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Greater Tumen Region Cooperation: Obstacles in Northeast Asia Regionalism?

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Synopsis

The advancement of cross-border transport infrastructure in the Greater Tumen Region (GTR) marks the progress of multilateral cooperation in Northeast Asia. But the different interests and approaches among the relevant parties are injecting uncertainties into the sub-regional initiative.

Commentary

IN NORTHEAST Asia, political tensions and maritime disputes persist among major players. In contrast, the Tumen River sub-region witnessed actual progress in cross-border and transit facilitation among its partners in 2011. They include the Russian Far East, Eastern Mongolia, Northeast Korea (Democratic People's Republic of Korea), and Northeast China. The Greater Tumen Initiative (GTI) was initiated by the United Nations Development Programme (UNDP) in 2009. Although the DPRK withdrew from it, North Korea seems to be back on stage through the opening up of the Rason Economic and Trade Zone in 2010.

China's Jilin province implemented the national strategy of opening up along the Changchun, Jilin and Tumen corridor toward the Sea of Japan since 2010. The move has achieved results through pilot projects such as Quanhe-Rason cross-border road rebuilding, domestic cargo transit via Rason port and cross-border power transmission. At the same time, Russia has also hastened to repair the Khasan-Rajin Railway and improve North Korea's Rajin port facilities, showing its strategic reorientation toward Northeast Asia.

From TRADP to GTI

By introducing nationwide reforms and pioneer zone strategies in the early 1990s, the land-locked Jilin province in Northeast China managed to resume access to the Sea of Japan through the Tumen River. But after China's navigational success with two scientific surveys, both Russia and North Korea changed their positive attitudes towards China and became wary of Chinese unilateral exploitation and development of international shipping services through the Tumen River.

At the same time, the Tumen River Development Programme (TRADP) by UNDP helped to promote the region as the focus of sub-regional cooperation in Northeast Asia. Initiatives related to cross-border economic cooperation zones and huge plans for the Tumen Delta cross-border growth triangle had attracted early-bird investors from Northeast Asia. But some funds were withdrawn due to the lack of resolve for mutual development on the part of Russia and North Korea. Hence, the Tumen River region was nearly forgotten until

the late 1990s.

Since 2005, GTI replaced the TRADP, putting greater focus on the concrete projects while remaining committed to supporting regional cooperation in North-East Asia. The sea-land intermodal logistics and cross-sea ferry projects attracted the involvement of all Northeast Asian members. The Northeast Asia Ferry (NAF) Ltd, with shareholders from South Korea (51%), Russia (17%), Japan (16%) and China (16%), started its cross-sea circle voyages of Sokcho–Niigata–Zarubino–Niigata–Sokcho. But after just five voyages, services were suspended in 2009 due to high operation costs.

The lack of investment during the financial crisis hindered the cross-border facilitation projects in Russia, North Korea and Mongolia. However, with the upgrading of local development plans into national strategies in Northeast China since 2009, more Chinese investors have ventured across the border seeking new opportunities. It is not surprising that the multilateral collaborations in Rason ports were led by several Chinese-supported projects.

Dilemmas in Cooperation

There is great potential for cooperation among the Northeast Asian countries as the Tumen River area has gained recognition as the geographical focus of the region. But there are obstacles: the negative history of territorial conflicts before World War II and political tensions during the Cold War perpetuate mutual suspicion and misunderstanding among Northeast Asian neighbours.

China claims that the trans-border railway between Hunchun and Makhalino is ready for service on its side. Its Russian counterpart, however, still suspends the rail services because of disagreements between domestic railway companies over inferior railway facilities at the Kamyshovaya border station. While the NAF shipping line suspension has been blamed on lack of local government financial assistance, it is believed that the underlying reason for suspension was the lack of consensus over the assessment of market demand for ferry services across the Sea of Japan.

The diversification of the regional strategies has added to the difficulties of the GTI. For instance, the government of Russia's Primorsky Krai prefers to have international recognition for its major ports such as Vladivostok and Nakhodka. But if compared with the shortcut through the Tumen River region, they are located too far away for other Northeast Asian neighbours. South Korea is eager to seek Russian energy supply through pipelines via North Korea, but its plan is frustrated by the political tensions in the Korean Peninsula. Mongolia and Japan seem to be ready to collaborate in minerals development and establish an intermodal transportation system via GTR, but on their own, they have limited means to implement the plan.

Asia Pacific context

Northeast Asia enjoys close economic and trade relations with Southeast Asia under the "flying geese model" of development of the 20th century. The Singapore-Johor-Riau Growth Triangle (1989) and the Indonesia–Malaysia–Singapore Growth Triangle (1994) had been typical models for TRADP since 1990s, and the Greater Mekong Subregion Economic Cooperation Programme (GMS) was also followed by GTI in later years. But there are great difficulties in replicating the ASEAN models given the diversified regional conditions of the two blocs.

The United States has been a keen observer since the very beginning of the Tumen River programme and is still a key player in keeping the strategic balances in the Northeast Asian equation. Some observers have expressed their concern over the challenges arising from the US-led Trans Pacific Partnership (TPP). One particular worry is the impact of the TPP's enlargement on Northeast Asian regionalism. It is, however, necessary for GTI participants to learn more from the TPP's standard-setting in international trade and collaboration.

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