maintained an indifferent attitude toward the summit meeting.

Prime Minister Vladimir Putin delayed a talk with South Korean president Lee for 50 minutes because of Putin's interview. Because Putin continues to exert

his authority over Russia, his impolite behavior can be understood as an intended diplomatic signal, not as the simplified ceremony as it was understood by the Korean government. Furthermore, after the Korea–Russia summit on October 4, 2008, Andrey Klepach, a deputy minister of economic development of the Russian Federation, suddenly notified the Korean government not to participate in the official signatories of the Memoranda of Understanding (MOU) just 30 minutes before Putin's emergency call. Instead of him, a Russian Assistant deputy minister received the protocol from Kang Man-soo, a South Korea's finance minister.

V. The Prospect for Korea–Russia Energy Diplomacy

It is uncertain that the achievement marked by the Korea–Russia summit will become a feasible plan. Russia clearly uses energy diplomacy as a tool for restraining the unilateral hegemonic behaviors of the United States. Yet, the Korean government expects the U.S–South Korea alliance to be restored in view of Russian energy diplomacy. Russia and South Korea have different points of view in terms of energy diplomacy. Moreover, the U.S Northeast Asian strategy can be changed depending on the result of the U.S presidential election of 2008. Recent statistics show that Russian national projects, such as economic development programs, are beyond the possibility of achievement. Thus, the future of the Korea–Russia energy cooperation is not an optimistic one. The national gas cooperation agreement of 2008 could follow the failure of its 2006 gas contract because Russia will construct the oil pipeline crossing North Korea.

The political power game that is encompassing East Asia will conspire to make Korea a weak nation. Korea, a minor country, will no longer be free to conduct its diplomatic policies within the hegemonic system. However, Korea can find a way out of the difficulty. Under the confined structural conditions, the Korean government should understand thoroughly and objectively the gathering international situations and build a prudent and realistic diplomatic strategy. Moreover, Korea should take a multilateral approach to Russian energy diplomacy since Russian Northeast strategy is linked to both national security and energy diplomacy.