



The Sino-Russian Strategic Partnership

Views from Beijing and Moscow

Nebojsa Bjelakovic, Christina M. Yeung
DRDC CORA

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Abstract

Two decades of improvement in relations have given strategic significance to the relationship between China and Russia. Taken together, their power projection capabilities are worrisome for adjacent nations in Central Asia and the Far East, especially when compounded by US regional policies. However, there remain doubts as to the exact nature and extent of the “strategic partnership” between the two giants. To determine whether their “strategic partnership” should be a cause for concern, the authors assess the views each one holds of the other, the consistency of those views over time, and how they have shaped their actual policies. The authors conclude that the relationship between Russia and China is not based on an equal “partnership” where cooperation is the norm. Instead, the relationship is akin to a zero-sum game where each attempts to outmatch the other in their respective quest for power and prestige.

Résumé

Deux décennies d'amélioration ont conféré une importance stratégique aux relations entre la Chine et la Russie. Combinées, les capacités de ces deux pays en matière de projection de puissance représentent une source d'inquiétude pour les nations voisines d'Asie centrale et d'Extrême-Orient, une inquiétude que vient de surcroît exacerber la politique américaine dans la région. Toutefois, un doute subsiste quant à la nature et à la portée réelles du « partenariat stratégique » entre les deux géants. Pour déterminer si ce « partenariat stratégique » devrait être un motif d'inquiétude, les auteurs analysent l'opinion que chaque pays a de l'autre, la cohérence de cette opinion au fil du temps, et l'influence qu'elle a eue sur les politiques de chacun. Les auteurs concluent que la relation entre la Chine et la Russie n'est pas fondée sur un « partenariat » équitable, où la coopération est la norme, mais plutôt sur un jeu à somme nulle, dans lequel chaque pays essaie de supplanter l'autre dans leurs quêtes respectives de pouvoir et de prestige.

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Executive summary

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Bjelakovic, N.; Yeung, C. M.-L.; DRDC CORA TM 2008-031; Defence R&D Canada – CORA; September 2008.

Introduction or background: Two decades of improvement in relations have given strategic significance to the relationship between China and Russia. Taken together, their power projection capabilities are worrisome for adjacent nations in Central Asia and the Far East, especially when compounded by US regional policies. However, there remain doubts as to the exact nature and extent of the “strategic partnership” between the two giants. To determine whether their “strategic partnership” should be a cause for concern, we assess the views each one holds of the other, the consistency of those views over time, and how they have shaped their actual policies.

Results: The Sino-Russian relationship is driven by two overarching objectives:

- to improve once-strained bilateral relations; and
- to capitalize, diplomatically, on shared strategic perceptions.

On both counts, significant progress has been made. Their ideologically-driven rivalry has vanished with the dissolution of the Soviet Union, and several of their border claims have been resolved without bloodshed. Their strategic perceptions have also converged. Both resent a unipolar world dominated by the United States, and both insist on a stricter interpretation of the principle of sovereignty as a basis for international law and a greater role for the United Nations in world affairs than the United States. Additionally, both feel threatened by perceived US advances in Eastern Europe, the Caucasus, Central Asia and the Far East.

The removal of major irritants and the development of shared strategic perceptions in their bilateral relationship have led China and Russia to establish mechanisms of cooperation in three notable areas: the military, trade and diplomacy. Successes in each of these areas, however, have been few and far between because of several self-imposed constraints and limitations:

- *Military sales:* After the collapse of the Soviet Union, Russian arms sales and technology transfers to Beijing were significant. Starting in 2001, sales and transfers declined significantly in both volume and value. Moscow’s reluctance to face a militarily superior China, as well as Beijing’s progress in developing a modern, technologically-advanced armed forces, have been the key reasons for this decline.
- *Trade:* Since 1993 (when China and Russia started trading weapons), bilateral trade has been steadily growing—from US\$1 billion to more than US\$40 billion. Yet, it is plagued by two key limitations: its non-monetary nature, and its overwhelming focus on hydrocarbons and raw materials to the detriment of other commodities.
- *Diplomacy:* While the worldviews of Moscow and Beijing now largely coincide, there is no evidence of effective diplomatic coordination or bilateral policy initiatives. Both countries

are, in essence, pursuing independent, and often conflicting, policies based on their own national interests and deep-seated mutual distrust of the other.

While China and Russia enjoy their closest relationship ever, they often clash on security, economic and diplomatic issues that they believe affect their national interest. This is compounded by their self-perceptions of international and domestic weaknesses: they judge themselves to be too weak to directly challenge their major regional competitor (the United States), and without the wherewithal to sustain a bolder foreign policy course.

While the perceptions of the Russian public and elite regarding China have improved since 1993, a significant degree of distrust towards Beijing remains. Within the Russian elite, the military brass seem to have the most cautious approach towards China. In particular, they are concerned about the “rise of China” from a regional to a global power, a development likely to be perceived as undesirable for the sake of future relations between Moscow and Beijing.

On the other hand, Beijing views the Russians as possessing a conflicted identity, linked to Western civilization, but largely defined by their Eastern Orthodox Christian faith. Despite Russia’s location in the Asia-Pacific sphere, the Chinese complain of a Russian superiority complex with regard to Asian civilizations. Furthermore, the Chinese elite believes the collapse of the Soviet Union holds valuable lessons for China, particularly regarding the dangers of direct military competition with the United States. Notwithstanding, Beijing maintains that Washington’s regional policies are the main obstacle to Chinese national security interests.

While they acknowledge the strategic importance of Russia in the international system, Chinese scholars hotly debate the extent of Moscow’s influence and relative power. Many Chinese academics argue that a greater understanding of Russia’s “grand strategy” is necessary. Some believe that better Sino-Russian relations are intended by Moscow to offset strategic pressure in Central Asia, Asia-Pacific and on Russia’s Eastern front.

Moscow perceives China as little more than an instrument in Russo-American relations, reaffirming Beijing’s perceptions that the West remains Moscow’s primary strategic focus. On the other hand, China seeks to avoid zero-sum logic in balancing its relations with Russia and the United States. This is particularly so in Central Asia, where Beijing hopes that a positive Sino-Russian rapport will foster an equilibrium between unavoidable competition and necessary cooperation.

Given that Russia and China perceive their bilateral relations through the prism of the Cold War era Moscow-Beijing-Washington strategic triangle, both capitals are likely to proceed pursuing a realpolitik type of shifting alliances—where flexibility, balancing, and non-commitment represent the essence of foreign policy.

Sommaire

The Sino-Russian Strategic Partnership: Views from Beijing and Moscow

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Introduction ou contexte: Deux décennies d'amélioration ont conféré une importance stratégique aux relations entre la Chine et la Russie. Combinées, les capacités de ces deux pays en matière de projection de puissance représentent une source d'inquiétude pour les nations voisines d'Asie centrale et d'Extrême-Orient, une inquiétude que vient de surcroît exacerber la politique américaine dans la région. Toutefois, un doute subsiste quant à la nature et à la portée réelles du « partenariat stratégique » entre les deux géants. Pour déterminer si ce « partenariat stratégique » devrait être un motif d'inquiétude, nous analysons l'opinion que chaque pays a de l'autre, la cohérence de cette opinion au fil du temps, et l'influence qu'elle a eue sur les politiques de chacun.

Résultats: La relation sino-russe est fondée sur deux objectifs généraux :

- améliorer les rapports bilatéraux, autrefois tendus;
- tirer profit, par la voie diplomatique, de perceptions stratégiques communes.

Des progrès importants ont été faits vers ces deux objectifs. La rivalité idéologique entre la Chine et la Russie a disparu après le démembrement de l'Union soviétique, et plusieurs de leurs différends frontaliers ont été réglés sans effusion de sang. Leurs perceptions stratégiques ont également convergé. Les deux pays sont réfractaires à l'idée d'un monde unipolaire dominé par les États-Unis, et plaident en faveur d'une interprétation plus stricte du principe de souveraineté comme fondement du droit international. Ils prônent aussi, à la différence des États-Unis, un rôle accru des Nations Unies dans les affaires internationales. Ils se sentent également tous deux menacés par les progrès apparents des États-Unis en Europe de l'Est, au Caucase, en Asie centrale et en Extrême-Orient.

La suppression d'irritants majeurs et le développement de perceptions stratégiques communes dans le cadre de leur relation bilatérale ont amené la Chine et la Russie à élaborer des mécanismes de coopération dans trois domaines importants, soit militaire, commercial et diplomatique. Les réussites dans ces trois domaines ont toutefois été rares et éparses, en raison de contraintes et de limites que chaque pays s'est imposées volontairement.

- *Ventes de matériel militaire* : Après la chute de l'Union soviétique, les ventes d'armes et transferts de technologie russes à destination de Pékin étaient importants. À partir de 2001 cependant, il y a eu une baisse marquée à ce chapitre, en termes tant de volume que de valeur. La répugnance de Moscou à se retrouver devant une Chine militairement supérieure, ainsi que les progrès accomplis par Pékin dans le développement d'une force armée moderne et technologiquement avancée sont les principales raisons de ce déclin.
- *Commerce* : Depuis 1993 (année où le commerce des armes entre les deux pays s'est amorcé), les échanges bilatéraux sont en constante augmentation, passant de 1 milliard US \$ à plus de 40 milliards US \$. Ils sont cependant entravés par deux facteurs importants : leur nature non

monétaire et la priorité démesurée accordée aux hydrocarbures et aux matières premières, au détriment d'autres marchandises.

- *Diplomatie* : Bien que Moscou et Pékin aient aujourd'hui une vision assez semblable du monde, il n'y a entre eux aucun signe de coordination diplomatique ou d'initiatives efficaces en matière de politique bilatérale. En fait, les deux pays mettent en œuvre des politiques indépendantes, souvent contradictoires, fondées sur leurs propres intérêts nationaux et caractérisées par la profonde méfiance qu'ils éprouvent l'un envers l'autre.

Bien que leur relation soit plus étroite que jamais, la Chine et la Russie ont souvent de vives divergences de vues en matière de sécurité, d'économie et de diplomatie, lorsque cela influe, selon eux, sur leurs intérêts nationaux. Ces divergences sont exacerbées par leurs propres perceptions de leurs faiblesses à l'échelle nationale et internationale : ils se croient trop faibles pour défier directement leur concurrent principal dans la région (les États-Unis), et ne croient pas posséder les ressources nécessaires pour pratiquer une politique étrangère plus audacieuse.

S'ils ont une meilleure perception de la Chine depuis 1993, le public et les élites russes n'en continuent pas moins de se méfier grandement de Pékin. Au sein des élites russes, ce sont les hautes instances militaires qui sont les plus réservées à l'égard de Pékin, car elles craignent la « montée de la Chine », c'est-à-dire son passage d'une puissance régionale à une puissance internationale, un développement qui sera probablement perçu comme non souhaitable pour l'avenir des relations entre Moscou et Pékin.

En ce qui concerne la Chine, elle perçoit la Russie comme un pays aux prises avec un conflit identitaire, lié à la civilisation occidentale, mais largement défini par la religion chrétienne orthodoxe orientale. Malgré l'appartenance de la Russie à la sphère Asie-Pacifique, les Chinois déplorent le sentiment de supériorité de ce pays envers les civilisations asiatiques. De surcroît, les élites chinoises croient que la chute de l'Union soviétique représente une leçon importante pour la Chine, particulièrement en ce qui a trait aux dangers de la concurrence militaire directe avec les États-Unis. Malgré tout, Pékin est d'avis que les politiques régionales de Washington sont le principal obstacle aux intérêts de la Chine en matière de sécurité nationale.

Bien qu'ils reconnaissent l'importance stratégique de la Russie dans le système international, les universitaires chinois débattent avec ferveur de l'importance qu'il faut accorder à l'influence et au pouvoir relatif de Moscou. Ils sont nombreux à penser qu'une meilleure compréhension de la « stratégie globale » de la Russie est nécessaire. Certains estiment aussi que Moscou souhaite améliorer ses relations avec la Chine afin de réduire la pression stratégique dans les régions d'Asie centrale et d'Asie-Pacifique, ainsi que sur le front Est de la Russie.

Pour Moscou, la Chine n'est guère plus qu'un instrument des relations russo-américaines, ce qui confirme la perception chinoise voulant que l'Occident soit l'intérêt stratégique principal de la Russie. Par ailleurs, la Chine cherche à éviter une logique à somme nulle dans l'équilibrage de ses relations avec la Russie et les États-Unis, notamment en Asie centrale, où Pékin espère qu'une relation sino-russe positive favorisera l'équilibre entre une concurrence inévitable et une coopération nécessaire.

Comme la Russie et la Chine perçoivent leur relation bilatérale à travers le prisme du triangle stratégique Moscou-Pékin-Washington de l'époque de la guerre froide, les deux capitales

poursuivront vraisemblablement leurs alliances changeantes teintées par une réalpolitik où la flexibilité, l'équilibre et le non-engagement forment l'essence de la politique étrangère.

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1 Introduction

Joint Sino-Russian military exercises held in 2005 and 2007 (both dubbed *Peace Mission*) attracted the attention of journalists and military experts worldwide. The first exercises ever between China and Russia, they involved thousands of troops and Shanghai Cooperation Organisation (SCO) member states.¹ When *Peace Mission 2005* was held, Beijing and Moscow asserted that it would assist their armed forces in building stronger links and testing their doctrine and tactics. Observers saw a different dynamic at play. The exercise, they thought, provided Beijing with the opportunity to draw to the attention of Taiwan and other Asian countries the fact that its relations with Moscow had improved. With respect to Russia, they thought it was a demonstration of its ability to militarily engage in the Far East, and an opportunity to show the United States and the European Union that it was nurturing a relationship with the rising power in Asia. Finally, they assumed that the exercise was especially designed to send a strong, if indirect, warning to the Central Asian states that they should not get too close to the West.² When *Peace Mission 2007* came around, the same concerns were raised again.

Rather than addressing these concerns head-on, our analysis instead focuses on the perceptions China and Russia have of each other. This approach, we argue, provides for a better understanding of how their respective elites affect the nature and extent of the bilateral relationship. In doing so, we introduce these views chronologically and thematically and contrast them with policies adopted by the two capitals, thus putting to the test the assumption, based on Moscow's and Beijing's official narrative, that there is a strong Sino-Russian strategic partnership.³

¹ The Shanghai Cooperation Organisation, established in 2001, comprises China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan as full members, and India, Iran, Mongolia and Pakistan as observers.

² Claire Bigg, "Russia/China: Joint Military Exercise a Result of New Strategic Partnership," *RFE/RL*, 18 August 2005; "China-Russia War Games Under Way," *BBC News*, 18 August 2005; Martin Andrew, *Power Politics: China, Russia, and Peace Mission 2005*, *China Brief*, Jamestown Foundation, Vol. 5, Issue 20, 27 September 2005.

³ Some Western scholars go as far as predicting an inevitable future clash between the United States and an alliance of China and Russia. See Michael L. Levin, *The Next Great Clash: China and Russia vs. the United States* (Westport: Praeger, 2008). A similar argument was made by Robert Kagan in "End of Dreams, Return of History: International Rivalry and American Leadership," *Policy Review*, No. 144, August/September 2007.

2 Background

Traces of a bilateral relationship between China and Russia go as far back as the 14th century. Their first diplomatic act, however, was in 1689 when they signed the treaty of Nerchinsk,⁴ which ushered in a series of Russian trade and diplomatic missions into China. In the 19th century, Russia, which had already solidified its land possessions in Central Asia, was making territorial and commercial demands on a China that was economically weak, internally divided and challenged militarily by Japan and other Western powers along its Pacific coast.⁵

At the end of the 19th century, Moscow obtained concessions for railway construction and trade privileges as well as vast territories west of Lake Baikal, including access to the Pacific coast.⁶ This resulted in the acquisition by Russia in 1898 of its long sought after dream of possessing an ice-free harbour on the Pacific, namely Port Arthur.⁷ The Russian defeat by Japan in the 1904-1905 war initiated a period of limited Russian activity in the Far East. The political turmoil in Russia that followed the revolution of 1905, the outbreak of World War I, and the subsequent communist revolution—which turned into civil war—further minimized Russian and Chinese links.

This gradually changed during the 1920s and 1930s as the communist regime in Moscow consolidated its grip on power and started looking outward to secure its borders and promote its interests. One of the principal vehicles for the promotion of Moscow's foreign policy was its reliance on the communist international movement. The Kremlin's efforts to centrally control the international communist movement, almost often subordinating it to Moscow's national interests, were typically most resisted in places where local communists had strong domestic support. China was one such place. Troops loyal to Mao Zedong, fighting first against the Japanese occupiers, and after 1945 against the nationalist forces of General Chiang Kai-shek, in the Chinese civil war, garnered vast popular support. Mao, like Tito in Yugoslavia, followed a rather independent policy and often ignored instructions from Moscow.

The 1949 communist victory in China essentially opened a new phase of relations between Moscow and Beijing—the Sino-Soviet rivalry over the leadership of the communist movement. This rivalry was somewhat hidden until 1956, when Beijing openly contested Moscow's handling of the international communist movement and rebelled in ideological, foreign policy, and security terms.⁸

⁴ Immanuel C.Y. Hsu, *The Rise of Modern China* (New York: Oxford University Press, 1970), pp. 145-159.

⁵ Hugh Seton-Watson, *The Russian Empire 1801-1917* (Oxford: Clarendon Press, 1967), pp. 289-297.

⁶ This primarily occurred through the Treaty of Ili in 1851 and the Treaty of Aigun in 1858 (a.k.a the 1860 Treaty of Peking). Hsu, *The Rise of Modern China*, pp. 265-269.

⁷ This particular possession was lost to Japan after the 1904-1905 Russo-Japanese war. Seton-Watson, *The Russian Empire 1801-1917*, pp. 579-597.

⁸ The ideological confrontation started during the Chinese civil war because Mao, resisting Stalin's pressure, refused to make an alliance with General Chiang Kai-shek. Mao also relied heavily on support from the peasants, contradicting the Kremlin's dictum of the need to rely on industrial workers. On occasion, during the 1930s, Stalin used the Komintern to directly obstruct the Chinese Communist Party. The post-1949 ideological conflicts emerged over the prescribed domestic economic policies (whether to focus on heavy industry), the level of intra-party dissent (whether to allow freedom of expression and creation of intra-party factions), and Moscow's "responsibility" to assist the less developed communist

The rift between the two countries intensified during the 1960s, and culminated in their border conflict along the Amur River in 1969.⁹ Military de-escalation followed, only to be replaced by a complex diplomatic re-alignment, resulting in the creation of the Sino-Soviet-American strategic triangle.¹⁰ During the 1980s, relations between Moscow and Beijing were further strained due to the Soviet 1979 intervention in Afghanistan and Moscow's close links with Vietnam—both events perceived by Beijing as the Soviet encirclement of China. However, the arrival of Mikhail Gorbachev at the helm of the Soviet Union in 1985, in conjunction with the return of ideological pragmatism in China under Deng Xiaoping, represented the beginning of gradual improvements in their bilateral relations, resulting in their full normalization during the 1989-1991 period.¹¹

While the Sino-Russian rapprochement disrupted the dynamic of the Sino-Soviet-American strategic triangle, it did not automatically lead to a worsening of Washington's bilateral relations with Moscow and Beijing. In the post-Cold War period, all three countries have sought to adjust their bilateral relations because of ongoing strategic shifts in Asia, particularly in Central Asia. The events of 9/11 offered an opportunity for Moscow and Beijing to further their links with Washington through participation in an anti-terrorism coalition—an opportunity that Russia and China initially seized upon.¹²

Western analysts and the media have closely followed the post-1991 rapprochement between Moscow and Beijing. There were three periods of increased interest in this relationship; these three periods—1995-1997, 2001-2003, and 2005-2007—coincided with real or perceived improvement in bilateral relations between Russia and China.¹³ The highlight of the 1995-1997

countries (and at what cost). In foreign policy terms, Beijing pushed Moscow to pursue the concept of world revolution, and confront the capitalist powers—often termed by Mao as “paper tigers”—instead of seeking accommodation with the West. David Floyd, *Mao against Khrushchev: A Short History of Sino-Soviet Conflict* (New York: Praeger, 1964); Edvard Kardelj, *Socialism and War: A Survey of Chinese Criticism of the Policy of Coexistence* (New York: McGraw-Hill, 1963). Some more recent scholarship, relying on an improved archival access, argues that Beijing's and Moscow's relations from mid-1940s to mid-1950s were closer than previously thought, especially during the 1950-1953 Korean War, see Odd Arne Westad, ed. *Brothers in Arms: The Rise and Fall of the Sino-Soviet Alliance, 1945-1963* (Washington, D.C.: Woodrow Wilson Center Press, 1998).

⁹ Tai Sung An, *The Sino-Soviet Territorial Dispute* (Philadelphia: Westminster Press, 1973), pp. 258.

¹⁰ Ilpyong J. Kim (ed.), *The Strategic Triangle: China, the United States and the Soviet Union* (New York: Paragon Press, 1987). On the American view of the triangle see Henry Kissinger, *Years of Renewal* (New York: Simon & Schuster, 1999). Also instructive are: Herbert J. Ellison (ed.), *The Sino-Soviet Conflict: A Global Perspective* (Seattle: University of Washington Press, 1982); C.G. Jacobsen, *Sino-Soviet relations Since Mao: The Chairman's Legacy* (New York: Praeger, 1981).

¹¹ A general survey of Soviet foreign policy during that period was offered in Robert F. Miller, *Soviet Foreign Policy Today: Gorbachev and the New Political Thinking* (London: Unwin Hyman, 1991); Elizabeth Wishnick, *Mending Fences: The Evolution of Moscow's China Policy from Brezhnev to Yeltsin* (Seattle: University of Washington Press, 2001).

¹² Since 9/11, there has been some disagreement between the West, and Russia and China, over what constitutes terrorism, and legitimate strategies against terrorists. For example, Russia has been criticized for human rights abuses in Chechnya. See *Russia, China, and the United States: From the Great Game to Cooperation in Central Asia?* New Vision Program (Washington, DC: Carnegie Endowment for International Peace, 6 February 2007), p. 16.

¹³ Indeed, in April 1996, Moscow and Beijing used for the first time, in a joint statement, the phrase “strategic partnership” to describe their relationship.

period was the finalization of the border demarcation process, the creation of a multilateral cooperation framework between Russia, China, Kazakhstan, Kyrgyzstan and Tajikistan (known as the Shanghai Five), and a significant increase in Moscow's arms sales to Beijing.¹⁴ The major events of the 2001-2002 period—the creation of SCO in 2001 and the signing of the Friendship Treaty between Moscow and Beijing in July that same year—were the primary triggers for an increase in publications analyzing the bilateral relations.¹⁵ Finally, the 2005-2007 period was characterized by growing interest by Western analysts in the joint Sino-Russian military manoeuvres and the SCO's assertive rhetoric regarding the US's presence in Central Asia.¹⁶

While the majority of analysts acknowledged the strategic relevance of the improvement in Sino-Russian relations, many were sceptical about its future, given the limits of their cooperation. In the following chapters, we further elaborate on these limits by presenting how the Chinese and the Russians perceived their bilateral relationship.

¹⁴ Some of the papers issued during this period include: James Clay Moltz, "Russia in Asia in 1997: Moving beyond the 'Strategic Partnership'," *Asian Survey*, Vol. 38, No. 1, January 1998, pp. 91-98; Stuart D. Goldman and Robert G. Sutter, "Russian-Chinese Cooperation: Prospects and Implications," *Current Politics and Economics of Russia*, Vol. 10, No. 2/3, 1998, pp. 131-144; Chikahito Harada, "Russia and North-east Asia," *Adelphi Paper* 310 (London: The International Institute for Strategic Studies, 1997); and Jennifer Anderson, "The Limits of Sino-Russian Strategic Partnership," *Adelphi Paper* 315 (London: The International Institute for Strategic Studies, 1997).

¹⁵ Some of the papers issued during this period include: Sherman Garnett, "Challenges of the Sino-Russian Strategic Partnership," *The Washington Quarterly*, Vol. 24, No. 4, Autumn 2001, pp. 41-54; Robert H. Donaldson and John A. Donaldson, "The Arms Trade in Russian-Chinese Relations: Identity, Domestic Politics, and Geopolitical Positioning," *International Studies Quarterly*, Vol. 47, Issue 4, December 2003, pp. 709-732; H. Lyman Miller, "The Limits of Chinese-Russian Strategic Collaboration," *Strategic Insight*, 2 September 2002; and Robert Person, "Crouching Tiger, Hidden Jargon: The Sino-Russian Strategic Partnership," *Stanford Journal of International Relations*, Vol. 3, Issue 1, Spring 2001.

¹⁶ Some of the papers issued during this period include: Peter Ferdinand, "Sunset, Sunrise: China and Russia Construct a New Relationship," *International Affairs*, Vol. 83, Issue 5 (September 2007): pp. 841-867; Yu Bin, "China-Russia Relations: Between Cooperation and Competition," *Comparative Connections* E-Journal, October 2007; Clifford G. Gaddy, "As Russia Looks East: Can It Manage Resources, Space and People?" *Gaiko Forum*, January 2007, p. 10; and Roger N. McDermott, "The Rising Dragon: SCO Peace Mission 2007," Occasional Paper (Washington, DC: The Jamestown Foundation, August 2007).

3 View from Beijing

Although the beginning of talks on border issues in October 1969 between Moscow and Beijing began to ease the crisis of armed border clashes, the Soviet threat of attack to Chinese nuclear installations greatly alarmed Chinese leaders. While the Soviet Union massively bolstered their troop numbers along the Sino-Soviet border from 1969 until 1978, China also increased their troop deployment in the border regions from 40 to 75 divisions.¹⁷ Domestically, the Chinese leaders began to prepare the nation for a campaign against the “war maniacs” in the Kremlin.¹⁸ To reduce the threat of perceived Soviet aggression, the People’s Liberation Army (PLA) adopted the doctrines of nuclear deterrence to discourage a strategic attack and “People’s War,” in which mass mobilisation of the Chinese population would be used to repel a conventional land invasion by Soviet troops. At the international level, Beijing attempted to gain diplomatic leverage against Moscow’s efforts to intimidate and threaten China by ending Beijing’s isolation from the rest of the world. The normalisation of relations with the US through the historic meeting between Nixon and Mao were part of these efforts.¹⁹

The death of Mao Zedong in 1976 signalled the end of ideological and personal leadership issues which had poisoned Sino-Soviet relations. Chinese leaders of the post-Mao era, and subsequent generations of leaders, viewed the relations between Moscow and Beijing in a more pragmatic manner.²⁰ Throughout the 1970s, Moscow’s initiatives to hold talks on the normalization of bilateral relations had been consistently rejected by China. Beijing insisted that the Sino-Soviet border disputes be resolved first.²¹ What China now sought from Russia was a stable environment along their frontier for greater economic development.²²

3.1 Deng Period

Although trade between the Soviet Union and China, as well as political contact between the leaders of the two countries, increased, a significant breakthrough in Sino-Soviet relations in the post-Mao period did not occur until Gorbachev came to power, largely due to the unsettling changes in Soviet leadership after Khrushchev. The Russian government, under the influence of Gorbachev’s “new thinking,” was now willing to discuss what China considered the “three obstacles” to improved Sino-Soviet relations: Soviet troops in Afghanistan; the build-up of Soviet troops along the border; and the Soviet-backed Vietnamese military occupation of Cambodia.²³ Gorbachev’s speech at Vladivostok in July 1986, in which he indicated concessions on the issues

¹⁷ Ming-Yen Tsai, *From Adversaries to Partners?: Chinese and Russian Military Cooperation after the Cold War* (London: Praeger, 2003), pp. 34-35.

¹⁸ Goldman and Sutter, “Russian-Chinese Cooperation: Prospects and Implications,” p. 132.

¹⁹ *Ibid.*

²⁰ *Ibid.*, p. 133.

²¹ Tsai, *From Adversaries to Partners?* p. 35.

²² Wang Shuchun, *Lengzhanhoude zhong e guanxi* (Beijing: Shishi chubanshe, 2005), p. 173.

²³ Goldman and Sutter, “Russian-Chinese Cooperation: Prospects and Implications,” p. 133; Nancy Bernkopf Tucker, “China as a Factor in the Collapse of the Soviet Empire,” *Political Science Quarterly*, Vol. 110, No. 4, Winter 1995-96, p. 501.

of a reduction of Soviet forces along the Sino-Russian border and a withdrawal from Afghanistan, opened the way for a rapprochement with Beijing.

A historic summit, the first between top Russian and Chinese leaders in many years, was scheduled for May 1989 in Beijing. The international media attention from Gorbachev's meeting with Deng Xiaoping was instrumentalized by the Chinese students demonstrating for democracy; what was supposed to be a triumphant moment for the Chinese leadership transformed into a humiliating event. The Tiananmen Square crackdown of 1989 subsequently resulted in the worsening of relations between China and the West. Beijing faced economic sanctions and a Western arms embargo over the human rights violations. Despite the negative experience of the unilateral Soviet termination of military ties with China in 1960, Beijing was thus left with few desirable procurement options for its plans of military modernization after it was placed under the Western arms embargo. These supply restrictions facilitated greater purchases of Soviet, then Russian military equipment and technology by Beijing. China, facing growing international isolation, was increasingly eager to improve economic, political and security relations with its Russian neighbour.²⁴

The events of Tiananmen Square had much broader implications internationally; they inspired popular uprisings all across communist Eastern Europe. For most Chinese conservatives, the collapse of communism in Europe came as a shock.²⁵ However, Beijing quickly adopted a pragmatic approach of establishing diplomatic ties with the newly independent ex-Soviet republics. This was largely due to Chinese calculations over the inevitability of the disintegration of the Soviet Union, the subsequent diplomatic competition with Taiwan, and an assessment by the Central Military Commission that the former Soviet republics did not pose a threat to China's national security.²⁶ Conservative Chinese leaders blamed Gorbachev's "new thinking" in Soviet foreign policy in which the Soviet Union practiced non-interference in the affairs of other socialist states, a repudiation of the Brezhnev Doctrine, as a weakness and a factor in the collapse of European communism.²⁷ Furthermore the disintegration of the Soviet Union and resulting economic decline, political and social instability, and declining military capabilities, only served to reinforce in the minds of the Chinese elite the "correctness" of Beijing's strategy of economic reform and domestic stability (before attempts at *glasnost* or political liberalization).²⁸ Chinese leaders condemned "calls for pluralism and democracy as 'spiritual pollution' from the West."²⁹

Beijing, under the leadership of Deng, had, however, embarked upon serious economic reforms beginning in 1978. Deng had argued that the emphasis on militarization in the Soviet model conflicted with efforts to modernize and enrich society. He was quoted as saying to German ex-chancellor Helmut Schmidt, "one of the reasons why the Soviet economy suffers from paralysis is

²⁴ Tsai, *From Adversaries to Partners?* p. 40.

²⁵ Guocang Huan, "The New Relationship with the Former Soviet Union," *Current History*, Vol. 91, September 1992, p. 254.

²⁶ *Ibid.*, p. 255.

²⁷ Levin, *The Next Great Clash*, p. 95.

²⁸ The lessons of Russia's political developments during the 1980s and the 1990s have influenced internal debates among the Chinese elite about the future course of reforms. Gilbert Rozman, "China's Soviet Watchers in the 1980s: A New Era in Scholarship," *World Politics*, Vol. 37, No. 4, July 1985, pp. 435-474.

²⁹ Bernkopf Tucker, "China as a Factor in the Collapse of the Soviet Empire," p. 501.

that the Russians spend too much money on the military.”³⁰ Instead, Beijing concentrated on improving levels of rural prosperity through the reform of collective agricultural production, and inducing industrial changes, notably in the production of consumer goods. As part of the modernization and transformation of Chinese society, the Communist Party also promoted urbanization, a consumer culture and the adoption of foreign technology. Debates amongst scholars and policymakers in China during the 1980s were lively about the merits of the Soviet system (e.g., rapid economic growth, heavy industrialization) and its weaknesses (e.g., ideological dogmatism and a reluctance to decentralize).³¹ Both Chinese scholars and leaders such as President Hu Jintao now view the collapse of the Soviet Union as a tragedy and a “vindication of its [China’s] own socialist model.”³²

The fall of the Soviet Union provided many opportunities and challenges for the Chinese leadership. Because of tense relations with Russia for much of the Cold War, and Moscow’s efforts to destabilize China’s periphery (including close relations with Hanoi and New Delhi), Beijing had felt strategically encircled. While the collapse of the Soviet Union largely improved China’s external security environment, Beijing was concerned that the change sweeping across Europe would strongly encourage political claims for independence or autonomy by ethnic minorities in Tibet, Xinjiang and Inner Mongolia. As a result, Chinese authorities reinforced troop deployments and security forces in the three regions in the aftermath of the political upheaval in Eastern Europe.³³

In terms of foreign policy, Deng Xiaoping’s advice to the Chinese Politburo in August 1989 shortly after the events of Tiananmen have largely been adopted in the post-Cold War period: *shanyu shouzhe* (“keep a low profile”) and *juebu dangtou* (“never become a leader”), *taoguang yanghui* (“conceal our capabilities and bide our time”).³⁴ Chinese scholars, such as Tang Yongsheng, a professor at the Chinese National Defence University, have interpreted this to mean that China should avoid direct confrontation with other powers. It should also seek to develop broader strategic resources and greater strategic manoeuvrability.³⁵ Thus, improved relations with Moscow, or at least the end of border disagreements and indirect conflict by proxy, has allowed China the opportunity to concentrate on balancing its relations with the US and the development of other foreign policy priorities, such as energy security and the procurement of natural resources.

³⁰ Ibid., p. 505. Some Chinese analysts have also voiced a similar opinion that the disproportionate amount that Moscow spent on the military was a prime cause of the fall of the Soviet Union. Dennis J. Blasko, “Evaluating Chinese Military Procurement from Russia,” *Joint Forces Quarterly*, No. 17, Autumn-Winter 1997-1998, p. 94.

³¹ Rozman, “China’s Soviet Watchers in the 1980s,” pp. 435-474.

³² Chris Buckley, “Russia and China are cooperating more, but warily,” *International Herald Tribune*, 7 May 2005.

³³ Huan, “The New Relationship with the Former Soviet Union,” p. 254.

³⁴ Ferdinand, “Sunset, Sunrise: China and Russia Construct a New Relationship,” p. 857.

³⁵ Ibid.

3.2 The Post-Deng Period

Since late 1992,³⁶ bilateral relations between Moscow and Beijing have progressed from a “good neighbourly relationship,” to a “constructive partnership,” to a “strategic partnership” in 1996.³⁷ Officially, Sino-Russian relations are constantly reaching “new highs” with a variety of cooperative activities between the two peoples; this has cumulated recently in the 2006 Russia Year in China and 2007 China Year in Russia.³⁸ Chinese leaders, the official media and some academics are resolutely optimistic about the direction of the Sino-Russian strategic cooperative partnership. They point to an established framework, which allows leaders of the two countries to exchange views on a regular basis,³⁹ and a common understanding of almost all major international issues.⁴⁰

Other major themes in the “optimistic literature” on Sino-Russian relations stress that the rapid development of China brings opportunities, rather than a threat, to Russia. And also, that a resurgent Russia is conducive to a favourable international environment for China. In the first argument, China’s rise, particularly its strong economic development and integration into the global economy, produces a “win-win” opportunity for Russia. Scholars and official documents point to the complementary nature of their economies,⁴¹ particularly in Russia’s Far East and China’s Northern provinces.⁴² Official pundits estimate the potential for bilateral trade could reach US\$60-80 billion by 2010-2020, with many opportunities for investment by both sides due to the 2006 bilateral investment protection agreement, which China pushed.⁴³ In the second argument, Chinese scholars argue that a resurgent Russia contributes to a multipolar world, and thus to the global strategic balance, by posing restraints on American hegemonism and unilateralism, as well as counter-balancing the US-Japan alliance in Asia-Pacific.⁴⁴ Furthermore, increasing security links with Russia in Central Asia through the SCO provide a buffer for China against the “three evils” of “extremism, separatism, and terrorism” in its Western regions.⁴⁵ A

³⁶ Deng Xiaoping died in 1997; he had been succeeded by Jiang Zemin in 1992.

³⁷ Tsai, *From Adversaries to Partners?* p. 51.

³⁸ “A New High in Sino-Russian Relations,” *The Beijing Review*, No. 4, 24 January 2008; Yan Wei, “All-Round Cooperation,” *The Beijing Review*, No. 46, 15 November 2007; “Wen Jiabao Accepts Interview of Russian Media,” Ministry of Foreign Affairs People’s Republic of China, 2 November 2007.

³⁹ “Hu, Putin, hold Talks in Moscow in 2005,” *Xinhua News Agency*, 15 February 2007; Yang Chuang, “Russia After the Elections,” *The Beijing Review*, No. 43, 25 October 2007.

⁴⁰ Shen Qiang, “New Developments in Evolving Relationships among Major Powers,” *International Strategic Studies*, Issue 3, 2005, p. 53; and Wang Haiyun, “China’s Rapid Development Offers Russia a Rare Historical Opportunity,” *International Strategic Studies*, Issue 4, 2006, p. 47.

⁴¹ Liu Long, “Russia’s Revival and Sino-Russian Relations,” *International Strategic Studies*, Issue 3, 2007, p. 35; Wang Haiyun, “China’s Rapid Development Offers Russia a Rare Historical Opportunity,” *International Strategic Studies*, Issue 4, 2006, p. 46.

⁴² A bilateral agreement to strengthen cooperation was recently signed and would include Xinjiang, Inner Mongolia, Heilongjiang, Liaoning, and Russia’s Far East. “All-Round Cooperation,” *The Beijing Review*, No. 46, 15 November 2007.

⁴³ “Premier: China-Russia Relations at Most Important Stage,” *Xinhua News Agency*, 2 November 2007.

⁴⁴ “Chinese Analysis of Recent Show of Force on Part of Russian Military,” *China Information Internet Center*, 8 February 2008; Long, “Russia’s Revival and Sino-Russian Relations,” pp. 34-35.

⁴⁵ Lu Gang, “A analysis of US and China’s Central Asian Strategy Policy,” unpublished manuscript, Department for Russia and Central Asia Studies at the Shanghai Institute for International Studies (SIIS), p. 8, and Lanxin Xiang, “China’s Eurasian Experiment,” *Survival*, Vol. 46, No.2, Summer 2004, p. 112;

stronger Russia also shares a common desire with China for a more just and balanced international order based on the five principles of co-existence.⁴⁶ Overall, Russia's gradual economic revival after 1999, and an increasingly assertive foreign policy under Putin to regain Russia's regional strategic space, have resulted in greater respect for Moscow among the Chinese leadership.

A closer examination, however, of Sino-Russian relations since the 1990s reveals the limits of their cooperation, and the significant role the United States has played in the consideration of bilateral relations between Moscow and Beijing.⁴⁷ In the wake of the collapse of the Soviet Union and concomitant loss of political and economic power, Russia's inconsistent flirtations with a pro-Western foreign policy orientation caused some consternation in Beijing.⁴⁸ In particular, two events weakened Chinese trust in the possibility of a reliable strategic relationship with Moscow. First in 1999, the Kosovo bombing campaign by NATO caused significant dismay in Beijing and Moscow. Both the Chinese and Russians feared the American-led campaign could cause a precedent of interference in their internal affairs (e.g., Tibet, Taiwan, Chechnya). They jointly claimed to reject the concept that "human rights are superior to sovereignty."⁴⁹ When the Chinese Embassy in Belgrade was bombed on 7 May 1999, Beijing sought to resolve the Kosovo crisis in the United Nations Security Council (UNSC). Russia, however, calculating the negative implications of such a move on its bilateral relations with the US, chose instead to discuss the Kosovo problem in the fora of the Group of Eight (G8) states, before a draft resolution proposed by the G8 states was submitted and approved by the UNSC. China, not a member of the G8, was shut out of the initial consultations, and abstained from the vote on UNSC resolution 1244. This diplomatic volte-face by Yeltsin was interpreted as a betrayal by the Chinese leadership.

Shortly thereafter, Russia, under the leadership of a new president, again turned towards the West. Putin, in the early days of his presidency, sought to capitalize on the dynamics of a changing strategic environment after 9/11 by forging a closer relationship with the West. In particular, Putin pushed for closer NATO-Russia ties, through the creation of the "20-country" mechanism, in which Moscow could hold security dialogues with the West through the NATO-Russia Council, to safeguard Russian security interests.⁵⁰ Beijing perceived this initiative as another betrayal and an example of Russia's strategic orientation towards Brussels and Washington, as Putin professed his desire that Russia would return to Europe and "repeatedly declared that Russia is a member of the great European family."⁵¹ China, in return, has not shown much practical support for Russia's opposition to NATO enlargement. This is largely due to fears

Zhang Yao, "Analysis on the Security Situation of Central Asia: An Interpretation of Current Situation and Tendency," *International Review*, Vol. 41, Winter 2005, pp. 35-36, 41.

⁴⁶ The five principles of co-existence are: respect of sovereignty and territorial integrity; mutual non-aggression; non-interference in internal affairs; equality; and mutual benefit. "Telephone conversation between President Jiang Zemin and Yeltsin," Ministry of Foreign Affairs People's Republic of China, 13 January 2000; Qiang, "New Developments in Evolving Relationships among Major Powers," p. 53.

⁴⁷ A longer discussion of political and strategic relations between the two occurs in a later section.

⁴⁸ Goldman and Sutter, "Russian-Chinese Cooperation: Prospects and Implications," pp. 42.

⁴⁹ Tsai, *From Adversaries to Partners?* p. 57.

⁵⁰ Shi Kedong, "NATO-Russia Marriage is not Felicitous," *Beijing Renmin Wang* (People Commentary on Current Affairs), 31 May 2002.

⁵¹ Yu Sui, "Heightened Relativity: On the Focal Points of US Global Strategy," *Shijie Zhishi*, 1 June 2002, p. 16.

that Taiwan might exploit a political rift between Beijing and Eastern European states that have joined or wanted to join NATO.⁵²

Another issue in the post-Cold War period that highlights the limits of strategic cooperation between China and Russia is the American development of a National Missile Defence (NMD) system. Although not a signatory, Beijing viewed the 1972 Anti-Ballistic Missile (ABM) Treaty between Washington and Moscow as a “crucial cornerstone in maintaining balance and stability” in the international system, by restricting the nuclear arms race between the two superpowers during the Cold War and creating a “balance of terror” in the absence of the total elimination of nuclear weapons.⁵³ Post-1991, the treaty continued to provide a framework for the two countries to reduce their nuclear arsenals and to advance the process of nuclear disarmament. Initially, both Russia and China viewed the American announcement on NMD as a violation of the ABM Treaty, a move “seeking absolute security, enhancing military superiority, and expanding ‘freedom of action’” for the US.⁵⁴ Beijing further complained that NMD was “designed to gain unilateral strategic superiority by building US security on the insecurity of others.”⁵⁵ Beijing feared the possibility that as Washington already had the largest nuclear arsenal and conventional forces, it might be tempted to use this added strategic advantage to resolve other issues that concerned China.⁵⁶

Beijing is further disturbed by the bilateral development of a Theatre Missile Defence (TMD) system by the US with its allies in Northeast Asia. This included the sale of Aegis and Patriot PAC-3 weapons systems to Japan, Taiwan and South Korea. China has argued this would undermine regional stability by proliferating weapons and missile technology, thereby upsetting the regional strategic balance and possibly creating the conditions for a regional arms race. Furthermore, Beijing is highly disturbed by the idea of the inclusion of Taiwan under a US-Japan or US TMD umbrella, which may lead to a de facto “para-military alliance” with Taipei.⁵⁷ Initially, Beijing and Moscow enunciated joint resistance to TMD and NMD, with Russia specifically supporting China’s position in opposing Taiwan’s inclusion in TMD.⁵⁸ Both countries, along with Belarus and Kyrgyzstan, sponsored a UN General Assembly resolution on the “Preservation of and compliance with ABM Treaty” in November 2000.

⁵² In 1996, Chinese President Jiang Zemin did publicly state that NATO expansion eastwards to Russia’s borders was “impermissible,” but no further actions followed this statement. Tsai, *From Adversaries to Partners?* p. 62-63.

⁵³ Sha Zukang, “Can BMD Really Enhance Security?” Statement at the 2nd China-US Conference on Arms Control, Disarmament and Non-proliferation, Monterey, California, 28 April 1999, p. 1.

⁵⁴ “Chinese-Russian Press Communiqué on Consultations on Issues pertaining to the ABM Treaty,” Ministry of Foreign Affairs of Russia, 14 April 1999. Sha Zukang, “Some Thoughts on Establishing A New Regional Security Order,” Statement by the Chinese Ambassador to the US at the East-West Center’s Senior Policy Seminar, Honolulu, Hawaii, 7 August 2000.

⁵⁵ Sha, “Can BMD Really Enhance Security?” p. 2.

⁵⁶ C. M.-L. Yeung’s interview with Chinese academics at the Shanghai Institute for International Studies, 24 April 2007.

⁵⁷ Sha, “Can BMD Really Enhance Security?” p. 3.

⁵⁸ “Sino-Russian Joint Statement,” Ministry of Foreign Affairs People’s Republic of China, 10 December 1999.

However, the events of 9/11 provided a strategic opportunity for Russia to improve its relations with the US, especially in the fields of anti-terrorism and global security.⁵⁹ By the fall of 2001, statements from the Chinese leadership indicated declining confidence in Moscow's firmness in supporting the ABM Treaty and opposing missile defence. Later, Beijing was caught off guard by Putin's acceptance of the US abrogation of the ABM Treaty, without any American concessions in return.⁶⁰ The Chinese leaders felt deceived by Moscow, particularly as NMD was thought to be more likely aimed at thwarting a potential threat posed by China's limited nuclear capabilities, rather than Russia's strategic second strike capabilities.⁶¹ As a result of this perceived betrayal by Putin, China has remained silent on recent US plans for the deployment of a TMD in Central Europe, despite Moscow's concerns.⁶² Chinese academics claim Beijing has not protested or supported Russia because of their own preoccupations with American TMD in Japan and South Korea, and the implications of a sea-based missile defence system in a potential Taiwan Strait scenario.⁶³

3.3 The Views of the Chinese Political Elite on Russia

The official Chinese press heralded the "unprecedented high levels of strategic coordination" in 2006, the tenth anniversary of the establishment of the Sino-Russian strategic partnership of cooperation and the fifth anniversary of the signing of the Treaty of Good Neighbourliness and Friendly Cooperation.⁶⁴ Chinese scholars are nevertheless more circumspect about the current state of relations. From the Chinese point of view, Sino-Russian relations have gone through three important phases since 1949, although the two countries have been in direct contact since the 16th century: the 1950s were a honeymoon phase of ideological fraternity, ending with the breakdown of the bilateral relationship after 1956; the late 1960s were a period of confrontation, ending with détente in the 1980s; and, since the 1990s, relations have normalized. One of the most striking features of the improvement of Sino-Russian relations was the relatively weak position of Russia compared to the rising posture of China at the time of their rapprochement.⁶⁵

Although they acknowledge the continuing importance of Russia as a great power, Chinese scholars debate the relative power and influence of their neighbour. One academic stated, "Russia cannot influence China the way the Soviet Union did...Russia is surely not the same superpower as we (Chinese) remember."⁶⁶ Others argue that Russia has retained its superpower ranking, and in 10 to 15 years will not only continue to be of nuclear and strategic importance, but will also

⁵⁹ Ding Ying, "Another Putin Era without Putin," *The Beijing Review*, No. 39, 27 September 2007.

⁶⁰ Ferdinand, "Sunset, Sunrise: China and Russia Construct a New Relationship," p. 844.

⁶¹ Sha, "Can BMD Really Enhance Security?" p. 2.

⁶² This seems to have changed during Dmitry Medvedev's, Russia's new President, visit to Beijing in May 2008, when the two countries condemned US missile plans. It is uncertain, however, whether this joint stance will become a joint policy. "China, Russia Denounce US Missile Plans in Medvedev Debut," Agence France Press, 23 May 2008.

⁶³ Author's interview with Chinese academics at the Shanghai Institute for International Studies, 24 April 2007.

⁶⁴ "China, Russia more than just good neighbours," *China Daily*, 20 March 2006.

⁶⁵ Tsai, *From Adversaries to Partners?* p. 4.

⁶⁶ Lu Gang, "Chu Liao Hui Yi, Wo Men Hai You Shen Me [Aside from recalling the past, what else do we have?]" 11 November 2006, accessed at http://blog.people.com.cn/blog/log/showlog.jspe?log_id=1163129581688986&site_id=19983 on 8 August 2007.

have a growing influence on issues such as energy, culture, transportation and space exploration. Most Chinese academics do agree that Russia has accepted the reality of a “Rising China” in the global economy; however, the Chinese need to be more sensitive to Russian apprehension of strategic competition and the possibility of crises between the two countries. Moreover, there is general agreement that Beijing needs a better understanding of Russia’s “Grand Strategy.”⁶⁷ Many in China believe that good relations with Beijing are intended by Moscow to limit NATO’s expansion in the East, US-Japanese-Australian pressure in Asia-Pacific, and Chinese influence in Central Asia.

With regard to the uniqueness of Russia’s strategic situation, Chinese scholars and policymakers see three defining factors. Firstly, they believe that Russia’s geographical location straddling Asia and Europe creates a conflicted identity for the Russian nation. Although more closely linked to Western civilization, and considering themselves superior to Asian civilization, in particular the Chinese, Russians define their own uniqueness as being linked to their Eastern Orthodox Christian faith.⁶⁸ Secondly, (according to the Chinese) Russia has a history of military imperialism, which does not exist in Chinese history. Both countries have different strategic cultures: China’s is largely defensive; by contrast Russia’s is one of expansionism. Thirdly, the two partners have differing values with regard to political and economic liberalisation and globalisation. Russia wants what former defence minister Sergei Ivanov calls “Sovereign Democracy,” a special Russian model of democracy based on a multi-party managed system. China, on the other hand, prefers a one-party system with popular participation, although both stress the need for indigenously-developed systems of governance that are different from Western concepts of democracy. The self-image of the Chinese is one which is open to the world, pro-market and pro-diversity, embracing avenues to new market access, whilst the Russians are viewed as being more insular and nationalistic in the economic and trade domains.⁶⁹ Moreover, there is the recognition that both countries are at different stages of transition and development.

Despite these many differences, Beijing is seeking closer strategic cooperation with Moscow because of a belief in the advantages that a multi-polar world offers in the promotion of their national interests. China seeks to limit US “unilateralism,” preferring multilateral solutions to international issues, and would like to see greater tolerance of other political systems (i.e. interpretations of democracy, etc.). Beijing believes that Russia and China share similar challenges, such as corruption, nationalism, ethnic problems, and the steady growth of American hard and soft power in their spheres of influence. In the short term, their common problems with internal terrorism and separatism mean they have similar defensive, rather than offensive, interests.

The Chinese perceive the SCO as an effective multilateral means of promoting anti-terrorism cooperation and regional peace in Central Asia. Chinese officials stress, however, that current Sino-Russian relations are a strategic partnership, and not a military alliance. Indeed, some Chinese scholars go further, arguing that it is a marriage of convenience because of a perceived

⁶⁷ Domestic instability in Russia during the 1990s, and especially the intra-elite competition during that period, made harder for Chinese analysts to assess and predict Moscow’s foreign policy objectives.

⁶⁸ On the other hand, the presentation of Russia’s “uniqueness” through its identity and culture may indicate a lack of framework in China to fully grasp Moscow’s strategic concerns and objectives.

⁶⁹ This may also indicate that Chinese scholars perceive Russia as pursuing primarily a zero-sum logic vis-à-vis China’s self-perceived pursuit of a win-win logic, or a “peaceful rise.”

need to balance the US “unilateralist” policy globally.⁷⁰ These scholars also stress that neither Moscow nor Beijing wishes an alliance relationship, in order to avoid provoking a confrontation with the West, and because of their sometimes diverging national interests, in particular on energy issues.

Beijing is cognizant that a Sino-Russian alliance would likely force their neighbours or regional rivals to seek to bolster their own military relationships with the US. Furthermore, a deepening of their bilateral relationship could become a strategic liability for Moscow and Beijing, rather than a strategic gain, given the regional suspicions that already exist regarding their motives. Although the two capitals have engaged in joint security initiatives through the SCO, it is unlikely that their bilateral cooperation or the SCO will, in the near-to-mid-term, develop into a military alliance. Perhaps most importantly, an alliance with Russia would thoroughly undermine Beijing’s claims to a “peaceful rise.”

Some Chinese scholars go as far as to say that Beijing and Moscow have a greater need for the West than they do for each other. Such sentiments reinforce mutual misunderstanding and distrust. Lu Gang, a Chinese academic from the Shanghai Institute of International Studies, hypothesized that this lack of understanding is owing to the fact that the Chinese and Russian media develop their conception of the other from Western media. In China, he said, “[...] we seldom get reports about daily Russian life, [...] So our impression of each other is very shallow, leading to a lack of cultural cooperation and understanding. Especially, the ‘China Threat’ is very common in Russia. If this misunderstanding is not resolved, further conflict may emerge.” Thus, although the official Chinese discourse on relations with Russia exudes confidence about the strength of their strategic partnership, Chinese analysts and policymakers are cognizant of the constraints imposed by Sino-Russian cooperation, particularly in the fields of military and economic affairs.

3.4 Military Aspects

Although arms transfers are a major component of the Sino-Russian relationship, comprising over US\$10 billion during the period 1990-2001, this aspect of their relationship is not problem-free.⁷¹ The modernization of Chinese national defence capabilities is an important component of Beijing’s quest to raise China’s international stature to that of a great power. However, this goal has been complicated by the Western arms embargo imposed after the 1989 Tiananmen Square massacre. China, in turn, looked to its neighbour, which after the fall of the Soviet Union was enduring a severe economic transition. Beijing seized upon the situation to sell Russia light industrial goods and food stuffs in return for military equipment and technology. This served as a means of expanding the export of Chinese commodities and reducing their spending on the modernization of their military throughout the 1990s.⁷² Russia thus became one of China’s few sources for modern military weapons, equipment and technology.⁷³ This facet of their relationship has, nevertheless, not escaped criticism. Chinese analysts and members of the

⁷⁰ Matthew Oresman, “Challenges to the Sino-Russian relationship,” *The Jamestown Foundation China Brief*, Vol. 4, Issue 24, 7 December 2004.

⁷¹ Ibid.

⁷² In recent times, Russia is increasingly demanding payment in hard currency, leading to delays in arms deals. Tsai, *From Adversaries to Partners?* pp. 184-186.

⁷³ “Russia to maintain military cooperation with China – Putin,” *RIA Novosti*, 15 June 2006.

People's Liberation Army (PLA) have claimed that Moscow has taken advantage of this situation to sell China less sophisticated weapons systems at above-market rates. In addition to the tight controls over the types of weaponry sold to China, Beijing believes that Moscow has been selling more advanced military technology to other Asian states, such as India.⁷⁴ Furthermore, Russia has carefully eschewed the sale of any weapons systems that might alter the balance of power between Chinese and American forces, such as the *Granit* anti-ship missile, which is designed to sink American aircraft carriers.⁷⁵

Disputes over manufacturing licenses and attempts by the Russians to preserve a technology gap, particularly between the Russian and Chinese air forces, have incensed senior leaders within the PLA.⁷⁶ Their response, recalling the bitter experience of a unilateral termination of military ties by the Soviets in 1960, has been to reduce dependency on a single source of advanced technology from abroad (i.e., Russia) and to improve self-reliance on their defence industry, either through reverse engineering or the careful negotiation of technology transfers and joint R&D projects on dual-use technology.⁷⁷ Beijing has even gone so far as to recruit Russian scientists and engineers to improve Chinese design and manufacturing capabilities for its new military equipment.⁷⁸ Some Chinese analysts believe this will adversely affect Sino-Russian cooperation in the military aviation and naval sectors.⁷⁹ This may already be occurring. Last year, Russian arms sales to China shrunk to US\$200 million, from an average level over the past decade of US\$1 billion to US\$1.5 billion per year, despite an increase in spending on military procurement by the PLA.⁸⁰

Nor can it be said that several joint Sino-Russian military exercises—such as the 2005 and 2007 *Peace Mission* manoeuvres—demonstrate a unique level of military cooperation. The Chinese armed forces first participated in multilateral exercises in 2002. Since then, Beijing has extended its military diplomacy program to include 17 joint exercises with countries such as Pakistan, India, France, Britain, Australia, Thailand and the US, plus the other members of the SCO.⁸¹ China is increasingly using joint exercises to test its inter-operability with the armed forces of other nations, not solely with Russia. *Peace Mission 2007* provided the PLA with the opportunity to conduct large scale operations involving the various services, to assess their power projection capabilities, command and control, and logistical support over a distance of 10,000 km. It also allowed the Chinese to conduct exercises in an area which they consider vulnerable as a second front, should conflict ever break out with the US and its allies in the Asia-Pacific region. Despite this cooperation, differing opinions and objectives between Moscow and Beijing surfaced during the highly acclaimed organization of *Peace Mission 2007*. Moscow was interested in combining the SCO exercises with the Russian-dominated CSTO (Collective Security Treaty Organization) manoeuvres, a sub-structure of the Commonwealth of Independent States (CIS).⁸² Chinese

⁷⁴ M.K. Bhadrakumar, "US shadow over China-Russia ties," *The Asia Times*, 31 March 2007.

⁷⁵ Oresman, "Challenges to the Sino-Russian relationship."

⁷⁶ Tsai, *From Adversaries to Partners?* p. 186.

⁷⁷ *Ibid.*, p. 6.

⁷⁸ *Ibid.*, p. 186.

⁷⁹ Wendell Minnick, "Strains Show in Complex China-Russia Relations," *Defense News*, 19 March 2007.

⁸⁰ Yu Bin, "China-Russia Relations: Partying and Posture for Power, Petro and Prestige," *Comparative Connections* (Washington, D.C.: Center for Strategic and International Studies, July 2007), p. 162.

⁸¹ "Peace mission exercises get under way," *China Daily*, 7 August, 2007.

⁸² Viktor Myasnikov and Vladimir Ivanov, "Russia seeking closer military ties with China," *Nezavisimaya Gazeta*, 1 March 2007. The CSTO is composed of Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan.

officials, wary of involvement in a full-blown alliance with Russia and countries outside of its Asia focus, declined the initiative, preferring the less demanding “anti-terrorist” orientation of the SCO military exercises.⁸³

3.5 Economic Aspects

While the *Peace Mission* manoeuvres of 2005 and 2007 demonstrate some level of military cooperation between Russia and China, the same degree of collaboration cannot be found in the economic sphere. Although bilateral economic interaction between Russia and China continues to grow, reaching US\$33.4 billion in 2006, their cooperation in trade and energy issues remains weak and under-developed according to the Chinese.⁸⁴ That said, the most significant aspect of their economic ties remains the sale of oil and gas by Russia to China, despite the potential for broader trade relations. Beijing largely views the lack of development of what they assess would be a “win-win” situation as due to the reticence of Moscow to allow a level playing field for Chinese businessmen and companies. Beijing believes that the Russians possess a superiority complex towards Asians, especially the Chinese, and would prefer investment capital and technology for the energy sector from the West. Moreover, there is concern in Beijing about Moscow’s monopoly policy on energy, which is being used strategically to enhance Russia’s power. Of particular concern, because of China’s growing energy needs, is Moscow’s encouragement of competition between the West and China, and China and Japan, over oil.

Besides attention to possible friction on energy issues, Beijing has expressed strong grievances regarding the delay in opening up a free trade zone within the SCO region and the treatment of Chinese nationals conducting trade in Russia’s Far East. In April 2007, Russia passed legislation banning foreigners from selling goods in its hugely popular retail markets. Individual Chinese businessmen who had been operating in Russia, providing cheap consumer goods since the fall of the Soviet Union, were disproportionately affected. In response, Russian and Chinese commercial authorities have set up the Ussuriysk Economic and Trade Cooperation Zone with legal registration for all processing and trading procedures to eliminate the previously common Chinese practise of using “grey customs clearance” involving unofficial intermediaries.⁸⁵ Moscow (using the SCO), has also tried to limit Beijing’s efforts to open up the Central Asia region to a Free Trade Zone. The trade of commodities, as noted by one Kazak scholar, is the key for Chinese economic expansion in Central Asia.⁸⁶ Not only is regional economic cooperation significant to China’s economic interests, but it also underlies Beijing’s strategy of developing Northwestern China (in particular Xinjiang province), an area vulnerable to separatist attacks by Uighur nationalists.

⁸³ John C.K. Daly, “Sino-Russian Split at Regional Summit,” *Asia Times*, 16 November 2007.

⁸⁴ Yu, “China-Russia Relations: Partying and Posture for Power, Petro and Prestige,” p. 161.

⁸⁵ “Chinese-sponsored Economic Zone debuts in Russia,” *Xinhua*, 13 July 2007.

⁸⁶ Zhao Huasheng, “China, Russia and the United States: Prospects for Cooperation in Central Asia,” *The China and Eurasia Forum Newsletter*, Winter 2005, p. 24.

4 View from Moscow

The Kremlin and Russia's China watchers applaud the overall improvement of Sino-Russian relations, often pointing to progress made since the two countries nearly went to war over territorial disputes in 1969.⁸⁷ This has been especially evident since the mid-1980s, when there was a steady improvement in relations between Moscow and Beijing. According to Russian analysts, the bilateral relations have moved through several phases: from the de-escalation of tensions marked by the Soviet withdrawal of troops from Afghanistan, Mongolia, and Vietnam, and border de-militarization during the late-1980s; through a confidence-building phase characterized by joint efforts on final border demarcation in the early-1990s; to the phase of "limited partnership" with substantial military sales and increasing economic cooperation during the late-1990s.

4.1 Soviet Debates on China

In Soviet minds, the image of China gradually transformed from that of the hostile ideological zeal of the mid-1970s into a desirable economic model and a reliable political interlocutor by the end of the 1980s.⁸⁸ The change of leadership in Beijing during the 1970s—the death of Mao and the political demise of his wife—and the pursuit of pragmatic economic reforms led by Deng Xiaoping facilitated the transformation of the Chinese image in the Soviet Union (USSR). In addition, the softening of the Brezhnev regime's insistence on ideological confrontation with Beijing, and the emergence of internal Soviet pressure coming from the USSR's Far Eastern regional leaders to open border crossing points and intensify bilateral trade, further facilitated

⁸⁷ The official Soviet historiography gradually downplayed the scope of this conflict, finally presenting it as a "border skirmish." Yet both the intensity and the diplomatic consequences of this conflict were quite significant. For example, declassified US government documents indicate that the USSR was contemplating an attack on Chinese nuclear facilities, or at least was inquiring what Washington's reaction to such an attack would be. The same documents indicate how the 1969 Sino-Soviet conflict further facilitated the rapprochement between Beijing and Washington. See William Burr, ed., "The Sino-Soviet Border Conflict, 1969: U.S. Reactions and Diplomatic Manoeuvres, A National Security Archive Electronic Briefing Book," 12 June 2001, accessed at <http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB49/>. For contemporary Russian accounts of the conflict see D. S. Riabushkin, "Ostrov Damanskii: March 2, 1969 [Damanski Island: March 2, 1969]," *Voprosy Istorii*, No. 5, 2004, pp. 148-152; or a broader view by E. P. Bazhanov, *Kitai: ot sredinnoi imperii do sverhederzhavi XXI veka* [China: from Middle Power Empire to Superpower of 21st century] (Moscow: Izvestia, 2007). Yet the majority of the post-communist Russian authors primarily focused on memoirs and witness accounts of the actual combat operations, and largely ignored the Soviet leadership's decision-making dilemmas or the foreign policy repercussions. Musalov Andrei, *Damanskii I Zhalanashkol': Sovietsko-Kitaiskii voruzhenii konflikt 1969 goda* [Damanski and Zhalanashkol': the 1969 Soviet-Chinese military conflict] (Moscow: Eksprint, 2005); or D. S. Riabushkin, *Mify Damanskogo* [Myths of Damanski] (Moscow: AST, 2004). Probably the most comprehensive Russian analysis in English is offered in Dmitri Ryabushkin, "Origins and Consequences of the Soviet-Chinese Border Conflict of 1969," in Iwashita Akihiro, ed., "Eager Eyes Fixed on Eurasia; Russia and its Eastern Edge," *21st Century COE Program Slavic Eurasian Studies*, No. 16-2, 2007, pp. 73-91.

⁸⁸ Russian author Lukin argues that negative perceptions about China during the 1970s were widely shared not only among Russia's intellectual elite, but also among its dissidents. Alexander Lukin, "Perceptions of China Threat in Russia and Russian-Chinese Relations," paper presented at the conference on "China Threat Perceptions from Different Countries," Hong Kong, 11-12 January 2001.

improvement in relations with China.⁸⁹ This transformation of Soviet perceptions of China coincided with an almost full normalization of Sino-Soviet relations during the Gorbachev years (1985-1991).⁹⁰

Some Russian authors argue that this improvement of relations was also facilitated by the rise to power of a generation of younger leaders on both sides, educated “together in the USSR during the 1950s.”⁹¹ Indeed, the Chinese leaders who ascended to power during the 1970s and the 1980s often spoke Russian well and were graduates of various Soviet universities.⁹²

The normalization of relations in the late 1980s was greatly assisted by the Kremlin’s unilateral measures, such as the Soviet military withdrawal from Afghanistan, Mongolia and Vietnam and a significant demilitarization of the Sino-Soviet border. Gorbachev, while active in meeting basic Chinese strategic requests, was also cautious not to comment on the course of Chinese domestic developments, a clear distinction from how Stalin, Khrushchev and Brezhnev approached affairs with Beijing.

For example, during his 1989 visit to Beijing, which occurred in the midst of the Tiananmen protests, Gorbachev did not raise the issue of ongoing student demonstrations and did not meet protesters—even though they appealed to him. At the same time, he had frank discussions with Chinese leaders about the role of democracy in communist systems and gained not only respect, but also the trust of the ideologically conservative Chinese leadership.⁹³ On the other hand, the elite in Moscow perceived Gorbachev’s reform path of “liberalization” as morally and politically “right” and “superior” to the one pursued by Beijing. Such a perception was only reinforced a few weeks later when the Chinese security forces violently crushed the student protest—on the same day when, in free and peaceful elections in Poland, unobstructed from Moscow, the communist opposition won 99 of 100 contested seats in the Polish parliament.

Despite the respect and personal trust that Gorbachev developed with Chinese leaders, government-to-government distrust remained. The Soviet leadership was often reminded of the injustices done to China by the “unequal treaties” which transferred to the Russian empire more than one million square kilometres of Chinese territory at the turn of the 19th century.⁹⁴ This in return reinforced Moscow’s scepticism about the possibility of building a solid partnership with Beijing.

⁸⁹ Wishnick, *Mending Fences*, p.49.

⁹⁰ *Ibid.*, pp. 16-18.

⁹¹ Gilbert Rozman, *Sino-Russian Relations: Assessments and Predictions* (Seattle: The National Council for Eurasian and East European Research, August 1997), p. 7.

⁹² Also of great importance was the removal of influential conservative researchers and advisers, who shared the anti-China view, from the Kremlin’s apparatus. Lukin, “Perceptions of China Threat in Russia and Russian-Chinese Relations.”

⁹³ However, some accounts of those discussions indicate that the leadership in Beijing, despite feeling empathy towards the ongoing student protests, was internally fragmented and even troubled over which course of action to take. Many in the leadership were clearly reform-minded and willing to appease the students. Andrew J. Nathan, “The Tiananmen Papers,” *Foreign Affairs*, Vol. 80, No. 1, January/February 2001, pp. 2-48.

⁹⁴ Deng repeated these concerns in his 1989 discussion with the Soviets. Wishnick, *Mending Fences*, p. 192. On the history of border changes see S.C.M. Paine, *Imperial Rivals: China, Russia, and Their Disputed Frontier, 1852-1924* (Armonk: M.E. Sharpe, 1996).

Despite this, there is some continuity in how Moscow and Beijing perceived international affairs during the 1980s and 1990s. In May 1991, Jiang Zemin and Gorbachev issued a joint communiqué declaring that the two countries had “identical views on socialism,” were opposed to “hegemonism in international politics,” and were advocating a stronger role for the UN.⁹⁵ At the time, those shared views on socialism meant the existence of different national models of building socialism, and the sovereign right of nations to pursue their development without foreign interference. If democracy had been substituted for socialism, these statements would have been almost identical to contemporary communiqués issued by Moscow and Beijing.

The end of the Soviet Union started a brief phase of souring relations between Moscow and Beijing. First, Beijing’s friendly attitude towards the instigators of the August 1991 coup in Moscow angered many liberals in Russia, especially Yeltsin’s entourage. Second, as Russia was trying to become a close partner with the West, any association with communist regimes, including the Chinese, was perceived as counterproductive, even damaging, for the Kremlin’s international credibility.⁹⁶ For example, in early 1992, and in stark contrast with Soviet tradition, Russia voted in favour of adding Chinese human rights violations in Tibet on the agenda of the UN Human Rights Commission. Furthermore, in March 1992, Russian Foreign Minister Kozyrev argued that Russia, as opposed to China, could justify, “under certain conditions,” international interference into domestic affairs over human rights issues.⁹⁷ Yet this policy of “snubbing communist regimes,” especially China’s, was halted apparently only on Yeltsin’s personal request.⁹⁸ However, the damage done to Russia’s role and influence over some regional issues was irreversible. For example, this resulted in the marginalization of Russia’s role in subsequent crisis management of the Korean nuclear issue, an outcome the Kremlin clearly regretted.

During that brief period of worsening relations with Beijing (1991-1992), the Chinese experience with economic reform, once extensively studied during the 1980s, was not in demand in Moscow. The liberal developmental path taken by Russia in 1991-1992 was very divergent from Beijing’s state-controlled reforms.⁹⁹ However, the aftermath of shock therapy in Russia, and its negative repercussions, represented the first occasion for the return of the Chinese experience in Russian internal debates. The growing economic crisis in post-communist Russia, caused in large part by the failure of state institutions to regulate the reform process and enforce laws, made many in Russia regret not having pursued a more gradual reform process. This ultimately led to a re-appraisal of the Chinese experience and a re-evaluation of Chinese achievements, further

⁹⁵ Jeanne L. Wilson, *Strategic Partners: Russian-Chinese Relations in the Post-Soviet Era* (Armonk: M.E. Sharpe, 2004), p. 145.

⁹⁶ Some authors argue that only during this brief period (1991-1992), did Moscow-Beijing relations not move forward. *Ibid.*, p.4.

⁹⁷ *Ibid.*, p. 145.

⁹⁸ In retrospect it appears that Yeltsin was the single most important promoter of good relations with China. He developed a very good personal rapport with Chinese leaders, and, for example, met nine times with Chinese President Jiang Zemin between 1992 and 1999. Furthermore, Yeltsin, after leaving office, travelled to China for a medical visit as a personal guest of President Jiang in 2001. “President Jiang Zemin Meets Former President Boris Yeltsin,” *People’s Daily*, 29 May 2001.

⁹⁹ On this difference see Michael Burawoy, “The State and Economic Involution: Russia through a China Lens,” *World Development*, Vol. 24, No. 6, 1996, pp. 1105-1117.

contributing to a re-emergence of a positive image of China in Russia.¹⁰⁰ According to some Russian analysts, these re-appraisals were facilitated by two additional factors: the decline of Russian power vis-à-vis China and the gradual demise of liberals from Yeltsin's entourage.¹⁰¹ This re-evaluation of China was centred on the issues of domestic reform processes, border demarcation, Chinese presence in Russia, and Russian foreign and defence policy vis-à-vis China.

4.2 Russian Debates on China

Several Russian scholars tracked Russian debates on China during the 1991-2005 period.¹⁰² Many of them noted significant inconsistency in Russian commentary of the Chinese economic experience, especially during the 1992-1997 period. For example, the Russian left, a staunch domestic opponent of shock therapy, hailed the Chinese model of gradual government-controlled economic reforms. However, Russian communists were not aware of how much the Chinese model had evolved over time in favouring market forces at the expense of state control. For example, the Russian left was not at all interested in implementing the necessary legal framework that would facilitate the creation of such an economy, because it would include the loss of trade union rights, the creation of large free economic zones beyond government oversight, etc.¹⁰³ While the notion that China has implemented a "better" reform model gained ground among Russians, the notion that Russia had become weak and China had become strong also became prevalent in Russian debates on China.

During the late 1990s, Russian experts and politicians largely considered Chinese economic growth as a defining moment of change in the balance of power between the two countries. This analysis concluded that China clearly emerged as a "new and different neighbour" from what Beijing used to be during Soviet times. Many commentators have argued that this change in the balance of power turned China into a formidable regional challenger to Russia.

¹⁰⁰ Christopher Marsh, *Unparalleled Reforms: China's Rise, Russia's Fall, and the Interdependence of Transition* (Lanham: Lexington Books, 2005).

¹⁰¹ Lukin, "Perceptions of China Threat in Russia and Russian-Chinese Relations."

¹⁰² Most notably Vilya Gel'bras, Alexei D. Voskressenski, Alexander Lukin, Dmitrii Trenin, Sergei Trough, and Alexei Arbatov. Some of their work includes: Vilya Gel'bras, *China in Russia's Eastern policy: The opinions and Concepts of Russian Scholars and Politicians* (Seattle: The National Council for Eurasian and East European Research, 14 August 1997); Alexei D. Voskressenski, *Difficult Border: Current Russian and Chinese Concepts of Sino-Russian Relations and Frontier Problems* (Cammack: Nova Science Publishers, 1995); Voskressenski, *Russia and China: A Theory of Inter-State Relations* (London: Routledge, 2003); Voskressenski, "The Perceptions of China by Russia's Foreign Policy Elite," *Issues & Studies*, Vol. 33, No. 3, March 1997, pp. 1-20; Voskressenski, "The Rise of China and Russo-Chinese Relations in the New Global Politics of Eastern Asia," in Iwashita Akihiro, ed., "Eager Eyes Fixed on Eurasia; Russia and its eastern Edge," *21st Century COE Program Slavic Eurasian Studies*, No. 16-2, 2007, pp. 3-46; Sergei Trough, "Russia's Responses to the NATO Expansion: China Factor," NATO Democratic Institutions Fellowships 1997-1999 Final Report (Moscow: NATO, 1999); Alexander Lukin, *The Bear Watches the Dragon: Russia's Perceptions of China and the Evolution of Russian-Chinese Relations since the Eighteenth Century* (Armonk: M.E. Sharpe, 2003); Alexander Lukin, "Russia's Image of China and Russian-Chinese Relations," unpublished working paper, accessed at http://www.brookings.edu/fp/cnaps/papers/lukinwp_01.pdf (accessed December 2007); Dmitrii Trenin, "Kitai trebuet pristalnogo vnimania," *Moscow Carnegie Center Briefing*, Vol. 3, No. 5, May 2001; Bruno Tertrais, Peter Brookes and Alexei Voskressenski, "The Rise of China with Special Reference to Arms Supplies," *ESF Working Paper*, No. 19, April 2005.

¹⁰³ Gel'bras, *China in Russia's Eastern policy*, p. 8.

Consequently, many in Russia, primarily from the left and nationalist end of the political spectrum, perceived the signing of border demarcation treaties with Beijing as a clear sign of Russian weakness. The signing of these treaties in 1992 and 1996 resulted in various protests alleging that Moscow had ceded its national territory to China.¹⁰⁴ The accusations about “national betrayal” were often accompanied with apprehension about “China’s true goals.”¹⁰⁵ The perception that Beijing has a hidden agenda and is only buying its time to become stronger and more assertive towards Moscow resonates strongly in Russian public and elite circles.

Yet, the Kremlin presented the border demarcation agreements as a removal of an obstacle from the past, and as a way forward into broader cooperation with Beijing. Indeed, the occasion of the signing of the joint border treaty between China and Russia, Kazakhstan, Kyrgyzstan and Tajikistan in 1996 was also used for the creation of the Shanghai Five Cooperation mechanism, which later became a full-fledged organization, the Shanghai Cooperation Organisation, in 2001.

In addition to grievances from some quarters in Russia about border demarcation, another contentious issue emerged in Russia in the late 1990s—the question of Chinese presence in the Far East, often termed the “yellow peril.”¹⁰⁶ This issue was fuelled by news reporting in Russia that focused on the negative aspects of Sino-Russian interactions such as illegal border crossing, illegal fishing and hunting, criminal and illicit business activities by Chinese in Russia, etc.¹⁰⁷

However, many Russian analysts have questioned the extent of the “yellow peril” by arguing that immigration statistics, public censuses, as well as occasional polling simply do not confirm a significant increase of Chinese in the Russian Far East. During the 1990s, the number and terms of contracts for Chinese migrant workers were streamlined, the border regime became more efficient, and the number of “shuttle traders” decreased significantly. Overall, these authors argue that the Chinese community in Russia is still substantially smaller when compared to the Chinese diasporas in other Western countries. They also argue that geographically, Moscow and other major cities, and not Siberia or the Russian Far East, have attracted the majority of Chinese migrants. Over time, as economic ties between Russia and China have matured the sophistication and outlook of Chinese businesses present in Russia have changed. While in the early 1990s, Chinese produce was sold in open markets and food stalls, ten years later they were a fixture in shopping malls and banquet halls, with malls and halls being, more often than not, owned by big Chinese businesses.

Throughout the 1990s Russian scholars have been unanimous in considering China as a great power, predicting a continuous increase of its hard and soft power capabilities. However, there

¹⁰⁴ While the biggest portion of the border was demarcated in the 1992 and 1996 treaties, the last agreement regarding the Sino-Russian border was signed in 2005. See <http://www.china-embassy.org/eng/gyzg/t198291.htm>, accessed in January 2008.

¹⁰⁵ Gel’bras, *China in Russia’s Eastern policy*, p. 9.

¹⁰⁶ Historically, Russia was concerned about the prospects of people of Chinese, Mongolian or Korean descent numerically surpassing the white Caucasian population in the Russian Far East. The issue was often dubbed the “yellow peril.” For the Imperial Russian view on this issue see Lewis H. Siegelbaum, “Another ‘Yellow Peril’: Chinese Migrants in the Russian Far East and the Russian Reaction before 1917,” *Modern Asian Studies*, Vol. 12, No. 2, 1978, pp. 307-330. For a contemporary Russian view, see Lukin, “Perceptions of China Threat in Russia and Russian-Chinese Relations.”

¹⁰⁷ Gel’bras, *China in Russia’s Eastern policy*, p. 7.

was no consensus on what impact Beijing would make on international affairs.¹⁰⁸ During that period, many analysts in Russia argued that the “rise of China” would help balance out US global preponderance. However, sometimes those same authors would also note the clear “expansionist” character of Beijing’s foreign policy and the associated threats that such a policy would pose to Russia in the mid-term.¹⁰⁹ When assessing the future of Chinese foreign policy, Russian authors often pointed to the unpredictability of Beijing’s domestic power struggles, which would negatively affect Chinese foreign policy decision-making. This in return would make China an unstable ally. As for directions of China’s potential expansion, many Russian scholars argued that Beijing would try to expand its reach either into Northern Russia or in Southeast Asia. Ten years later, quite the opposite has occurred. China has become one of the major players in Central Asia, and has increased its investments and political footprint in Africa and Latin America much more than in Northern Russia or Southeast Asia.

The Russian debates about Moscow’s defence relations with Beijing during the 1990s were characterized by the same inconsistencies. While there was a generally positive assessment about the pace of military and technical cooperation between the two countries, and its positive financial impact on the struggling Russian military-industrial complex, the overall increase in Russian arms sales to Beijing was questioned as an imprudent move that could only add fuel to Chinese regional aspirations. For example, Moscow was happy to sign the bilateral confidence-building treaty with Beijing that included nuclear de-targeting and no-first-use clauses in 1994.¹¹⁰ However, already in 1996, Russian Defence Minister Igor Rodionov, in an effort to strengthen the CIS defence integration, listed China among the “potential strategic adversaries.”¹¹¹

The often-cited reason for these inconsistencies was that the Russian elite views China through the prism of Russia’s domestic economic and political realities.¹¹² For example, those who perceived Russia as being weak and unstable advocated stronger relations with other great powers. Similarly, other analysts, who maintain that Russia was on course for economic recovery and was strengthening its democratic and government mechanisms, believe that a more interdependent relationship with Russia’s neighbours, including China, would emerge. This in consequence, according to them, would bring more competition to the regional security dynamic, resulting in both risks and benefits for Russia.

The most prominent Russian scholars on China—Gel’bras, Lukin and Voskressenskii—who tracked the debates in their country during the 1990s, argued that the views of Russia’s elite reflected domestic political cleavages. For example, Vilya Gel’bras argued that Russian *Westerners* definitely had a negative view about Beijing and were sceptical about China’s future,

¹⁰⁸ Gel’bras, *China in Russia’s Eastern policy*, p. 10.

¹⁰⁹ *Ibid.*, p. 14.

¹¹⁰ Similar agreements were signed between US and Russia, and the United Kingdom and Russia in 1994, while Beijing signed a “non-targeting” agreement with Washington in 1998. “De-targeting Agreements,” accessed at <http://www.nti.org/db/china/dtrgorg.htm> in January 2008.

¹¹¹ The full list of “strategic challengers” consisted of the US, NATO, Turkey, Iran, Pakistan, China and Japan. “Defence Minister Rodionov Goes on the Warpath,” *Izvestia*, 27 December 1996. However, Yeltsin and the Russian Ministry of Foreign Affairs made an extra effort of reassuring China that this was nothing more than a hypothetical statement. “The Latest Statement by Russian Defence Minister Igor Rodionov should not be Understood Literally, said Sergei Yastrzhembsky,” *RIA Novosti*, 27 December 1996.

¹¹² Alexei D. Voskressenski, “The Perceptions of China by Russia’s Foreign Policy Elite,” *Issues & Studies*, Vol. 33, No. 3, March 1997, pp. 1-20.

arguing that more instability was to follow as a result of its undemocratic nature. These *Westerners* argued that Russia should build its relations with Beijing very carefully. Those more positive towards China, and willing to closely cooperate with Beijing were the *Statists*, represented by Russian former vice-president Alexandr Rutskoi. He believed that Russia should strive to remain a global great power and cooperate with China in order to counterbalance the US. The other two political groupings in Russia, the *Nationalists*—consisted of Communists, Vladimir Zhirinovskiy's Liberal-Democratic party and retired general Aleksander Lebed and his Congress of Russian Communities party—and the *Eurasianists*, had mixed opinions about China, perceiving it as a threat and as a partner, especially in the economic sphere.¹¹³

Another Russian scholar, Alexei D. Voskresenskii, described the Russian debates on China during the 1990s in a similar manner.¹¹⁴ At the time, according to him, Russian views on China fell into four groups: *Optimists*, *Pessimists*, *Alarmists* and *Pragmatists*. The *Optimists* believed that China would keep its focus on domestic economic reform, and gradually transform into a semi-democratic system (Chinese-style democracy), similar to the one in Singapore. This group did not envision significant foreign policy challenges from China. On the other hand, the *Pessimists* and the *Alarmists* believed that Chinese domestic politics were headed towards instability, characterized by leadership in-fighting and center-periphery struggle for autonomy and control of assets. These two Russian groups believed that the leadership in Beijing would consequently become more expansionist, with its eyes set on Siberia and the Russian Far East. The *Pragmatists* believed that unpredictability remained the main feature of Chinese foreign policy, and advocated that Russia should follow a more reserved and cautious policy toward Beijing.¹¹⁵ This group argued that forming “too close an alliance” with China could put Russia on a collision course with the US, given Beijing's ongoing disputes with Washington in Asia.

Another prominent Russian Sinologist, Alexander Lukin, offered an additional account of Russian views about China.¹¹⁶ He argued that during the 1990s three distinct Russian views co-existed. The first view was represented by the group of “supporters of a close friendship” or even an alliance with China. This group believed that Moscow and Beijing were interested in creating a multipolar world and balancing, in Chinese parlance, American “hegemony.” However, this group argued that Russia and China should not form a military-political type of alliance as existed in the 1950s, but should aim to act as “each other's strategic rear.”¹¹⁷ According to Lukin, the former Foreign Minister Primakov belonged to this group. Another group was the “advocates of a balanced policy.” This group argued that Chinese economic prosperity would enhance peace and security in the region, yet Russia should not tie itself to Beijing, as this would limit Moscow's freedom of action. The final group was “China as a threat to Russia.” This group was composed of *Westerners*, radical nationalists, and those in Russia who were afraid of potential Chinese territorial claims.¹¹⁸

However, it seems that this mix of perceptions about China and an overwhelming degree of suspicion about Beijing's goals has been overshadowed by the 1997 decision about NATO's

¹¹³ Gel'bras, *China in Russia's Eastern policy*, p. 14.

¹¹⁴ Voskressenski, “The Perceptions of China by Russia's Foreign Policy Elite,” pp. 1-20.

¹¹⁵ *Ibid.*, p. 9.

¹¹⁶ Lukin, “Russia's Image of China and Russian-Chinese Relations.”

¹¹⁷ *Ibid.*, p. 3.

¹¹⁸ Lukin, “Russia's Image of China and Russian-Chinese Relations,” p. 8.

eastward enlargement. Gel'bras argued that this was a galvanizing moment that forced the Russian elites to engage with China.¹¹⁹ Indeed, at the time there was no visible domestic opposition in Russia to Yevgeniy Primakov's course of closer relations with China, which started in 1997.¹²⁰

Significantly, since 2000, the majority of Russian experts believe that the era of "limited partnership" is over, and that the twenty-first century will bring both risks and opportunities.¹²¹ This is due to the belief that the essence of Sino-Russian relations is not a convergence of interests, but of "competition and cooperation."¹²² On the basis of this assessment, Russia's China watchers are divided into two camps: "China sceptics" (who view China as a menace); and "China optimists" (who view China as an ally). Various public opinion surveys indicate the existence of a similar division within the Russian public, as well as the Russian elite. However, the same surveys indicate that even those who view China as a potential ally nonetheless maintain a margin of distrust towards Beijing.¹²³

Perceiving China as an ally is the continuation of former foreign minister Primakov's policy from the late 1990s of "bringing China on Russia's side."¹²⁴ Given Primakov's focus on restoring Russia's international stature, this would suggest that the policy on China largely rests on the utility of playing the "China card" in Moscow's relations with the West. The Russian thinking is, however, not homogenous. By way of contrast, "China sceptics" argue that using China for anti-US policies might be short-sighted, and instead advocate relying on the US to balance the "Chinese threat."¹²⁵

Currently, the majority of Russian analysts believe that, despite official statements about friendship and cooperation, there is a low level of mutual trust between the governments in Moscow and Beijing. That the two capitals have misgivings about each other is especially visible when looking at their competing agendas on the issues of energy, immigration and Central Asia. For example, Moscow has been quick to promise but slow to deliver substantial oil and gas supplies to Beijing, despite the Chinese economy's thirst for hydrocarbons. The Kremlin even backtracked on the previously signed arrangements that the Russian oil company Yukos—once a private company and now in the government's hands—had with the Chinese government.

¹¹⁹ Gel'bras, *China in Russia's Eastern policy*, p. 14.

¹²⁰ Trough, "Russia's Responses to the NATO Expansion: China Factor."

¹²¹ Trenin, "Kitai trebuet pristal'nogo vnimania."

¹²² Moscow's cancellation of all major gas and oil pipeline projects to China, once initiated with Yukos, perhaps demonstrated to Beijing the real nature of Moscow's intentions.

¹²³ "Russians Positive on China's Foreign Policy, Economic Model, Negative on U.S. Policies, Bush," WorldPublicOpinion.org, 30 May 2006, accessed at http://www.worldpublicopinion.org/pipa/articles/views_on_countriesregions_bt/200.php?lb=btvoc&pnt=200&nid=&id= in December 2007). Some Russian surveys dealt specifically with threat perceptions. *Geoproekt: Kitai* [Geoproject: China] (Moscow: The Public Opinion Foundation, 16 March 2006), accessed at http://bd.fom.ru/report/cat/inter_pol/count/asia/dd061123 in December 2007), or *Skoree Sopernichestvo* [Upcoming Rivalry] (Moscow: VtsIOM, August 2005), accessed at <http://wciom.ru/arkhiv/tematicheskii-arkhiv/item/single/1620.html> in December 2007).

¹²⁴ "Russia seeking closer Military Ties with China," *Nezavisimaya Gazeta*, 1 March 2007.

¹²⁵ Vladimir Shlapentokh, "China in the Russian Mind Today: Ambivalence and Defeatism," *Europe-Asia Studies*, Vol. 59, Issue 1, January 2007, pp. 1-21.

Furthermore, while Beijing is building a joint Kazakh-Chinese pipeline, Moscow is busy using long-term contracts to buy the bulk of Central Asian, including Kazakh, gas and oil.

Diverging demographic trends have also created uncertainty about the future of border security in the Russian Far East, making many in Moscow quite uncomfortable and suspicious of China's "true goals." Currently, only eight million Russians live between Lake Baikal and the Pacific coast, while over 200 million Chinese live in Northeast China.¹²⁶ Some Russian authors suggest that by the mid-twenty-first century Chinese migrants would not only outnumber the Caucasian population in the Russian Far East, but could also become the second largest ethnic group in Russia itself. This not only raises the spectre in Moscow of a Chinese minority being able to gain political influence in Russia, but more importantly, it revives fears of territorial secession and the unification of the entire Russian Far East regions with China, or even a military intervention by Beijing aimed to "protect its oppressed" ethnic group.

Russia's China watchers maintain, moreover, that Moscow has become uncomfortable with the growth of Chinese influence in Central Asia.¹²⁷ At the same time, Moscow is aware that China, with its new economic might, cannot be prevented from expanding its economic relations in that region, but neither can Beijing fully displace Russia from Central Asia. Indeed, it is likely that this particular strategic equilibrium has encouraged the two capitals to engage in joint political and security initiatives through the SCO.¹²⁸ Moscow's concerns with China's regional presence might also suggest a link between the rapprochement with Beijing and the larger and ongoing South Asian strategic re-alignment involving Pakistan, India and the US.¹²⁹ Some in Russia see the SCO as a way of constraining China's potential benefits from that re-alignment.¹³⁰

¹²⁶ Ariel Cohen, "The Russia-China Friendship and Cooperation Treaty: A Strategic Shift in Eurasia?" *Backgrounder* 1459 (Washington, D.C.: Heritage Foundation, 18 July 2001).

¹²⁷ Aleksandr Khramchikhin, "Russia: Analysis of threat to Russia on part of China," *Nezavisimoye Voyennoye Obozreniye*, 22 February 2008.

¹²⁸ Some Russian authors perceive the SCO exclusively through the lens of the Russia-US rivalry over Central Asia. Aleksandr Lukin, "Rossia I ShOS [Russia and SCO]," *Analiticheskie Zapiski*, MGIMO, Issue 6, No. 26, July 2007. The Russian academic community is quite divided on whether the SCO is an expression of new geopolitical calculations or a typical regional economic organization. See "Aktual'nie problemy rossisko-kitaiskih otnoshenii I puti ih reshenia, [Current Sino-Russian Problems and Ways of Solving Them—Round Table Proceedings]" *Analiticheskie Doklady*, MGIMO, Vol. 1, Issue 6, March 2006.

¹²⁹ On India's efforts to gain a strategic foothold in the region, see Scott Moore, "Peril and Promise: A Survey of India's Strategic Relationship with Central Asia," *Central Asian Survey*, Vol. 26, Issue 2, June 2007, pp. 279-291; Kanti Bajpai, "Pakistan and China in Indian Strategic Thought," *International Journal*, Vol. LXII, No. 4, 2007, pp. 805-825. On the SCO and regional trade, see Nicklas Norling and Niklas Swanstrom, "The Shanghai Cooperation Organization, Trade and the Roles of Iran, India and Pakistan," *Central Asian Survey*, Vol. 26, Issue 3, September 2007, pp. 429-444. On the efforts of India, China and Russia to advance some form of foreign policy coordination, see "China, Russia, Support Indian Stand Against Sanctions on Myanmar," *The Hindu*, 25 October 2007. On the relations between two Central Asian "flank nations" (China and Iran), see John W. Garver, *China and Iran: Ancient Partners in a Post-Imperial World* (Seattle: University of Washington Press, 2006).

¹³⁰ Some Russian experts envision that Moscow would benefit from a future dual security system in Central Asia—the collective security system based on CSTO and the strategic partnership system built around the SCO. A.V. Torkunova (ed.), *Energeticheskie izmerenia mezhdunarodnih otnoshenii I bezpasnosti v Vostochnoi Azii* [Energy Changes and International Relations and Security in East Asia] (Moscow: MGIMO, 2007), p. 1012.

4.3 The Kremlin's Perceptions

From the Kremlin's standpoint, China is a neighbouring great power. Putin merely followed Yeltsin's policy of building close relations with China, and stated in 2000 "China for us is really a strategic partner in all spheres of activity."¹³¹ These views were translated into intensified government-to-government relations surpassing the activity of bilateral relations that existed during Yeltsin's time in office. Under Putin, meetings between the two countries' leaders were taking place at least twice a year, with more than 100 other official visits annually.¹³²

In 2002, President Putin summarized the logic behind the Kremlin's pursuit of a strategic partnership with China by saying that "the common attitude toward some important international issues is the basis for our strategic cooperation."¹³³ The current relations between the two neighbours are warm and friendly. The Kremlin feels comfortable when talking about world issues with Beijing. Moscow believes that Russia and China prefer a UN-centred international order, cherish their UN Security Council veto power as a symbol of great power status, and are unhappy with the emergence of the unipolar world order dominated by the US. Both capitals believe that their national interests would be better promoted in a multi-polar world that would balance the dominant super-power.¹³⁴ Both countries oppose "humanitarian interventions and limited sovereignty" concepts, and perceive them as Western attempts to affect regime change worldwide. Moscow and Beijing perceive Islamic extremism and international terrorism as imminent security threats and are determined to fight them, especially since they are facing this threat on their own territory, in Chechnya and Xinjiang. Furthermore, Moscow and Beijing hold similar views on the management of a variety of crises (such as those involving Kosovo, North Korea and Iran).

The two capitals also feel comfortable when talking about their domestic affairs. Moscow and Beijing, similar to their position in the 1980s on the need to respect different developmental paths, believe that "differences in the historical backgrounds, cultural traditions, social and political systems, values concepts, and development paths of countries should not become an excuse for interfering in the internal affairs of other countries."¹³⁵ The Kremlin, in an effort to rebuke Western criticism of Russia's faltering democratic record, has developed its own brand of political system—"sovereign democracy."¹³⁶ Russian officials are on record not only defending this concept, but also questioning the good intentions behind a perceived imposition of the "Anglo-Saxon" model on the rest of the world, including China.¹³⁷

¹³¹ "Putin: China is Strategic Partner," United Press International, Moscow, 16 July 2000.

¹³² For example, in 2002, Russia sent over 70 official delegations to China. "Russia-China Cooperation Key for World Peace, Security: Ivanov," *People's Daily Online*, 29 November 2002.

¹³³ "Interview with Putin on Ties with PRC, US, Europe," *Renmin Ribao*, Beijing, 1 June 2002.

¹³⁴ China-Russia Joint Statement on 21st century World Order, 1 July 2005, Moscow, accessed at <http://politicalaffairs.net/article/view/1455/1/108/?PrintableVersion=enabled> in December 2007.

¹³⁵ *Ibid.*, p.3.

¹³⁶ For an in-depth analysis of "sovereign democracy" and its European origins, see Ivan Krastev, "'Sovereign Democracy,' Russian-style," *OpenDemocracy*, 16 November 2006. For an analysis of Russian philosophical background of this concept, see Andrei Okara, "Sovereign Democracy: A New Russian Idea or a PR Project?," *Russia in Global Affairs*, No. 2, (July-September, 2007).

¹³⁷ For example, Russian First Deputy Prime Minister Sergei Ivanov, in his interview with *The Financial Times*, argued that while democracy is the most preferable political system, "it is naïve to think that in

In an effort to manage the transformation of Sino-Russian relations from the “limited partnership” phase of the 1990s into a more mature political cooperation after 2000, the two countries signed the Treaty for Good Neighbourliness, Friendship and Cooperation (July 2001). Russian commentators attributed this effort to two basic changes in Moscow’s perception of Sino-Russian relations: that the Kremlin wanted to “put more action” into the relationship, and that it learned to live with the asymmetries that exist in its relationship with China.¹³⁸ Some Western authors interpreted the treaty as a Russian acknowledgement of the growing Chinese role in Central Asia, and as a declaration of Moscow’s withdrawal from the Far East.¹³⁹ The Kremlin has, however, deemed it “an excellent and mutually beneficial demonstration of the will” to pursue the multi-polar world concept, and to confront effectively Islamic extremism in Central Asia.

This latter view is unsurprising, since Moscow and Beijing were fighting Islamic extremism long before the 9/11 events, and both countries welcomed the late-2001 US intervention in Afghanistan. However, the prolonged stay of American troops in the region and growing US influence in Central Asia have raised concerns in Russia and China. Moscow and Beijing, worried by this course of events, have embarked on the transformation of the SCO from a confidence-building mechanism into a multilateral defence architecture. Russia believes, after undergoing such a transformation, that this organization has become capable of taking responsibility for “peace, security and stability on its territory.”¹⁴⁰ Moscow also believes that since 2006 the organization has demonstrated, through practical cooperation such as anti-terrorist exercises and training, that it is capable of dealing with “new threats,” namely terrorism, separatism, extremism, narco-trafficking and arms smuggling.¹⁴¹ Some Kremlin insiders unofficially argue, though, that the organization has been equally active in opposing the spread of US influence—and the export of “colour revolutions” in Central Asia. The organization’s call in 2005 for the closure of the US and Western military bases in the region is clear evidence of Moscow’s desire to become the primary regional security guarantor.¹⁴²

However, the Kremlin has not put all of its regional security “eggs” into the SCO’s basket. Russia has been very active in reinvigorating the collective security arrangement among several friendly former Soviet states by creating the CSTO in 2002. Furthermore, Moscow has consolidated its regional military footprint by securing long-term military basing rights, through bilateral agreements, in Kyrgyzstan and Tajikistan. These initiatives give the Kremlin more freedom of action in Central Asia, especially given the reluctance of the SCO’s members, Beijing included, to develop an integrated multilateral defence architecture.

China there will be Anglo-Saxon democracy, that in the Arab world it will be the same.” “Transcript: Sergei Ivanov,” *The Financial Times*, 18 April 2007.

¹³⁸ Trenin, “Kitai trebuet pristal'nogo vnimania.”

¹³⁹ Bruce A. Elleman and Sarah C.M. Paine, “Security Pact With Russia Bolsters China's Power,” *International Herald Tribune*, 6 August 2001.

¹⁴⁰ Grigorii Logvinov, “ShOS prevratilas' v mehanizm, sposobny real'no vziat na sebia otvetstvenost za mir, bezopasnost i stabilnost na svoem prostranstve [SCO turned into a mechanism that could realistically take on responsibilities for peace, security and stability in the region],” *Interfax*, 22 January 2007.

¹⁴¹ Ibid.

¹⁴² While this call was repeated at the 2007 SCO summit, caveats were added that the closure of bases should proceed once the jihadist threat in Afghanistan has been eliminated. Such a stance indicated that both Moscow and Beijing do not want to act as spoilers of international stabilization efforts in Afghanistan, because both countries have limited abilities to deal with this threat on their own.

While the Kremlin currently agrees with China's foreign policy strategy—"to offset uneven globalisation, which consists of maximising opportunities for economic globalisation while retaining the state's own sovereign options"—this might change in the medium term.¹⁴³ The mid-term prospects of the "rise of China" will upgrade Beijing from a regional into a global power. This transition is likely to be perceived as an undesirable development in the Kremlin and might become cumbersome for future Moscow-Beijing relations.¹⁴⁴

4.4 Military Aspects

During the last 15 years, China has purchased almost half of Russia's arms exports.¹⁴⁵ The development of a close arms trading relationship began at a time when the Russian armed forces were unable to procure more than several airplanes or tanks per year, and when their existing equipment was rapidly deteriorating due to the lack of funds and spare parts. A certain level of unease about the shift in the conventional balance of power between the two countries has now emerged in Russian military circles.¹⁴⁶ The new type of Chinese military exercises at the division level, with the emphasis on mobility and force projection, has further alarmed military planners in Moscow.¹⁴⁷ This unease has been augmented by Moscow's chronic inability to man and train military units, especially those located east of the Ural Mountains. Consequently, the Russian military brass is divided on what type of equipment should be sold to China. Essentially, "China sceptics" argue that no offensive or strategic power projection systems (e.g., air-to-air refuelling, strategic air-lift, submarines and space systems) should be provided, because such weaponry could be used to compete with Russia in Asia.¹⁴⁸ On the other hand "China optimists" argue that weapons sales to Beijing are not only beneficial to the Russian economy, but are also not harmful to Moscow's security, since air, naval and space power projection systems could not be used "effectively" against Russia, but only against "some other countries" in Asia.¹⁴⁹ The drop in arms sales over the last couple of years might indicate that "China sceptics" concerns have prevailed.¹⁵⁰

¹⁴³ Peter Brookes, Bruno Tertrais, Alexei Voskressenski, "The Rise of China with Special Reference to Arms Supplies," *ESF Working Paper*, No. 19, April 2005.

¹⁴⁴ *Ibid.*, p.14.

¹⁴⁵ Richard F. Grimmett, "Conventional Arms Transfers to Developing Nations, 1999-2006," *CRS Report for Congress RL32547* (Washington, D.C.: Library of Congress, Congressional Research Service, 26 September 2007); Marcel de Haas, "Russia-China Security Cooperation," *Power and Interest News Report*, 26 November 2006; Wendell Minnick, "Strains Show in Complex China-Russia Relations," *Defense News*, 19 March 2007, p. 16.

¹⁴⁶ The Chinese military has made great efforts in recent years to modernize its armed forces. See Robert Hewson, "Chinese Airpower Reaps Benefits of Long Road to Self-sufficiency," *Jane's International Defence Review*, Vol. 40, October 2007, pp. 56-59.

¹⁴⁷ Apparently, of particular concern was the Chinese first-ever "long-distance overland manoeuvre." See "China's Six Most Prominent Key Military Manoeuvres in 2006," *People's Daily Online*, 31 December 2006.

¹⁴⁸ Svetlana Babayeva and Dmitriy Safonov, "We do not want to arm the Chinese," *Izvestia*, 31 May 2002.

¹⁴⁹ N. Bjelakovic's interviews with Russian international security experts, Moscow, May 2007. On Russia-China space cooperation see "Vostochnyi orientir rossiiskogo kosmosa [Eastern orientation of the Russian Space Cooperation]," *RIANovosti*, 11 November 2006.

¹⁵⁰ In 2007, Chinese arms imports from Russia fell 62 percent from the previous year according to SIPRI. See "Global arms shipments fell in 2007," *Reuters*, 31 March 2007.

Some authors indicate that outside of the military brass (that is, in the broader Russian foreign policy elite), the view on arms sales to China has been rather ambivalent and a function of three issues: how they would affect Russia's security; how they would affect security in Asia; and how they would affect the US-Russia bilateral relationship.¹⁵¹ Apparently, Russia's foreign policy elite believed that, with respect to the first issue, the sales were restricted to defensive weapons, did not include technologically advanced systems, and were ultimately controllable despite arguments that the arms trade has become "privatized."¹⁵² Regarding the impact of these sales on the security situation in Asia, this elite did not believe that sales negatively impact the military balance between China and Taiwan, or that Southeast Asia will be bound by an arms race.¹⁵³ Finally, the Russian foreign policy elite seemed to be mindful of American regional concerns in Asia, acknowledging the importance of Moscow's relations with Washington.¹⁵⁴

As part of the Central Asian states' efforts to diversify their political and economic relations away from the Soviet-era dependency on Moscow, some of them, especially Kazakhstan, have developed bilateral security cooperation with China.¹⁵⁵ While Moscow is concerned about these links, it cannot do much about them, because the Central Asian capitals believe that the careful balancing between Moscow, Beijing, Washington and Brussels could be beneficial for the economic prosperity and security of their regimes.

Overall, Russian military thinking is rather guarded over growing Chinese military capabilities. The November 2002 Russian military document, "On Main Directions of Maintaining National Security in the Far Eastern Federal Districts," deemed unlikely any short- to medium-term direct military threats in the Far East, but pointed out that a long-term threat of a strong and emboldened China is very likely.¹⁵⁶ The overall decline of Russian conventional power, especially along the border with China, has been instrumental in convincing Moscow to emphasize its nuclear assets. Consequently, as was advocated in the October 2003 defence policy document, "The Priority Tasks of the Development of the Armed Forces of the Russian Federation," the use of a limited nuclear strike, as a de-escalation tool in a conventional conflict, has been included in Russia's defence policy.

4.5 Economic Aspects

Russian assessments of China uniformly highlight Beijing's economic growth and praise an economy that outmatches Russia's on almost every aspect. Sino-Russian trade has been

¹⁵¹ Paradorn Rangsimaporn, "Russia's Debate on Military-technological Cooperation with China," *Asian Survey*, Vol. 46, Issue 3, May-June 2006, pp. 477-495.

¹⁵² On the issue of "privatization" of Russian sales, see Stephen J. Blank, *The Dynamics of Russian Weapon Sales to China* (Carlisle: U.S. Army War College, Strategic Studies Institute, March 1997).

¹⁵³ This latest point is questionable given a spike in Russian arms sales to Vietnam, Malaysia and Indonesia.

¹⁵⁴ Rangsimaporn, "Russia's Debate on Military-technological Cooperation with China," pp. 477-495.

¹⁵⁵ Roger McDermott, "Kazakhstan's Emerging Security Ties with China," *Central Asia Caucasus Analyst*, Vol. 9, No. 19, 5 September 2007.

¹⁵⁶ Alexandre Y. Mansourov, "China-Russia Relations: Can 'Bamboo and Pine Trees' Grow Together?" *Special Assessment* (Honolulu: Asia-Pacific Center for Security Studies, October 2004).

experiencing growth for several years.¹⁵⁷ However, the aggregate of this trade is not significant when compared to their other export markets.¹⁵⁸

In 2006, more than 47 percent of Russian exports to China were oil and gas, yet Moscow figured only as the fourth largest supplier of hydrocarbons to Beijing—behind Saudi Arabia, Iran and Angola—with a market share of 11 percent.¹⁵⁹ Despite a big Chinese appetite for Russian oil and gas resources, and a willingness from Beijing to invest and share risks—and not only to purchase final products—Russian energy policies in terms of oil and gas exploration, production and transportation are clearly circumventing China.¹⁶⁰ Russia, despite geographic proximity to China, is more interested in becoming a long-term provider of energy to Europe, forcing Beijing to depend on distant and less-stable countries for procurement of strategic natural resources.

The rivalry between Moscow and Beijing for Central Asian energy resources has intensified. But their competing interests have occasionally been accommodated either through joint projects or through elbowing out Western competitors.

The former was the case in Uzbekistan, where the Russian company Lukoil and the China National Petroleum Corporation created a consortium for gas exploration of the dry bed of the Aral Sea, while the latter occurred in Turkmenistan and Kazakhstan.¹⁶¹ However, China seems to be firmly establishing itself as the second—only to Moscow—energy player in Central Asia, a remarkable achievement compared to the situation of only 15 years ago.¹⁶² Furthermore, Beijing is clearly challenging Russia's once dominant position in coal and hydro energy extraction, and mining in Central Asia and Afghanistan.¹⁶³

Despite the growth in bilateral trade, both countries complain about the other's discriminatory trade practices. During the last 15 years, Russian businesses have argued that they have not

¹⁵⁷ G.D. Bessarabov, "Kitaiskaia Narodnaia Respublika v 2001-2005 gg [People's Republic of China during 2001-2005 period]," *RISI Informatsionny biulleten*, No, 4(9), 2006.

¹⁵⁸ Sino-Russian trade reached US\$33 billion in 2006: China's exports amounted to US\$969.08 billion, while imports were US\$791.61 billion. That same year, Russian exports reached US\$302 billion, while imports were US\$137.5 billion. "China's Trade Surplus Jumps 74 percent," *International Herald Tribune*, 10 January 2007; "Russia-China Trade to Exceed \$40 billion in 2007," *Interfax*, 31 October 2007; and <http://www.customs.ru/ru/stats/ekspres/detail.php?id286=3512>, accessed in January 2008.

¹⁵⁹ Sergei Tsyplov, "Vizit Hu Tszin'tao v RF prodemonstriroval to vnimanie, kotoore udeliaetsia torgovo-ekonomicheskim sviaziam mezhdru nashimi stranami [Visit of Hu Jintao to Russia confirmed interest in economic and trade relations between our two nations]," *Interfax*, 20 April 2007.

¹⁶⁰ Moscow even wants to redirect the Sakhalin gas production towards Russian regions and potentially Western markets away from much closer, gas-thirsty Japan and China. "Russia tightens control over Sakhalin-1 output," *Jamestown Foundation Eurasia Daily Monitor*, Vol. 4, Issue 156, 10 August 2007; "Russia, China have Significant Differences on Price for Russian Gas—Gazprom Official," *Interfax*, 6 December 2007.

¹⁶¹ "Central Asia on Front Line in Energy Battle," *International Herald Tribune*, 20 December 2007; Farkhad Sharip, "European Energy Consumers Likely to Lose Kazakhstan Battle to 'Oriental Bloc,'" *Jamestown Foundation Eurasia Daily Monitor*, Vol. 4, Issue 224, 4 December 2007.

¹⁶² Stephen Blank, "China's Emerging Energy Nexus With Central Asia," *Jamestown Foundation China Brief*, Vol. 6, Issue 15, 19 July 2006.

¹⁶³ "China Wins Major Afghan Project," *BBC News*, 20 November 2007; Gordon Feller, "Central Asian Power: Rapid Development of Coal and Hydroelectric Power for Export—Financed by Russia, Iran and China," accessed at <http://www.ecoworld.com/home/articles2.cfm?tid=403> in January 2008.

received a favourable reception in otherwise business-friendly China. Russian economic giants lost numerous bids for lucrative construction projects in China, even though their offers were significantly lower than those of the winning Western-Chinese consortia.¹⁶⁴ Russian trade negotiators have also bitterly argued that China only respects the strong and despises the weak, further convincing Moscow that Beijing is particularly hostile towards Russian economic expansion.¹⁶⁵ Some Russian experts argue that Beijing probably believes that big Russian companies are not genuinely private and profit-oriented, but are government-controlled and serving the promotion of state interests.

¹⁶⁴ The joint venture between Russian Rosneft and the China National Petroleum Corporation to build an oil refinery in the Chinese city Tianjin and develop two oil fields in Russian Irkutsk region is rather exceptional. Rosneft, “CNPC could Commission Refinery in China in 2011,” *Interfax*, 27 November 2007.

¹⁶⁵ Mansourov, “China-Russia Relations: Can ‘Bamboo and Pine Trees’ Grow Together?”

5 Conclusion

In this Technical Memorandum, we aimed at going beyond appraisals of the current military cooperation between Moscow and Beijing in order to present and assess Russian and Chinese views of each other. By focusing on how the elites and academics of these two countries qualify this partnership a different picture about the nature of this partnership emerges. Instead of the certainty of consistent Sino-Russian strategic cooperation, an alternative impression is of two great powers attempting to outmatch each other in acquiring power and status while cooperating only on select issues.

Despite significant forces driving the rapprochement between Moscow and Beijing, considerable limitations restrict the scope of this partnership. The main drivers of the Sino-Russian partnership are twofold: to improve once-strained bilateral relations; and to capitalize diplomatically on shared strategic perceptions of the post-Cold War world. The improvement of their bilateral relations was a result of the final break with the ideologically-based communist rivalry, and the peaceful resolution of mutual border claims.

The scope of Sino-Russian cooperation has been concentrated into three areas: military, trade and diplomacy. While notable improvements have been achieved, especially when measured against the situation of the late 1980s, the extent of the relations in each of these areas has been faced with constraints and limitations.

For example, military sales, which surged during the 1990s, had dropped tenfold by the end of 2006. And trade, albeit growing, has not evolved much from a pattern of Chinese exports of heavy machinery and consumer goods in exchange for Russian natural resources; there has been little progress towards a free-trade regime between the two countries. Similarly, there is no evidence of an effective, sustained, diplomatic coordination by the two countries. Bilateral policy initiatives, including the creation of joint security architecture have been characterized by a limited convergence of strategic interests, often to leverage their position vis-à-vis the United States. Both countries have essentially continued to pursue independent, and often rivalling, policies based on their own national interests and deep-seated mutual distrust of the other.

It is important to outline that there is no definite consensus of views in Moscow and Beijing about each other. In both countries, hawkish and reconciliatory views often reside side by side. As it appears, where differing views co-exist, a lowest common denominator—often based on caution and distrust—is pursued as state policy. Therefore, perceptions of each other have been one of the major factors limiting the scope of Sino-Russian relations.

Primarily, Chinese and Russian perceptions are based on the assessment of their relative power—regionally and in respect to other great powers. For example, the collapse of the Soviet Union was perceived in China not only as a vindication of Beijing's approach to domestic reforms, but also as a sign of Russia's relegation from superpower to great-power status. Furthermore, Moscow's abysmal record of post-communist transition, resulting in economic decline, political instability, decay of its military might, and near-collapse of the social safety net, led to an additional re-examination in Beijing of just how prudent and beneficial it was to have close ties with Russia. On the other hand, Russia's gradual economic revival after 1999, and a consolidation of its

regional sway, led to a greater respect for Moscow by Beijing. Similarly, China's impressive economic performance has convinced many in Moscow that Beijing is a great power, with whom cooperation is desirable.

Another significant factor in how China and Russia perceive each other is the degree of their self-evaluation. For example, Chinese and Russian perceptions of each other are often based on their self-perceptions of international and domestic weaknesses: both countries perceive themselves to be too weak to directly challenge their major regional competitor—the US; and both countries believe that developments in their internal economic and political affairs are still fragile.

Domestically, both countries face significant economic and social challenges. However, amongst the political elite in Beijing and Moscow, the experience of the loss of political control and the chaos of the Cultural Revolution in China and the period immediately following the disintegration of the Soviet Union, was instructive. Currently, the elites in both countries are concentrating on economic growth rather than political liberalization, and have sought to restrict political expression and activism, as well as freedom of the press. Through a combination of economic prosperity and calls for patriotism, Russian and Chinese political leaders have also promised their citizenry a restoration of the international stature of their respective countries. Consequently, these perceptions of domestic weakness, especially vis-à-vis the US, have been a significant motivational factor in improving Sino-Russian relations.

An additional factor in depicting Sino-Russian relations is their elites' worldview. Since the end of the Cold War, China and Russia have attempted to preserve a post-1945 UN-centred world order, in which their Security Council veto helps them maintain their strategic interests abroad. Both countries share a belief about the need to prevent the establishment of a unipolar world order, where agenda-setting and crisis management would be dominated by the US. They also advocate the primacy of state sovereignty, territorial integrity, and the non-interference in domestic affairs. They use these principles to dismiss foreign criticism of their internal human rights record (e.g., Chechnya or Tibet). In particular, Russia and China have shown disregard for Western calls for democratization, which they fear will bring domestic upheaval or regime change, as was the case during the “colour revolutions” in Ukraine and Georgia.

While the Sino-Russian partnership has largely not translated into the coordination of their policies at the UN, or in joint security efforts in various geographical areas, their closer security cooperation in Central Asia stands out as an exception. It is very likely that the emergence of a strategic equilibrium between Moscow and Beijing in Central Asia has encouraged the two capitals to engage in joint security initiatives through the SCO. This common approach was demonstrated during the Peace Mission 2007 manoeuvres. Yet, it is unlikely that their bilateral cooperation or the SCO will, in the near- to mid-term, develop into a fully integrated political-security architecture or military alliance.

Although the perceptions of the Russian public and elite regarding China have improved over the past 15 years, there remains a great deal of distrust towards Beijing's strategic intentions, especially towards the Russian Far East. Within the Russian elite, the military brass has been the most cautious. Accordingly, the economic and military “rise of China,” and Beijing's transformation from a regional to a global power, will likely be perceived as undesirable developments, both by the Russian military leadership and by the Kremlin. Hawkish perceptions

of China as an emerging threat amongst senior-level decision makers could cloud future relations between Moscow and Beijing.

China's perceptions of Russia are, likewise, plagued by scepticism and suspicion. Beijing believes that Russia's geographical location, straddling Asia and Europe, creates a conflicted identity for the Russian people. The Chinese leadership is critical of Russia's lack of identification with Asia, despite its location in the Asia-Pacific sphere. Closely linked to Western civilization by culture and historical ties (although unique because of their Eastern Orthodox Christian faith), Russians have considered themselves superior to Asian civilizations. Moreover, Beijing resents the long-standing Soviet habit of treating China as a "little brother."

The Chinese elite believes the collapse of the Soviet Union holds valuable lessons for China, particularly regarding the dangers of direct military competition with the United States. Notwithstanding, Beijing maintains that Washington's regional policies, for example ballistic missile defence or military support of Taiwan, are the main obstacle to Chinese foreign policy aspirations. Chinese academics largely share this view. Furthermore, while they acknowledge the strategic importance of Russia in the international system, Chinese scholars hotly debate the extent of Moscow's influence and relative power. Many Chinese academics argue that a greater understanding of Russia's "grand strategy" is necessary. Some believe that better Sino-Russian relations are intended by Moscow to offset strategic pressure in Central Asia, Asia-Pacific and along Russia's Eastern European border.

Moscow perceives China as little more than an instrument in Russo-American relations, reaffirming Beijing's perceptions that the West remains Moscow's primary strategic focus. On the other hand, China seeks to avoid zero-sum logic in balancing its relations with Russia and the US. This is particularly so due to the importance of China's economic relations with the US and other Western countries. In Central Asia, Beijing hopes that a positive Sino-Russian rapport will foster an equilibrium between unavoidable competition and necessary cooperation.

Even in the areas where mutually beneficial solutions could be achieved, such as hydrocarbons, distrust prevails. For example, Russian energy policies in terms of oil and gas exploration, production and transportation are clearly circumventing China, and are deepening suspicions about each other's true intentions. Occasionally, their competing interests have coincided, and the two countries have cooperated in joint energy projects or by elbowing out Western companies. However, as China establishes itself as an important energy player in Central Asia, second only to Moscow, competition rather than collaboration largely characterizes their economic relations.

This has resulted in a shaky political foundation for closer military cooperation based on shared strategic interests and mutual trust. In reality, although Beijing and Moscow have attempted to develop growing military cooperation, both sides have sought to frame these interactions within their own national strategic interests.

The ongoing divergence of military interests between Moscow and Beijing is confined not only to practical, but also doctrinal issues. For example, no significant confidence-building measures, arms reductions or inspection mechanisms have developed between Russia and China. Furthermore, the provision of a nuclear first-strike policy remains an essential feature of Moscow's national security policy. From the Russian perspective, this is particularly important as leverage when dealing with adversaries like China, which can deploy large ground forces. In

addition, key Russian defence policy documents view China with suspicion and call for the maintenance of strong and mobile conventional forces able to repel “land invasion from any direction.”

Consequently, Russia’s policy on collective defence is focused on its immediate post-Soviet neighbours, where Moscow can marshal uncontested leadership. For example, Moscow has been very active in enhancing its military and defence integration with CSTO members, including the establishment of a rapid reaction force, joint headquarters and integrated air-defence system. Yet, nothing similar has been established within the SCO framework. China remains reluctant to delegate command and control of its defence forces to any multilateral body, including the SCO, and at most seeks to develop coordination in counter-terrorism operations. Therefore, despite the high-profile military exercises held in 2005 and 2007, no military alliance-type relations between Russia and China is in sight.

Given that Russia and China harbour considerable distrust towards each other, and perceive their bilateral rapport through the lens of their disputes and aspirations vis-à-vis Washington, both are likely to continue pursuing a *realpolitik* type of partnership—where flexibility, balancing, and non-commitment represent the essence of Sino-Russian relations. Consequently, a substantive strategic partnership between China and Russia is unlikely to emerge in the short- to mid-term.

List of abbreviations/acronyms

ABM Treaty	Anti Ballistic Missile Treaty
BBC	British Broadcasting Corporation
CIS	Commonwealth of Independent States
CNPC	China National Petroleum Corporation
CSTO	Collective Security Treaty Organization
EU	European Union
G8	The Group of Eight
NATO	North Atlantic Treaty Organisation
NMD	National Missile Defence
OSCE	Organization for Security and Cooperation in Europe
PAC-3	Patriot Advanced Capability -3
PLA	People's Liberation Army
PRC	People's Republic of China
RIA	Russian Information Agency
R&D	Research and Development
SCO	Shanghai Cooperation Organization
TMD	Theatre Missile Defence
UN	United Nations
UNSC	United Nations Security Council
UPI	United Press International
US	United States
USSR	Union of Soviet Socialist Republics

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Two decades of improvement in Sino-Russian relations have given strategic significance to the relationship between China and Russia. Taken together, their power projection capabilities are worrying adjacent nations in Central Asia and the Far East, especially when compounded with US regional policies. However, there remain doubts as to the exact nature and extent of the “partnership” between the two giants. To determine whether their “partnership” should be a cause for concern, the authors assess the views each one holds of the other, the consistency of those views over time, and how these views have shaped their actual policies. The authors conclude that the relationship between Russia and China is not based on an equal “partnership” where cooperation is the norm. Instead, the relationship is akin to a zero-sum game where each attempts to outmatch the other in their respective quest for power and prestige.

Deux décennies d’amélioration ont conféré une importance stratégique aux relations entre la Chine et la Russie. Combinées, les capacités de ces deux pays en matière de projection de puissance représentent une source d’inquiétude pour les nations voisines d’Asie centrale et d’Extrême-Orient, une inquiétude que vient de surcroît exacerber la politique américaine dans la région. Toutefois, un doute subsiste quant à la nature et à la portée réelles du « partenariat stratégique » entre les deux géants. Pour déterminer si ce « partenariat stratégique » devrait être un motif d’inquiétude, les auteurs analysent l’opinion que chaque pays a de l’autre, la cohérence de cette opinion au fil du temps, et l’influence qu’elle a eue sur les politiques de chacun. Les auteurs concluent que la relation entre la Chine et la Russie n’est pas fondée sur un « partenariat » équitable, où la coopération est la norme, mais plutôt sur un jeu à somme nulle, dans lequel chaque pays essaie de supplanter l’autre dans leurs quêtes respectives de pouvoir et de prestige.

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