

NATIONAL INSTITUTE FOR PUBLIC POLICY

Sino-Russian Relations

By

Dr. Andrei Shoumikhin

December 2004

© National Institute for Public Policy, 2004

The views expressed are solely that of the author and do not reflect those of National Institute for Public Policy or any of its sponsors.

Sino-Russian Relations

Dr. Andrei Shoumikhin

Changes in Mutual Perceptions: From Gorbachev to Yeltsin

China has traditionally occupied an important place in Russian foreign and military policy. Historically, relations between the two continental giants vacillated from close alliance to open hostility. Dramatic internal changes in both countries invariably complicated mutual perceptions, as did their involvements with third parties.

When Mikhail Gorbachev assumed leadership of the Soviet Union in 1985, he inherited a quarter-century-long conflict with China that had cost his country an estimated \$100 billion in military expenditures, and come dangerously close to war.¹ In effect, “the Sino-Soviet conflict played a major role in eroding the economic and ideological foundations of the Soviet Union and in ensuring Moscow’s ultimate defeat in the Cold War.”²

Gorbachev took steps in the late 1980s to address the most serious issues in the conflict. He met Beijing’s three conditions for paving the way for rapprochement: withdrawing Soviet troops from Afghanistan, pressuring Vietnam to withdraw its troops from Cambodia, and announcing a major withdrawal of Soviet forces on the Sino-Soviet border. His May 1989 visit to Beijing symbolized the end of the Cold War between the two communist giants. However the Chinese were severely displeased with the domestic political changes that Gorbachev was overseeing in the USSR. Limited democratization in Russia became a beacon for Chinese students, whose dissent was crushed on Tiananmen Square just days after Gorbachev’s departure.³

As the USSR was breaking up in December 1991, Russian President Boris Yeltsin sent his representative to Beijing to reassure China that Russia would abide by the previously signed bilateral border accords. The following March, Russian Foreign Minister Andrei Kozyrev was in the Chinese capital for the formal exchange of ratified documents. Also in March, Russia and China signed a new trade agreement, and the chief of staff of the CIS armed forces concluded an agreement to sell twenty-four SU-27 fighter planes to China.⁴

¹ Yurii V. Tsyganov, “Russia and China: What is in the Pipeline?” in Gennady Chufrin, ed., *Russia and Asia: The Emerging Security Agenda*, Stockholm International Peace Research Institute, New York: Oxford University Press, 1999, p. 304n.

² Robert H. Donaldson, “The Arms Trade in Russian-Chinese Relations: How Firm a Foundation?” Presented to the 2001 Hong Kong Convention of International Studies *Globalization and Its Challenges in the 21st Century*, Hong Kong, PRC, July 26-28, 2001. <<http://www.personal.utulsa.edu/~robert-donaldson/armstrade.htm>>

³ Ibid.

⁴ To reflect the unique nature of Sino-Russian trade, reportedly, only 35 percent of the sales price for the aircraft was to be paid in hard currency. The rest was to be paid as barter, in the form of foodstuffs and consumer goods. Russian defense factories have consequently found themselves needing to dispose of a variety of bartered products, e.g. livestock, in order to realize their profits. At later stages however, China’s growing dollar trade surpluses enabled Russian negotiators to arrange for hard currency payment in bilateral contracts. [See: Pavel Felgengauer, “Russia Too Busy Arming China to Care about Consequences,” *St. Petersburg Times*, 14–20 July 1997, Johnson’s Russia List, 17 July 1997].

While formally both sides expressed readiness to improve relations and avoid direct confrontation, the new Russian leadership—represented by Andrei Kozyrev, Yegor Gaidar and other “young lions” strongly influenced by Western ideas—had clear ideological aversion to the authoritarian regime in China. It also seriously feared China’s imminent encroachments into Russia’s Asian and Far Eastern regions, driven by the PRC’s internal demographic, economic and nationalist pressures.

However, in recognition of the importance of China as a close powerful neighbor, in December 1992 Boris Yeltsin made a state visit to Beijing. The Russian delegation signed over twenty documents, among them a mutual promise not to enter into any military-political alliance directed against each other. Nevertheless, mutual aloofness still characterized bilateral relations at that stage.

The rapid internal change of the Yeltsin regime that started in fall 1993 and involved both the removal of younger Westernized leaders from positions of real power and the restoration of communist *nomenklatura* in those positions, coincided with, if not facilitated, further Sino-Russian rapprochement in the mid-1990s.

While Russia’s economy continued to decline accompanied by numerous negative internal tendencies including regional separatism, China was confidently rising to privileged positions in world economy and politics. Under these conditions, Russia’s reliance on export of energy resources and exploding Chinese demand for these and other raw materials created a particularly favorable background for expanding bilateral trade.

Another area where Russia and China were destined to increase cooperation was arms; the People’s Liberation Army of China had been largely equipped by Soviet/Russian exports of weapons and military technologies. Beijing was seeking, and could actually acquire from Russia, systems and technologies restricted or denied to it by the West. For Moscow, the Chinese arms market was turning into a primary source of foreign revenue, in turn intended for the modernization of its own Armed Forces.

Finally, with the collapse of the bipolar world, and the abandonment by Moscow of earlier hopes of easy and rapid inclusion into the Western community of nations, the “third-party factor” in Sino-Russian relations acquired special significance. Both powers have developed acute envy and resentment towards the tremendously increased U.S. role in geopolitics, and thus have a compatible desire to limit America’s further expansion.

In the early 1990s, Russian specialists on China—in their majority followers of “classical” Marxist views on global class struggle—concluded that in the changed global environment, it was only natural for Russia and China to become allies.⁵ In their opinion, Russia and China, possibly acting together with India, “could act as inspirers and organizers of a new anti-hegemonic, anti-Western international front.”⁶

Interestingly, on the issue of China, “traditionalists” could find strong support from among numerous nationalist groups that otherwise tended to reject “outdated” communist views. Nationalists were prepared to build an alliance with whoever would come out on their side in the

⁵ Vsevolod Ovchinnikov, “The Sun Rises in the East,” *Rossiyskaya Gazeta*, 15 November 1997.

⁶ Alexander Yakovlev, “Confidential Partnership Aimed at Strategic Interaction,” *Far Eastern Affairs*, No. 2 (112), 1997, p. 45.

“growing confrontation between the continents of Eurasia and North America.”⁷ In their belief, one of Moscow’s primary geopolitical goals should have been the creation of a “Berlin-Moscow-Tokyo” axis buttressed by a “Russia-China-India axis” to eventually prevail in this perceived global conflict.⁸

By the time of Chinese President Jiang Zemin’s visit to Moscow in September 1994, bilateral relations were described as having reached a “qualitatively new level of relations – that of constructive partnership,” although not an alliance and not aimed against any other country.⁹

High Russian expectations of intimate Sino-Russian relations found reflection in the April 1996 official visit of Boris Yeltsin to China. Both sides announced their desire to develop “a strategic partnership directed to the 21st century of which there was no other such pair in the world.”¹⁰ As the then-Russian president explained, the purpose of this partnership was “to promote an emerging multi-polar world structure, and to oppose any attempts of hegemony by any single country in a situation where there are absolutely no controversial issues between Russia and China.”¹¹

However, further Russian attempts to transform declaratory “strategic partnership” into a real military-political alliance were marked by failure. In December 1998 during a state visit to India, Yevgenii Primakov—a well-known Russian “Orientalist” with strong pro-communist views—who briefly served as Russian Foreign Minister (April to September 1998) and Prime Minister (September 1998 to May 1999), put forth the idea of Russian-Chinese-Indian “triangular strategic partnership”. It followed closely the recommendation of neo-communist and nationalist hardliners to build a trilateral axis in Asia as a counterbalance to the advancing U.S. The idea was immediately supported by the Russian communist leader Gennadii Zuganov, however it was almost as quickly rejected by Beijing.¹²

The lukewarm reaction of Chinese leaders to the idea of accelerated alliance-building with Russia came as a reflection of numerous subjective and objective impediments to “perfect” Sino-Russian relations. Among others, they include:

- Resilient memories of ideological, political and military rivalries/conflicts;
- Ingrained mutual distrust and indifference to one another’s culture;¹³
- Unresolved mutual territorial claims;

⁷ Aleksei Mitrofanov, *Anti-NATO. New Idea of Russian Geopolitics: Tactics and Strategy at the Current Stage*, Moscow: 1996, pp.21-24, (Unpublished manuscript). [Mitrofanov headed the State Duma Committee on Geopolitics in 1995-1999 and is deputy head of the Liberal-Democratic Party of Russia chaired by Vladimir Zhirinovskii.]

⁸ Ibid.

⁹ Donaldson, Op. cit.

¹⁰ Tatiana Malkina, “Boris Yeltsin Sees No One Who Could Stand Against Such a Pair as ‘Great Russia’ and ‘Great China’”, *Segodnia*, 27 April 1996.

¹¹ *Izvestiya*, 26 April, 1996.

¹² Boris Volkhonskii and Andrei Ivanov, “Beijing Has Let Primakov Down,” *Kommersant*, 24 December 1998.

¹³ See: Dmitrii Trenin, *Russia’s China Problem*, Washington, DC: Carnegie Endowment for International Peace, 1999, p. 36.

- Mutual suspicions of true intentions: many in Moscow anticipated an eventual Chinese “incursion” into Russian territories in Asia and the Far East, while Beijing was wary of Russia’s potential close alliance with the West;
- Competition over resources, markets, partnerships, etc., in Asia and other developing regions;
- Differences of opinions on resolving international conflict situations, e.g. Taiwan and North Korea, etc.

In contrast to demands for dramatic “overnight” changes in bilateral relations, Russian “realists” who came to represent the mainstream expert opinion on China since mid-1990s, argued in favor of “gradual and balanced approach” to the largest and most important neighbor of the Russian Federation.¹⁴ They proposed to concentrate on areas where positions of Moscow and Beijing were the closest.

Under the Boris Yeltsin administration, Moscow and Beijing launched several joint international campaigns intended to demonstrate their “unity of purpose” and opposition to Western and U.S. policies of “hegemony”, e.g. in response to NATO’s announcement of expansion to include former members of the Warsaw pact; NATO attack against the Yugoslav regime, and most ostensibly, against U.S. plans to develop Ballistic Missile Defense (BMD) against rogue states.¹⁵

An important peculiar element of bilateral relations that had emerged under Yeltsin was rapid development of Sino-Russian “military-technical cooperation” [*voenno-tekhnicheskoe sotrudnichestvo* or VTS] well ahead of other forms of bilateral exchanges and cooperation. A strong lobbying group of Russian arms producers and exporters were responsible for this and had their own agenda in relations with China.¹⁶ In the words of an expert, it was based on the simple principle “to sell virtually anything to anybody.”¹⁷

While the Russian Foreign Ministry would invariably claim that at that time “the military and technological cooperation with China is developing on the basis of full observance by Russia of its international obligations and of the interests of its own security,”¹⁸ it appears that especially in the

¹⁴ See: K.E.Sorokin, “Russia and the Game of Geopolitical Interests in the Basin of the Great Ocean,” *Politicheskie issledovaniya*, 1994, No.4; Nataliya Ayrapetova, “Should We Be Afraid of China? An Interview with Vilya Gelbras.”

Nezavisimaya Gazeta, 3 March 2000 <http://ng.ru/ideas/2000-03-03_china.html>; Sergei Trush, “Russian Arms Sales to China: Reasons and Worries,” *Nezavisimoe Voennoe Obozrenie*, 25 April 1996.

¹⁵ In 1999, China was Russia’s main supporter in a campaign leading to the adoption of the UN resolution in support of the ABM Treaty.

¹⁶ The desire of Russia’s MIC to expand its relations with Beijing was certainly fueled by Chinese eagerness to acquire broad access to Russian weapon-developing and manufacturing sources. As noted in a RAND study of China’s “grand strategy,” China’s “relations with Russia are oriented primarily toward reducing the chances of political and military conflict between the two former antagonists and acquiring critical military technologies that cannot be obtained [elsewhere]....Although this essentially arms procurement relationship has now been baptized as a ‘strategic partnership,’ it is so only in name.” See: Michael D. Swaine and Ashley J. Tellis, *Interpreting China’s Grand Strategy: Past, Present, and Future*, Santa Monica, CA: RAND, 2000, p. 119.

¹⁷ Pavel Felgengauer, *Arms for China and Russia’s National Security, Russia and the World Arms Trade*, Carnegie Moscow Center, 1996, p. 135.

¹⁸ G. Krasin, “Russia Needs Strong China,” *Rossiya*, No.3, March 1997, p.14.

early to mid-1990s, the Russian Defense Ministry and intelligence services were “unable precisely to determine what was being exported and what was not [to China and other countries].”¹⁹

Bilateral Relations Under Vladimir Putin

Significantly, some of the first moves of the Vladimir Putin administration starting in 2000 followed strictly in the track of his predecessor’s policy towards China. Russia under the new president looked eager to use the “Chinese card” in continued arms control controversies particularly those related to the ABM Treaty and the U.S. national Missile Defense (NMD).

In the early months of his rule, Putin attempted to further “globalize” the U.S. NMD question in line with Russia’s increasing emphasis on supporting a “multilateral” international system. In the dominant Russian view, “multilateralism” implied establishing counterweights to American power and influence. In service to this objective, Putin attempted to further strengthen strategic relations with the People’s Republic of China and India as a “counterweight” to the United States and its global “hegemony.”²⁰

Moscow officials insisted that the proposed U.S. National Missile Defense would present an equal threat to Russia and the PRC. According to then Deputy Chairman of the Russian State Duma International Affairs Committee Konstantin Kosachev:

If the Americans unilaterally break the ABM, Russia and other nuclear states, such as China, for example, will have no other way than to follow suit: to develop their own anti-missile systems and resume building their nuclear arsenals.²¹

As noted by Lieutenant General (Ret.) Mikhail Vinogradov, chairman of the Committee of Scientists for Global Security and Arms Control:

The U.S. withdrawal from the ABM Treaty...clears the way to introducing weapons into outer space, particularly anti-missile weapons at first, then followed by other types of weapons. In the opinion of many experts, this step adds to an arms race in a most dangerous direction: toward proliferation of ballistic missiles... Countries that possess missile weapons as a tool of deterrence, like China, will not sit by idly as their missile potentials are weakened.²²

On the surface, Chinese leaders appeared receptive to these arguments. Beijing also had special concerns related to the ongoing conflict with Taiwan that could be significantly affected by the introduction of sophisticated American theater missile defense (TMD) systems in the Far East.

In July 2000, President Putin visited Beijing where he cosigned a Joint Statement with Chinese President Jiang Zemin calling for preservation of the ABM Treaty and non-deployment of a limited U.S. NMD. Its statement expressed “deep worry” over the U.S. NMD plan, which “boils down to striving for unilateral superiority.” The statement accused Washington of “hegemony” and of using

¹⁹ Felgengauer, Op. cit., p. 136.

²⁰ For example, Leonid Ivashov, “Russia Hopes the U.S. Will Observe the Terms of the ABM Treaty,” *Krasnaya Zvezda*, 23 March 2000.

²¹ ITAR-TASS, 3 May 2001.

²² Mikhail Vinogradov, “Contemporary Problems of Ballistic Missile Defense.” Lecture delivered April 1, 2003 at the Center for the Study of Problems of Disarmament, Energy and Ecology of the Moscow Institute of Physics and Technology. <<http://www.armscontrol.ru/course/lectures03a/msv30401c.htm>>.

NMD “to seek unilateral military and security advantages that will pose the most grave, adverse consequences” to China, Russia and the United States itself. Mr. Putin and Mr. Zemin said “the pretext of a missile threat [from rogues such as North Korea] is totally unjustified.” They also criticized a U.S. proposal for a more limited ABM system to protect its troops and allies in East Asia, which Beijing fears would undermine its claim to Taiwan.²³

In the Russian view, it was inevitable that China would become “an invisible participant” in the U.S.-Russian ABM Treaty/NMD dialogue.²⁴ Significantly, before he left for his first meeting with President Bush in Ljubljana, Slovenia in June 2001, Putin conferred with Jiang again at the so-called Shanghai Forum,²⁵ made up of Russia, China, Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan. According to observers, Putin wanted to present a “consolidated” Russian-Chinese position on the ABM Treaty/NMD issue at the summit.²⁶

However, already at that stage, some experts expressed doubts about the determination of Moscow and Beijing to precipitate a real and not just verbal confrontation with the United States over the NMD issue. China’s role in the “global campaign to save the ABMT” was particularly doubtful. Remarkd Vitalii Tsygichko, academician of the Russian Academy of Natural Sciences:

China—for whom deployment of the U.S. NMD system does indeed devalue its nuclear deterrent potential—has officially stated that it does not object to the U.S. plans provided they have no impact on its relations with Taiwan. It is obvious that the issue of the ABM Treaty is merely an excuse for opponents of a new relationship with America to continue with today’s unfathomable and often unjustifiably confrontational Russian foreign policy... It is an excuse for creating the semblance of the preservation of a situation of nuclear confrontation that no longer exists a priori.²⁷

Further, events confirmed the futility of Russian attempts to prevent the demise of the ABM Treaty and U.S. progression in the BMD area. To Mr. Putin’s credit, he recognized the inevitable and refused to involve Russia in excessive, hysterical reactions to U.S. announcements of withdrawal from the ABM Treaty and commencement of actual BMD deployments.

Consequently, the obvious anti-American underpinnings of earlier-day Sino-Russian cooperation have subsided since the early-2000s. This however does not mean that the importance of China for Russia’s geo-strategic planning and economic and military-political revival has diminished. On the contrary, particularly in the economic area, success of Chinese reforms after the debilitating communist experiments of the “Great Leap” and “Cultural Revolution” has become not only a source of envy but also a valuable guideline for Russia going through similar internal turmoil. Many influential leaders are currently urging the Kremlin to emulate closely the Chinese model in the pursuit of Russia’s transformation.²⁸

²³ Christopher Bodeen, “Beijing, Moscow Hit U.S. on Shield,” *Washington Times*, 19 July 2000.

²⁴ Dmitrii Safonov, “Russia Is Ready to Bargain and Deal on Missile Defense,” *Izvestiya*, 8 June 2001.

²⁵ The Shanghai Forum was later transformed into the Shanghai Cooperation Organization (SCO) with the same countries as members.

²⁶ Yekaterina Grigoryeva, “Between ABM Defense and the Ballet,” *Izvestiya*, 14 June 2001.

²⁷ Vitalii Tsygichko, “With the U.S.—Together or Separately,” *Nezavisimaya Gazeta*, 9 June 2001, <http://www.ng.ru/politics/2001-06-09/3_together.html>

²⁸ See: Otto Latsis, “Will Russia Take the Chinese Road?” *Russia Journal*, 20 July 2001.

The combination of authoritarianism in politics with liberalism in economic development has indeed emerged as a singularly attractive model to follow for the ruling Russian elite under Vladimir Putin.

Faced with mounting internal and external threats, both real and perceived, Moscow and Beijing have been drawn to each other in various areas of military cooperation, e.g. anti-terrorist activities but most importantly arms trade and military technology transfers. Geographic proximity and complimentary interests, e.g. in exploitation of human, energy and other resources augur well for non-military trade and exchanges as well.

Under Putin, both governments proceeded to develop legal foundations for bilateral relations. On July 16, 2001 in Moscow, Presidents Vladimir Putin and Jiang Zemin signed the “Treaty on Good Neighborly Friendship and Cooperation between the Russian Federation and the People’s Republic of China”. At the signing ceremony, they insisted that their treaty is not aimed against any third party. Apparently, by doing so they emphasized that both countries have:

...every intention of continuing to negotiate with the U.S. to achieve for itself a more favorable security environment and continuing economic cooperation. By a public declaration of their security partnership, therefore, they not only hope to pool their strength to “balance” against the U.S., but also to gain more leverage in their individual bargaining sessions. Each can do so with greater confidence as a result of having “secured its rear” by cementing ties with its giant neighbor and former adversary.²⁹

Russian analysts stress that the Putin government has in effect chosen a “middle road” of steady improvement of bilateral relations without falling into to extremes: excessive mutual obligations or excessive mutual distancing. Asserts expert on China Yurii Tsyganov: “Sino-Russian rapprochement is basically a reaction to the changing balance of power in world politics, enabling the two countries to act in parallel rather than as allies....The objectives of joint action by China and Russia are concurrent self-determination, independent influence and separate bargaining positions rather than a close military and political alliance.”³⁰ At most—according to this benign interpretation—the treaty might be regarded as a hedge against (and possibly a deterrent to) further adverse actions by the United States.

It may not be just coincidental that President Putin’s trip to Beijing in October 2004 coincided with the final stage of the election campaign in the U.S. Mr. Putin’s official visit to PRC was intended as a demonstration of growing Russian-Chinese political, economic and military cooperation. In meetings with the Chinese leaders, Mr. Putin reiterated on many occasions that all divisive issues between the two countries, particularly border disagreements, were negotiated to mutual satisfaction, and that Russia and the PRC are poised for significant expansion of bilateral economic, trade, military-cooperative and other relations. He also emphasized close proximity of the two sides’ approaches to key international problems—for example, terrorism.³¹

²⁹ Donaldson, Op. cit.

³⁰ Tsyganov, Op. cit., p. 306.

³¹ Vladimir Kuzar, “Summit of Breakthrough Decisions,” *Krasnaya Zvezda*, 16 October 2004.

Official press called Mr. Putin's Chinese visit "the summit of breakthrough decisions."³² It clearly served to improve personal relations between the leadership elites of the two countries at an important stage in bilateral relations.

Threat Perceptions and Security Interests: Similarities and Differences

Despite official rhetoric on "cloudless bilateral relations" experts note limited compatibility of Russian and Chinese perceptions of threats to their respective security interests. In a fundamental way, the RF attempts to preserve its territorial, resource and other assets spread over vast territories mindful of the Soviet debacle that resulted in major losses of similar assets and the reduced global and regional status. On the contrary, PRC desires to get out of territorial and other "status-quo" situations forced on it in the past. Historically, the two countries proximity, complicated territorial divisions and mutual claims have led to recurrent conflicts. A recurrence may not be excluded in the future under varying internal and international circumstance. Moscow is particularly wary of Chinese economic and demographic dynamics that perceivably push its towards expansion, while Russia's abilities to defend its assets diminish progressively as the result of similar albeit negative demographic, economic, social, etc. tendencies. It is estimated that there may be 7-10 million Chinese living in Russia by the middle of the century if the legal and illegal immigration from China continues at current rates. However the influx of foreign populations may acquire a dangerous dimension if it becomes part of official Chinese policy.

Russia has already experienced multiple difficulties in the Central Asian region and Mongolia. Chinese involvements in local situations, e.g. using the factor of ethnic similarities between local and Chinese populations across the borders, are expected by many specialists to complicate these difficulties for Russia further and eventually present dangers not only to ethnic Russians in Central Asia but also, over time, to hinterland Russian regions.

Russia and China are equally concerned about the possibility of Iraq-type warfare used against them, e.g. in connection with the Chechen or Taiwanese situations. However, their reactions to specific U.S./NATO advances may differ depending on specific circumstances. China appears to be relatively less irked by the growing U.S. and NATO presence in former Soviet republics and the Middle East than Russia, while the RF may be more ambivalent to U.S. presence/actions in the South China Sea and vis-à-vis Taiwan even though it supported China's position on Taiwan by declaring its opposition to Taiwan's independence in the text of a bilateral treaty.

In each particular situation that may involve Russia and/or China in a regional controversy with the U.S., Moscow and Beijing may be swayed by considerations other than solidarity under the 2001 treaty and other mutual agreements, e.g. economic, trade and other advantages growing out of their relations with the U.S.

Moscow tries hard to involve China, together with former Central Asian Soviet republics, in regional security arrangements such as the Shanghai Cooperation Organization. Moscow and Beijing see these arrangements as barriers to foreign interference, military presence, etc., in zone of their perceived interests. A strong incentive for Central Asian governments—all of them pursuing authoritarian policies to varying degrees—for participation in a security alliance with Russia and China is to increase their international legitimacy and assure survival against growing internal opposition movements as well as pressures from radical Islam.

³² Ibid.

Arms Trade

Weapons and military technologies accounted for about \$5 billion in revenues for Russia annually since mid-1990s. Together with India, China is a major Russian client.³³ Combat aircraft have been the chief component of Russian deliveries; China has purchased at least six dozen transcontinental SU-27 fighters. In 1999, China concluded an agreement, valued at more than \$2 billion, for forty to sixty SU-30s—two-seat multipurpose fighters capable (with certain modifications) of carrying nuclear weapons. Other categories of purchases include naval vessels, e.g. “*Sovremennyi*”-class destroyers equipped with supersonic missiles, “*Kilo-636*” diesel-powered submarines, S-300 surface-to-air missile complexes, T-72 tanks, “*Smerch*” multiple rocket launchers, technologies for advanced gas centrifuges used in uranium enrichment and MIRVed missiles.

However, the most significant gain in bilateral military-technical cooperation for the Chinese side came as a result of the October 1992 visit to Beijing of the then Deputy Defense Minister Andrei Kokoshin marked by signing of an agreement to transfer significant technology and production rights. In 1995 China agreed to pay about \$1.4 billion for the technology and licenses to manufacture the SU-27 at a factory in Shenyang province.

It was reported that large numbers of Russian scientists and engineers with long-term contracts are working in Chinese design bureaus and defense plants; Chinese engineers are training at Russian facilities, and more than 100 joint production projects have been launched.³⁴

The Russian expert community is expressing growing concerns about China acquiring advanced weapons and Chinese production as the result of significant technology transfers from Russia. It has been estimated that “...today the Chinese conventional potential exceeds that of the RF and in case of a conventional military conflict with China, Russia is bound to lose.”³⁵ It is also being recognized that these transfers are helping turn Beijing into Moscow’s fierce competitor in arms markets that have been traditionally influenced by Russian exports. By 2000, China had already occupied the fourth place in global arms sales.

Chinese “appetites” for Russian military technologies continue to grow. In April 2004, during the most recent round of negotiation with the Russian Defense Minister in Beijing, the Chinese called for a “new approach” in bilateral military-technical cooperation that would eliminate any barriers for the supply of the most advanced Russian technologies to PRC, and would “assure access of Chinese specialists to the super-secret know-how of the Russian MIC.”³⁶ This position reflects growing Chinese ambitions to build up the strongest army in the world. It may also be explained by Chinese failure to “clone” advanced foreign weapon systems, e.g. the Russian S-300 air defense complex.

Experts recommend that Moscow refrain from selling the most advanced military technologies to Beijing for fear of creating a potent adversary “at its own expense”. They warn that by selling

³³ “Russia and China: Can a Bear Love a Dragon?” *Economist*, 26 April 1997, pp. 19–21. By late-2003, overall bilateral trade reached \$6.8 billion, with a \$2.6 billion surplus for Russia.

³⁴ Alexander A. Sergounin and Sergey V. Subbotin, *Russian Arms Transfers to East Asia in the 1990s*, SIPRI Research Report No. 15, New York: Oxford University Press, 1999, p. 92.

³⁵ Aleksei Khazbiev. *VTS Problems between Russia and China*. Ekspert, 24 May 2004.

³⁶ *Ibid.*

advanced weapons to the Chinese today, Russian military exports will lose attractiveness for the Chinese in the near future.³⁷

Conclusion

Russian experts identify numerous interests/incentives that push Moscow to develop close partnership/alliance relations with Beijing, including:

- Shared interests and concerns about the international situation;
- Need to secure a peaceful international environment for economic development;
- Worries about the future of the Russian Far East;
- Advantages from trade and economic cooperation with the fastest growing Asian economy;³⁸

However, there are still many skeptics in Russia that doubt the feasibility of close relations with China. Importantly, some groups have promoted as an alternative a Russian rapprochement with the West and the United States. Reasoned Mikhail Khodorkovskii, Chairman and CEO of the leading Russian oil company “*Yukos*,” and Chairman of the International Committee of the Russian Union of Industrialists and Entrepreneurs (Employers):

An important argument in favor of Russian cooperation with America is that if we want to develop an industrial society, then we must acknowledge that Russia will not be able to survive competition with such countries as India and China. These have significantly lower standards of living, and therefore significantly lower costs of developing an industrial society. But building and developing a post-industrial society requires completely different expenditures – both material and human. In such a context, there is no alternative to a partnership alliance between Russia and America.³⁹

A particularly acute and widely debated issue for Moscow is to what extent it should contribute to the modernization of the People’s Liberation Army of China, or as some commentators put it bluntly, “whether the RF should equip a potential military rival/foe”.

According to one analyst:

Despite the significant quantitative makeup of the current Chinese nuclear missile potential, its combat capabilities are quite limited; it would hardly be adequate to destroy highly protected command and control posts and could not substantially degrade Russia’s ground- and sea-based strategic nuclear forces. However, this potential would be capable of substantially degrading the Russian Federation Armed Forces group in the Far Eastern Theater of Military Operations, and of doing major damage to the population and economy not only in the Far Eastern and Urals regions, but even in the Central Region of European

³⁷ Khazbiev, Op.cit.

³⁸ Alexander Lukin, Russia’s Image of China and Russian-Chinese Relations, CNAPS Working Paper, Center for Northeast Asian Policy Studies, May 2001, < http://www.brook.edu/dybdocroot/fp/cnaps/papers/lukinwp_01.htm>.

³⁹ Mikhail Khodorkovskii, “Russian-American Relations: Some Key Issues.” <http://www.ipmi.ru/html_en/publication_en/m_en/04_%201_december_2002_en.htm>

Significantly, Khodarkovskii was eventually imprisoned, and his “*Yukos*” empire crushed for what Kremlin apparently considered “excessive” interference in Russia’s politics.

Russia. According to available data, so far China does not have missile systems with MIRVed warheads, but the upsurge in activity related to the building of antimissile defense systems could accelerate its development of that type of weapons systems, including antimissile defense countermeasures. It should be noted that the PRC's economic and technological potential is quite adequate for a quantitative and qualitative breakthrough in the area of its strategic offensive weapons development.⁴⁰

Opponents of "over-reliance" on China maintain that as the result of unprecedented economic development and military modernization, China will soon become more of a challenge to Russia than a partner in geopolitical "balancing game". They also note that overpopulation and a lack of resources may result in Chinese "encroachments" in Russian territories.⁴¹

Characteristic debates in Russia on the best approach to be taken towards the neighboring Asian giant may be illustrated by the proceedings of recent "hearings on the geopolitical role of continental China" as described by Andrei Devyatov, Secretary of the "Union of Military Sinologists of Russia" at the Club of Friends of the Military Institute of Foreign Languages [*Soyuz voennykh kitaevyedov Rossii pri klube tovarishai VIIYa*]. The hearings involved leading Russian specialists on China.

The majority opinion that emerged during the event was that China may be expected to claim the role of a global superpower by the end of this decade:

According to all indications, by 2007, the 17th Congress of the Communist Party of China will change the model of China's development from "passive reception of the activities of others" to the fundamentally new "Strategy of actively entering the outside world". By approximately 2009, the Chinese game of foreign policy as the "never-ending Way of cunningness", so far based on the use of economic ace cards and peaceful transfer of strategic boundaries beyond the national borders, will approach the stage of changing the ace cards in the new round of play. The main problem of access to resources for the existence of the Chinese nation, i.e. lack of arable lands and water, will be exacerbated and reveal itself.⁴²

Russian experts believe that, for Russia, the Chinese strategy of claiming a superpower role will manifest itself primarily in attempts at physical expansion in the direction of Russian Far Eastern territories. In their view, Moscow has to send a strong signal to Beijing today that it will not tolerate such incursions despite the overall improvement of relations and proximity of interests:

In order to prevent the Russian-Chinese good-neighborly relations from resembling "a union between the rider and the horse" on conditions unfavorable for Moscow, it should be built not on the basis of "Chinese ceremonies" but on the foundation of "draped in velvet but essentially rock-solid [*zhelezobetonnoi*]" demonstration to the Chinese leadership of the complete understanding of all "Chinese ruses" that contradict Russian interests, e.g. "joint development of resources", "improvement of infrastructure", "concession on Russia's entry

⁴⁰ Aleksandr Menshikov, "Problems of Russian Antimissile Defense: What It Can and Should Protect Against, And What It Should Not," *Vozdushno-Kosmicheskaya Oborona*, 15 August 2004.

⁴¹ See: V.S. Myasnikov, *Confirmed by Treaty Articles*, Moscow: Mosoblpoligrafizdat, 1996, pp. 413-9; Yegor Gaydar, "Russia in the 21st Century: Not a World Policeman but an Outpost of Democracy in Eurasia," *Izvestiya*, 18 May 1995.

⁴² Andrei Deviatov, Under the Motto "Greatness and Pride", *Nezavisimoe Voennoe Obozrenie*, October 15, 2004.

into WTO [World Trade Organization]”, “peaceful transfer of the PRC strategic boundaries beyond the confines of national territory”, etc. ...Only such an honest and straightforward approach... will be able to sober the Chinese that, while entering the final stage of a truly unprecedented build-up of the aggregate Chinese power, try to have it masked for as long as possible and presumptuously base themselves on the assumption that the Kremlin will accept the Chinese conditions since it is unable to force the Russian game-style on China.⁴³

At the same time, Russian experts on China propose to use some Russian “ruses” on Beijing in order to take temporary advantage of the Chinese economic power to enhance its own:

There is only one way Russia may be able to “play the Chinese card” – by allowing Russia to be drawn for some time into the orbit of the Chinese project by making its ideology and economy complimentary to those of China. In this case, Russia, as part of the “locomotive of the Chinese economy” will get all the advantages currently enjoyed by China and will start developing at accelerated rates.⁴⁴

President Putin’s visit to China in October 2004 demonstrates that, at this point, Moscow follows only some recommendations of its Chinese experts, particularly those that emphasize economic opportunities for Russia in linkages to the Chinese “locomotive”. The Kremlin gives absolute priority to improved economic relations with Beijing and tries to eliminate any irritants in bilateral relations that prevented cooperation in the past, e.g. border-line disagreements. At least at this point, it seems unprepared to alienate the Chinese by sending “rock-solid warnings,” e.g. on non-incursion into Russian territories. Future Chinese strategic choices and other factors may affect the timing and tone of such potential “warnings” and the overall nature of Russian-Chinese relations.

The U.S. role and policies are of particular significance for the direction of future RF-PRC relations. Given the current unique U.S. position in global politics, economics, military affairs, etc., many in Russia conclude that “U.S. policy towards Russia and China will significantly influence the future of Russian-Chinese partnership.”⁴⁵ Sino-Russian rapprochement may intensify in response to particular American actions/activities perceived as adversarial/harmful to Russian and Chinese interests, e.g. Ballistic Missile Defense. However, by using various levers available to it within the framework of its bilateral relations with both countries, the U.S. has a clear ability to prevent this rapprochement from acquiring the dimension of a Sino-Russian axis inimical to American interests.

⁴³ Ibid.

⁴⁴ Ibid.

⁴⁵ Lukin, Op.cit.