

Russian Policy towards Northeast Asia: The Mongolia Factor

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The last decade of the twentieth century witnessed a period of significant geopolitical changes that gave way to the emergence of ensuing ‘crises’, i.e., “a situation in which the traditional equilibrium of a system undergoes radical changes resulting from the involvement of new factors”.¹ This was a worldwide phenomenon occurred due to the collapse of the erstwhile Soviet Union that brought to an end of the Cold War era. The effect of the ‘crises’, both in positive as well as negative terms, generated corresponding changes in expectations and attitudes toward international relations. There is a truth lies in it as the world’s geopolitical power structures went through a drastic change so much so that the following revealing facts came in to fore: Firstly, the Soviet collapse offered the space for the survival of only one superpower-the United States; secondly, although turmoil and conflicts continued in the post-Soviet period, these were limited to their scope and geostrategic implications; and thirdly, more open borders allowed the process of globalization and regionalization to create a new geo-economic environment, with both positive and negative consequences.² Russia and Mongolia, which have had a long history of relations, too found themselves under the influence of the post-Cold War new realities and began to feel the effects of globalization and regionalization. The emergence of new realities was dominated by regional security concerns, both economic and strategic, which saw a number of countries getting involved in the growing regionalization process. Huntington, however, views it differently while commenting that in the post-Cold War era culture and identity rather than economic and/or security concerns are the guiding factors behind the growing regionalization.³ Whatever may be the guiding factors it has been seen that economics played a significant role in driving the regional power relations, and hence economic cooperation within a region has resulted in the enhancement of confidence building among the regional actors.

The growing regionalization process in Asia saw Northeast Asia becoming a region of vital importance to all the stakeholders including Russia and Mongolia whose enduring interests in the region turn out to be one of their key foreign policy priorities, particularly since the beginning of the twenty-first century. But the seeds of such Russian and Mongolian interests were sown much earlier when

Mikhail Gorbachev unveiled the new Soviet Asian policy during his seminal Vladivostok speech on July 28, 1986.⁴ However, it can be argued if Gorbachev's rethinking of Russia's role in the Asia-Pacific in general and Northeast Asia in particular, as epitomized by his 1986 Vladivostok initiative, was indeed the catalyst for Mongolia's seeking a more active role in Northeast Asia.⁵ Nevertheless, the two countries' interests in the Northeast Asian region have contributed much to strengthen their bilateral relations which had suffered a lot in the initial years of the post-Soviet period. As Batbayar describes, the post-Soviet trends in overall relations between the two countries went through three stages i.e., breakdown, stagnation and revival.⁶ And, it was precisely the beginning of Putin era that marked the revival of their relations as both the political-strategic as well as trade and economic interests enthused Russia to reemerge in Mongolia. On the other hand, revival of Russia-Mongolia relations also owes much to the efforts for regional cooperation in Northeast Asia which has its own significance. Although the entire region of Northeast Asia includes China (North East region), Japan, the two Koreas- South and North, Mongolia and Russia (Far East region), it is the only region or more precisely sub-region having no organisational structure of its own. Yet, the region holds great potential for bilateral and multilateral engagements.

This article, therefore, seeks to explore the Mongolia factor in Russian policy towards Northeast Asia. In the process, it deals with the key elements responsible for the evolution of Russian policy towards Northeast Asia which provides Mongolia a new regional identity in the post-Soviet period. The importance of the region in Russia's bilateral and multilateral engagements with other regional actors for ensuring economic and security gains has also been examined. Besides, it also flicks through the kind of collaboration Russia needs from Mongolia to make its presence felt in Northeast Asia.

Evolution of Russian Policy towards Northeast Asia

Ever since the former Soviet Union collapsed and the Russian Federation emerged there have been several policy changes in Moscow both at the domestic as well as external fronts. At the external front, Northeast Asia figured prominently in Russia's foreign policy and hence emerged as one of the priority areas to be engaged in, particularly since Putin came to power. Not only the geographic location with its strategic significance but also economic importance of the Northeast Asian region brought significant changes in Russian policy planning which gave weightage to the region in terms of viable economic cooperation. However, Russian policy towards Northeast Asia, as Leszek Buszynski describes, can be understood in terms of a three-level policy, i.e., global, regional and bilateral.⁷ According to him, at the global level the Russian leadership intended

to maintain “diplomatic balance” within the region against the Western world, particularly against the U.S.; at the regional level Russia sought economic and security integration into the Asia-Pacific region both to improve its economy and to ensure stability along its Eastern borders; and at the bilateral level Russian concern was to have specific gains in dealings with individual Northeast Asian countries for security, economic and trade benefits.⁸ As such Russian policy in the Northeast Asian region evolved with specific objectives giving due consideration to some key factors as underlined below:

Regional Integration through Economic Cooperation

One of the key factors that influenced the evolution of Russian policy towards Northeast Asia has been to achieve the objective of greater economic integration into world economy through regional economic cooperation.⁹ This intended to have increased interaction, trade and investment with neighbouring Northeast Asian countries of China, Japan, the two Koreas and Mongolia, so that the Pacific Russia i.e., the Russian Far East and Eastern Siberia could be able to find new opportunities for their economic advancement and integration. As Shkuropat describes, the central idea was to look beyond “the system of security” to get involved into “a system of economic cooperation in Northeast Asia.” What Russia, on its part, did was that it initiated (a) the opening of the hitherto closed city of Vladivostok, (b) paying fresh attention to neighbouring economies, (c) permitting for freer movement for the factors of production, and (d) raising expectations that products from the Russian Far East could find new markets abroad.¹⁰

Multilateralism in Russian Diplomacy

The strategies behind Russian efforts to evolve its policy towards Northeast Asia were developed within the framework of post-Soviet Russian diplomacy, which was based on pragmatism taking into consideration the national interests in the changed national and international environment. These new strategies were reflected in three new major policy documents released by the Russian government in the first half of 2000: National Security Concept (January), Military Doctrine (April) and the new Foreign Policy Concept (June). In these documents, Russian leadership declared its major goal as seeking the establishment and reestablishment of Russia’s relations with non-Western countries, particularly the Northeast Asian nations.¹¹ An important element in the new diplomacy was the orientation towards multilateralism that could address fundamental issues and problems concerning national interests. The emphasis was placed on not only securing membership but also participating actively in international organizations and other multilateral forums including international economic institutions and regional organizations. Priority was accorded on the development of stronger, mutually beneficial

bilateral as well as multilateral cooperation with key countries in the Northeast Asian region, such as China, Japan, the two Koreas and Mongolia with both the strategic and economic objectives.¹²

Energy Factor in Russian Diplomacy

Energy sector has been one area which contributed much to motivate Russia in evolving its policy towards Northeast Asia. It was more so because Russia has the potential to exploit its energy resources, mainly oil and natural gas, both for its economic development as well as helping the country for its strategic positioning in the Northeast Asian region and beyond. The increasing demand for energy in Northeast Asia, triggered especially by China, created new opportunity for Russia to exploit new energy markets by making most of potentially huge, yet still underdeveloped oil and natural gas resources lying in the eastern region.¹³ As such Russia got interested in diversifying its energy exports as well as opening a great energy “window” to East Asia that could create additional elements for energy stability in the whole Asia-Pacific.¹⁴ In this regard, it needs to mention here that the Russian government unveiled very ambitious energy export goals in a document entitled *Energy Strategy of Russia for the Period up to 2030*, which was released in 2010. According to the document, the target was set to increase exports in oil in the Asia-Pacific region from 8 per cent to 22-25 per cent and natural gas from 0 per cent to 20 per cent by 2030.¹⁵ “Energy diplomacy”, thus occupies a key position in the Russian foreign policy in general and Northeast Asian policy in particular. For, as Tsuneo Akaha suggests, “energy has become one of the essential parts of Russia’s identity in the world.”¹⁶

Russia’s Re-engagements with Northeast Asia

The beginning of Putin era was the landmark event for Russia’s re-engagements with Northeast Asia. In fact, Vladimir Putin’s coming to power as a new President in early 2000 following the election of a new *Duma* (Russian Parliament) towards the end of 1998 witnessed Russia heading towards a positive note both internally and externally. This was the commencement of a period of greater internal political stability with a relatively stronger economy which “permitted the development and pursuit of a more integrated set of national policies, including a long-term strategic development plan and the development of a supportive foreign policy.”¹⁷ Hence, the year 2000 marked the beginning of Russia’s new engagement with Northeast Asia by pursuing new forms of mutually beneficial cooperation with individual countries in the region.

At the outset, Russia’s most significant political partner in Northeast Asia has been China in the sense that both Moscow and Beijing have common interest in opposing the US interests in the region. Ever since Putin visited Beijing in 2000

and his Chinese counterpart Jiang Zemin paid a return visit to Moscow in 2001, the two sides have signed a wide-ranging treaty of friendship and cooperation in diverse areas besides resolving their long-standing border disputes. Under Putin's leadership prospects for growing trade and economic relations between Russia and China became high with projects undertaken on joint energy, fuel processing, transportation, manufacturing and innovative technology. However, a number of bilateral issues also seem to have impeded the robust political ties between the two countries. For example, though the prospect of pipelines to transport Siberian oil and gas to Northeast China has been advanced, Moscow's "ambiguous position" on such supplies "has frustrated China's aggressive energy import policy, confounding the Sino-Japanese competition for the energy resources in Siberia and the Russian Far East."¹⁸ But over the years not only the two sides have made notable progress in forging multilateral cooperation through regional international forums like the Shanghai Cooperation Organization (SCO), the BRICS, and the U.N. Security Council but also their bilateral trade is flourishing, boosted by the opening of a key oil pipeline.¹⁹

Next comes Japan with which Russia has been pursuing cordial relations despite a long-running dispute over rightful ownership of the Southern Kuriles that comprised of four sparsely populated islands in the Pacific known as Kunashir, Shikotan, Iturup and the Habomai Rocks. Although the 1998 Moscow Declaration on building a long-term creative partnership provided a fresh scope for cooperation between Russia and Japan,²⁰ it was indeed after Putin's visit to Japan in September 2000 that saw the two sides getting along bilaterally on cooperation in international and regional affairs including Japanese support for Russia's entry into WTO. Today Moscow considers Japan as a source of capital and a development partner for the country's Far Eastern energy resources, while Tokyo looks at Russia as an alternative source of energy. Following the March 2011 nuclear reactor meltdown in Fukushima, Japan finds mutual benefits in pursuing closer economic ties with Russia, especially in diversifying latter's energy supplies. Evidently, Japan has shown keen interest in cooperating with Russia in building a liquefied natural gas (LNG) plant in Vladivostok, which may further diversify sources of LNG supplies to Japan and reduce its existing heavy reliance on Asian and Oceanic sources.²¹

As regards Russian initiatives towards the two Koreas, it has been revealed that after a decade of not-so-friendly relations, the year 2000 turned out to be a positive sign in the development of Russia-North Korea relations. It was in this year that Putin's unprecedented visit to North Korea proved to be a historic one as it marked the first visit by a Russian President since the 1950s, which was followed by the equally historic return visit of North Korean leader Kim Jong-Il to Russia in 2001. During this visit the two sides signed the Moscow Declaration, "in which they declared their intention to support global stability" besides

agreeing “to grant first priority to projects for the reconstruction of enterprises built by joint efforts”.²² The same year saw Putin’s visit to South Korea in order to further reinforce their bilateral relationship with an already important economic partner, especially for the Russian Far East. These events reflected key features of Russia’s new diplomacy of engaging the two Koreas not only to reduce tension and cultivate peace and reconciliation on the Korean Peninsula but also to promote trade and economic cooperation.

Yet another visit of Putin in 2000 was his Mongolia visit aimed at re-engaging Russia with Mongolia, which had, by then, become overwhelmed by Chinese investment. But, before discussing Russia’s relations with Mongolia in the post-2000 period it is crucial to understand Mongolia in the regional setting so as to understand the Mongolian factor in the overall Russian policy towards Northeast Asia.

Mongolia in Regional Setting

Even though in terms of regional setting Mongolia is placed in the Northeast Asian region, the quest for this new regional identity began only in the early 1990s when this tiny populated country began enjoying the fruits of “real independence” after remaining under Soviet protection for almost seven decades.²³ More precisely, it is worth mentioning that during the Cold War period, Mongolia belonged to the Soviet-led security system that provided important security assurances, including military ones, to its client states like Mongolia, and so its identity was perceived as that of a Soviet bloc country. The Soviet collapse, however, pushed Mongolia into a security dilemma so much so that search for regional identity began and Central Asia was identified as the region to which Mongolia belonged geographically, historically, and culturally.²⁴ Nevertheless, it was Northeast Asia that finally emerged as the apparent choice for Mongolia’s new regional identity. The new regional identity of Mongolia as a Northeast Asian country was not a sudden occurrence. It came as a result of the debate among several Mongolian elites, intellectuals and policy makers who argued that Mongolia would have great advantages in future if it preferred to align with the Northeast Asian countries, thus having a Northeast Asian regional identity. They defended their arguments by a number of reasons that include, among others, the following:²⁵

- (i) The Asia-Pacific, of which Northeast Asia is a vital part, was perceived to be emerging as an extraordinarily important region in the twenty-first century;
- (ii) Mongolia would come strategically under the economic “umbrella” of technologically advanced countries like China, Japan, South Korea, and the United States;

- (iii) Mongolia will have comparatively better relations with the Russian Far East and China's North East;
- (iv) Mongolia's eastern part, which is the repository of country's mineral resources can be made readily accessible to the rest of Northeast Asia by road and railways, thus giving Mongolia another access to the sea perhaps through Tumen river; and
- (v) Mongolia will get an opportunity to serve as a land bridge between Northeast Asia and Europe.

Nevertheless, Mongolia's national security concerns remained the main reason for the necessity to secure its new regional identity and establish close links with Northeast Asia because it would provide the needed bulwark to ensure Mongolia's political, economic and strategic security.²⁶ In fact, it was Mongolia's National Security and Foreign Policy Concepts adopted on June 30, 1994 that Mongolia's new international strategy was incorporated.²⁷ These two documents, approved by the *State Great Hural* (Mongolian Parliament), put emphasis on pursuing a balanced policy towards the country's two giant geographic neighbours—Russia and China, underlined the importance of economic security in protecting Mongolia's national integrity, and warned against too much dependence on any one country for trade. In other words, these two documents articulated the “Third Neighbour” policy of Mongolia.²⁸ However, at that time after no single nation came forward to shoulder the mantle of “Third Neighbour,” “Mongolian thinking turned to advocating a new relationship with Northeast Asia that went beyond economic ties to include political considerations.”²⁹ Within the political and intellectual circles, alignment with Northeast Asia was recognized as “the key to Mongolia's economic growth, national security, and integration into the global economy.”³⁰ This is more so because Northeast Asia has been considered as Mongolia's natural economic territory, and in a more specific term, as coined by Robert Scalapino, a “regional Third Neighbour.”³¹ The whole idea of having a Northeast Asian regional identity, thus, points to safeguarding Mongolia's overall security in the emerging geo-economic and geostrategic scenario.

Of late, Mongolia has been playing, what Alicia Campi describes, its own “Great Game” in Northeast Asia by changing the rules for the development of its minerals and energy security.³² The most recent changes took place on 1 July 2014, when Mongolian parliament approved changes to the country's 2006 Minerals Law in order to attract new foreign investments.³³ All this has been taking place because Mongolia realizes that “Northeast Asia's economic growth requires secure energy resources and sees its own mineral deposits ... as motivation for regional actors to implement an ‘infrastructure linkage strategy’ for Mongolia to build up its poor rail and pipeline infrastructure”.³⁴ At the same time, Mongolian policymakers considers Northeast Asia as home to four of the

world's major powers- the United States, Russia, China, and Japan,³⁵ and hence having a Northeast Asian identity gives Mongolia extra mileage to intermingle with these powers.

Russia and Mongolia: Implications for Northeast Asia

Commenting on the “Rise of Mongolia” Jean-Frédéric Lйgarй-Tremblay has described Mongolia as a country which is “emerging at a speed that is unrivalled around the world”.³⁶ It registered a whopping 17.3 per cent growth rate in 2011 and has since been continuing with a double-digit growth rate despite fluctuating figures. Interestingly, it has been projected to be the second top-performing economy in 2014, only after South Sudan which has currently about 15 per cent growth rate.³⁷ With the expected launch of new large-scale mining projects, GDP is likely to be doubled by 2015.³⁸ Such an extraordinary growth rate has been realized due to a booming mining sector consisting of vast resources of coal, copper, rare earth minerals, uranium, gold and silver apart from an enormous intake of foreign investment including Russia. Thanks to the mining boom, Mongolia is now being counted among the fastest growing economy in the world having a mineral wealth of US \$1.3 trillion.³⁹ Alicia Campi rightly describes Mongolia as having “the potential to strongly influence the political, economic, and environmental atmosphere of its Northeast Asian region”.⁴⁰

Since Russian policy towards Northeast Asia began taking a definite shape at the turn of the twenty first century, Mongolia too occupied a place of importance in Russia's foreign policy. Encouraging signs emerged when both Russia and Mongolia realized that good neighbourly cooperation between them was necessary to keep away the Chinese from exercising any dominant role in Mongolia. The revival of relationship between the two sides began when Russian President Vladimir Putin visited Mongolia on November 13-14, 2000, the first since 1974 visit of Soviet President Leonid Brezhnev. Putin's visit culminated with signing of a 25-point memorandum of cooperation, named as the “Ulaanbaatar Declaration”, which laid a legal groundwork for the restoration of bilateral ties between the two countries. The declaration set forth “the willingness of Moscow and Ulaanbaatar to closely coordinate their policy in international affairs on a wide range of issues.”⁴¹ Due to the steady development Russia-Mongolia bilateral ties have now entered into a new period of growth. The frequent exchange of high-level visits between the two nations has deepened their mutual trust even in the bilateral economic relations, though they have failed to reach the level of Mongolia-China economic relations.

In an apparent attempt to give bilateral ties a much-needed boost, in 2003, the Russian government wrote off 98 per cent of this debt, once valued at US

dollar 11 billion. However, the move appeared to have a little help to encourage bilateral trade and investment ties. It was hydrocarbon the supplies of which from Russia then became a key factor in reviving economic relations of the two countries. In terms of trade cooperation, particularly since the year 2000 the negative downward trend of the early and mid-1990s has been diminishing so much so that the volume of trade between the two sides further grew to reach at US dollar 1.6 billion in the January-May period of 2009, attaining ahead of time the one billion-dollar objective for the year 2010.⁴² In 2010, both Russia and Mongolia signed a medium-term programme for developing trade and economic ties for the period 2011-2015, and ratified a plan also for improving the terms of their regional and cross-border cooperation. This resulted in an increase in their bilateral trade which in 2010 valued at US dollar 1.1 billion, while in 2011, 2012 and 2013 it has been worth more than US dollar 1.6 billion. But this figure is much less than Mongolia's total trade with China which is valued at US dollar 6 billion. Even Mongolian exports to Russia remains just at US dollar 70 million, thus representing merely 1.4 percent of the country's total global exports. In order to overcome the large gap in bilateral trade turnover which favours Russia, Mongolia has proposed to increase bilateral trade to the tune of US dollar 10 billion by 2020 besides exempting Mongolian goods from Russian customs duties and quotas for 20 years.⁴³ The proposal was made during Putin's latest visit to Mongolia on 3 September 2014, though the Russian President did not promise much except "lifting some restrictions on Mongolian meat exports, while seeking to increase exports of Russian vehicles and the expansion of Rosneft gas stations in the Mongolian market".⁴⁴

Further collaboration can be seen through Russian investments in Mongolia especially in joint ventures, Mongolia's reliance on Russian energy supply especially oil and Russian participation in Mongolian mining sector mainly in uranium and in projects such as Tavan-Tolgoi etc. Mongolian-Russian joint ventures built in early years have all along been the backbone firms in Mongolia, and the newly-formed railway venture and Mongolia-Russia uranium production joint venture (both in 2009) have created conditions for Russia's future involvement in tapping mine resources and going in for infrastructure development in Mongolia. The petroleum products Mongolia badly needs have all been practically imported from Russia. In fact, Russia provides Mongolia with "95 percent of its oil imports-with the leverage this implies-and the totality of its grain imports."⁴⁵ Mongolia is also heavily dependent on Russian electric power, leaving it susceptible to price variations. Notably, Russia still has a 49 per cent stake in Mongolia's major copper producer, Erdenet and Mongoltsvetmet joint ventures. There are more than 250 smaller joint ventures in Mongolia, with combined Russian investments totaling over US dollar 20 million.

Presently, Russian interest to invest in Mongolia has become unprecedented due to the fact that unlike the Soviet period when it was a state investment, now it is mainly the interest of Russian businesses with the backing from the Russian Government. While the Russians see their activities in Mongolia serving as a buffer against a rising China, Mongolians consider it as their geostrategic needs of balancing its relations with the two immediate neighbours. Yet, Russian motives in Mongolia can be identified as follows:

- (i) Russia seeks to reassert its influence in Mongolia to limit Chinese monopolization of Mongolian trade;
- (ii) It wants to help exploit Mongolian uranium resources for the benefit to Mongolia;
- (iii) It needs Mongolia's cheap coal for its Siberian and Far East industrialization plans as coal resources in these regions are expensive;
- (iv) It delivers more than 90 per cent of diesel and petroleum products as well as electric power to support Mongolia to strengthen its economy; and
- (v) It treats Mongolia as part of Russia's sphere of influence serving as a buffer to growing Chinese penetration north towards East Siberia.

On the other hand, being a Northeast Asian country Mongolia wants Japan and the two Koreas to partner with Russia in building pipelines and expanding rail routes north to the Pacific to enable Mongolia to find new trade partners. Strikingly, today not only Mongolia but also North Korea provides opportunities for Russia to raise its stakes in Northeast Asian matters. It is to be noted that despite the Soviet collapse and relative negligence on the part of Moscow in the 1990s, Ulaanbaatar and Pyongyang never abandoned their attempts to renew ties with Russia. Explaining the reasons for Mongolia and North Korea teaming up with Russia, Jargalsaikhan Mendee highlights the following facts:⁴⁶

- (i) Mongolia, North Korea and Russia, all of them, fear Chinese demographic expansion in their countries;
- (ii) Mongolia, North Korea and the Russian Far East are considered to be the most marginalized and underdeveloped parts of Northeast Asia, while China, Japan, and South Korea are seen as economic powerhouses;
- (iii) Although Mongolia and North Korea have the largest mineral deposits, both lack fuel and natural gas and, therefore, they seek benefits from the long debated gas pipelines from Siberia to China and South Korea;
- (iv) Russia is the only way for Mongolia and North Korea to reach Eurasian markets and to import fuel and technology;
- (v) Russia's partnership with North Korea enhances its ability to deal with South Korea and Japan on economic issues and with the U.S. on security issues;
- (vi) Mongolia heightens Russia's stake in Sino-Russian relations and offers leverage for Moscow when dealing with Beijing;

- (vii) For Mongolia and North Korea, Russia has been the only source of political, economic and military support in the face of an assertive China; and
- (viii) Unlike Central and East European former communist states, Mongolia and North Korea have positive views of their past ties with Russia, despite setbacks.

Lately, Mongolia has been seen developing effective bilateral economic relations with all countries in Northeast Asia. Since 80 per cent of foreign investment and foreign trade comes from four regional countries - Russia, China, Japan, and South Korea, they have much influence in Mongolia's economy.⁴⁷ For quite sometimes now, Mongolia has also been making efforts in creating a Northeast Asian regional energy cooperation mechanism under the auspices of ESCAP. The mechanism, which would ensure safe and secure energy supply for Northeast Asian countries through exchange of information and experience, may further open ways for developing unified regional energy policy.⁴⁸

Conclusion

Russia's redefinition of national interests and foreign policy priorities has led to a new strategic engagement in the Northeast Asian region with a strong emphasis on constructive participation and multilateral approaches.⁴⁹ In this regard, it may be recalled that the theme of the 2012 APEC summit held in Vladivostok, "Integrate to Grow, Innovate to Prosper," itself speaks of Russia's desire to encourage regional integration and foster an innovative economy not only in its eastern regions but also in the whole Asia-Pacific. Since Northeast Asian nations are getting involved in the regional integration processes with different intensity, Russia has an opportunity to find its own "niche" in the region. That is where the Mongolia factor holds greater significance, especially in positioning Russia within the Northeast Asian region. Since neither Russia nor Mongolia could ever think of avoiding each other, their growing partnership will serve as a catalyst in pursuing Moscow's national interests of developing Russian Far East and Eastern Siberia in which Northeast Asia is likely to play an important role. Certainly, Russia remains the most approachable and understandable partner for Mongolian people and political elites so much so that Mongolia accompanied by North Korea may serve as Russia's economic gateways to Northeast Asia and a strategic buffer from its traditional competitors. At the moment, Mongolia is at the centre of the planet's greatest resource boom as the coal extraction and other mega-mines are expected to triple the national economy by 2020.⁵⁰ That is why this small but remarkable nation in the Northeast Asian region is being called as "Minegolia". Whatever appellation it may have, it is on the brink

of one of the most dramatic transformations in the human history in terms of economic viability, and Russia will not let this opportunity go waste, not only for its bilateral relations with Mongolia but also for its economic relationships within the framework of multilateralism with countries belonging to Northeast Asia. However, it remains to be seen if Russia will be able to pursue its current regional strategy of transforming the nature of economic relations in Northeast Asia.

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