The Bear and the Dragon: Considering Russia-China Strategic Relations after the Ukraine Crisis

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Abstract: Recent events in Ukraine have once more prompted debates about Russia’s changing role and place in contemporary international relations. The imposition of sanctions on Moscow by the United States, EU and some Asian states, signifies a crisis in Russia’s relations with the West. In this context Moscow’s intensifying strategic dialogue with Beijing takes on greater significance. This paper argues that the close Sino-Russian security and defence cooperation transforms Eurasia’s security environment with a possible impact on the Indo-Pacific geo-strategic situation. More broadly, a closer alignment between China and Russia reflects pragmatic approaches of foreign policy agendas of Moscow and Beijing, their intent to deconstruct the US global unipolarity and form the new multipolar global world order.

Introduction

The latest crisis in Ukraine (2013–15), Russia’s annexation of the Crimean Peninsula and the civil war in the east of the country, have once again triggered vigorous debates about Moscow’s changing role and place in the current and future system of international relations. The imposition of targeted sanctions on Russia by the United States, members of the European Union and a number of Asian nations, among them Japan and Australia, and Russia’s counter-reaction have marked growing crisis in Russia-West relations. In this context, the intensifying strategic dialogue between Moscow and Beijing has been in the focus of media, academia and policy makers, fuelling debates about the state of bilateral relations between these two major powers, its strengths and weakness and, certainly, its future.

Over the past thirty years, the relations between People’s Republic of China (PRC) and the Russian Federation have moved from almost hostile stalemate to a new status of pragmatic partner cooperation, including in such sensitive spheres as security and defence. In the context of the latter, Russia contributed to China’s success in achieving a considerable qualitative leap in capability acquisition and development that allowed the nation to transform its military from being a technologically backward army of peasant draftees into a technologically advanced fighting force. Speaking more broadly, the threat reduction from the north and the development of a China focused Asian agenda in Moscow to some extent has allowed the PRC to launch a strategic push into Southeast Asia and the Indian Ocean region. The significance of Russia-China close security and defence cooperation

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From Confrontation to Collaboration 1689–1989
The current state of bilateral strategic relations between Russia and PRC and its future has to be considered in the historical context. Russia and China share not just one of the world’s longest land borders (4,209.3 km) but also a four hundred year old history, which is as complex and often controversial as national histories of both great powers. The fierce proponents of strong bilateral relations often underline the unique nature of Sino-Russia relations. For example, one of Russia’s leading experts on China Myasnikov made a symptomatic comment by pointing out that despite some troubled moments in the history of bilateral relations the ‘two nations were never in a state of war with each other’.

Relations between two great powers was first seriously tested in late seventeenth century, when the Russian empire began its first strategic push eastwards with an aim to gain uninterrupted access to the sea, a strategic imperative that was clearly understood by Russia’s first Emperor, Peter the Great. However, the prospect of Russia’s emergence as a Pacific power caused some serious concern in the neighbouring Qing empire, which, by threat of military action, forced the Russians to sign the Treaty of Nerchinsk in 1689. In the face of overwhelming Chinese military superiority, Russia agreed to abandon its settlements along the Amur River. Two centuries later, Russian diplomacy secured two important treaties of Aigun (1858) and Beijing (1860), allowing the nation to access warm-sea ports on the Sea of Japan and began a concerted naval build-up. In June 1860, the military post of Vladivostok was founded on the shores of the Golden Horn Bay, becoming Russia’s principal commercial seaport and the main naval base in the Pacific in 1871. Thirty years later, in 1898, Russia leased from China the Liaotung Peninsula along with a seaport at Port Arthur, for a period of 25 years. The ice-free Port Arthur, which was quickly converted into Russia’s main Pacific naval base, complemented the growth of Russian naval power in the Far East. The leasing of Port Arthur was the first strategic agreement between Russia and China in the field of national security and defence.

In 1900–01, Russia joined the British Empire, Germany, France and Japan in suppressing the Boxer Rebellion in China. Seventeen years later, detachments of Chinese communists were actively involved in the Russian civil war fighting alongside the Red Army. In mid to late 1920s, relations
between the two nations once again deteriorated and a lengthy period of border tensions resulted in Soviet limited offensive against China in northern Manchuria in 1929 over the Chinese Eastern Railway.

After a successful swift combined ground and naval offensive against the Japanese imperial forces in Manchuria and North Korea in August 1945, the Soviet Union assisted its allies in forcing Japan to surrender. As a result of Soviet military engagement in the Pacific War campaign of 1945, the USSR’s strategic reach in Asia extended to the Yellow Sea and the 38th Parallel in Korea. In China, the Soviet military established a temporary military presence in Manchuria and reclaimed the naval base of Port Arthur.

In the late 1940s, the Sino-Soviet strategic cooperation expanded considerably. The USSR offered Beijing a comprehensive aid package, which included full cooperation in the defence sphere. Substantial Soviet military aid, which quickly provided the PLA with some limited hardcore fighting capability, contributed to Mao’s decision to intervene militarily in the Korean War of 1950–53, where the Chinese volunteer units were supported by the Soviet air power and a large contingent of military advisors. By the mid-1950s, the Sino-Soviet strategic relations peaked with the USSR assisting its communist neighbour in building its national economy, and its national capacities in the agricultural and industrial sectors, science and R&D, education and health. In 1957, Moscow also signed a special agreement with Beijing concerning Soviet assistance for the Chinese indigenous nuclear program.6

However, within a decade the state of bilateral relations had changed dramatically. Growing ideological dissonance between the two communist powers, escalated after Nikita Khrushchev’s secret speech at the Twentieth Soviet Communist Party Congress in 1960 saw the cooling of bilateral relations, which led to a derailment of Soviet support to PRC. China’s 1959 invasion of Tibet and the 1962 border war with India, the Soviet’s principal partner in South Asia, followed by a successful nuclear test two years later, caused grave concerns in the Kremlin about Beijing’s future strategic intent.

In terms of threat perceptions, the PRC’s northern strategic flank escalated in terms of threat prominence from being the most stable and secured to being, perhaps the most important in terms of responding to immediate security threats. The problem of border security became one of the most pressing security dilemmas for both the Soviets and the Chinese. From the mid-1960s tensions increased and by early 1969 both communist powers found themselves locked in a state of a near open political-military confrontation, which climaxed in March of that year over a border incident around the disputed Damanskiy Island on the Amur River. The state of confrontation was so high that the Soviet leadership was allegedly
considering a pre-emptive nuclear strike against PRC, perhaps for the first and last time during the Cold War.\(^7\)

Throughout the 1970s and the first half of 1980s both nuclear powers co-existed in a very fine balancing act, fearful of a possible invasion and a nuclear exchange. Driven by a self-inflicted fear of the imminent Chinese threat, the Soviet Union continuously upgraded its military power east of the Ural Mountains. By the mid-1980s, the USSR devoted 25 per cent of its peacetime military assets to eastern Russia, and the China border region. The massive Soviet military build up in Siberia, Far East and Mongolia had put severe strategic restraints on the PRC’s ability to exercise its power and influence well beyond its national frontiers. The PLA was forced to respond in kind by deploying its most capable units in the country’s northern military regions (MRs). The question of using force pressuring Taiwan was effectively shelved, also because of a growing qualitative capability gap in the armaments inventory of the Taiwanese forces, which relied on a steady support of the United States (US).

Adding to the Soviet military pressure along the border regions, the PRC was confronted with the Soviet-led geo-political containment belt. It was Moscow, which initiated the creation of a regional security framework aimed at encircling hostile China, with India and post-war Vietnam becoming essential elements of the Soviet design. The adversarial military relationship between the USSR and China was still evident as late as 1979 when the PRC invaded Vietnam, and the Soviet Union took some substantial military preparations in its border areas. At the time of the Chinese offensive, all frontline units deployed along the Sino-Soviet border as well as air force, air defence and strategic nuclear forces elements were placed in a state of full alert. The Soviet military massed a 250,000 strong combined arms group posing a direct military threat to northern China, while the Soviet Pacific Fleet deployed over 20 warships to South China Sea.\(^8\) Facing the threat of the imminent Soviet intervention in the conflict and suffering tactical defeats on the battlefield against the Vietnamese forces, Beijing was forced to call off the offensive and withdraw forces from occupied territories.

Soviet support for Vietnam during the 1979 war with China brought some significant benefits, one of which was the 25-year lease of the strategically vital Cam Ranh Bay naval and air base. The acquisition of the base in May 1979 as a Soviet naval logistic support facility was regarded in the USSR as a very important gain.\(^9\) Soviet presence in Cam Ranh was aimed at both constraining US operations in Southeast Asia and the eastern sector of the Indian Ocean and by acting as a strategic deterrent against PLA’s operations in South China Sea and adjacent areas.

However, around 1980s a gradual shift began occurring in Beijing’s attitude towards its northern neighbour. Following the Twelfth’s Chinese
Communist Party Congress in 1982 economic relations started to improve.\textsuperscript{10} Geopolitically, both countries continued to hedge against each other. For the Chinese, the factor of Afghanistan (where PRC aided the mujahideen), the standoff with Vietnam over Cambodia, and the continuous presence of Soviet troops in Mongolia remained stumbling blocks in the way of improving bilateral relations with the Soviet Union. Adding to that, a frequent change in Soviet leadership between 1982 and 1985 caused more confusion in Beijing. The restructuring of the Soviet system, commonly known as Perestroika, initiated by Mikhail Gorbachev in 1985 was also met with caution in China. However, by the time that Gorbachev visited the PRC in May 1989, the first visit to China by a Soviet leader since 1960, most of these issues were either resolved or reconsidered.

The 1989 visit by Gorbachev did not just achieve a breakthrough and effectively thawed the state of bilateral relations. From the point of restoring collapsed defence ties it provided Beijing with a much-needed lifeline. Following the crackdown on student protests culminating in the 4 June 1989 Tiananmen Square massacre, China was subjected to political sanctions, which also meant an effective freeze on any defence contacts with Western nations. At that time, the PRC and the US were very close to the completion of a number of deals for arms sales that China regarded as very important and which had been pursued by the Chinese leadership at some domestic political cost. By finding itself in effective geopolitical isolation, with an exception of growing economic ties with the west and Asia, and by facing the need to modernise its large but technologically backward military power, Beijing was in great need of a new reliable partner. The prospect of restoring fallen strategic ties with then the Soviet Union and, later with Russia, at a time when the west had turned its back on Beijing, in addition to eliminating a strategic threat from the north and restoring confidence building mechanisms (CBMs) in the border regions, was more than timely for PRC.

\textbf{Setting a New Strategic and Economic Agenda for China 1986–2014}

It is very difficult to separate the global and contiguous aspects of the interaction between Russia and China but it is probably the case that relations on the border serve as a very good indicator of the depth or closeness of political relations between the two countries at the global level and the military relations at bilateral level and in the context of the Indo-Pacific geo-strategic environment. In the 1960s, when the USSR felt it was much more powerful than China, it was prepared to impose a complete interruption of cross-border contacts and exchanges. By contrast, in the 1990s and especially today, after the imposition of targeted sanctions against Moscow, when Russia has had a much greater need for economic contacts with this large and
growing neighbour and when both nations began looking at each other for strategic support against the US pre-eminence, cross border relations have steadily improved.

A gradual easing of border tensions and the military standoff began about 1986. Barter trade was restored on the border with China in 1987, a move which set China in position to become one of the main suppliers of food and consumer goods to eastern Russia, and to become an important customer of manufacturing from there, including trucks, steel products, and equipment for heavy industry. After 1991, when the two countries set border relations on a more solid footing with an agreement to settle the disputed eastern border within a specified timeframe, the growth in trans-border links has been dramatic.

The improvements in political and economic relations across the border were accompanied by great strides in settlement of the boundary dispute between the two nations and in the establishment of some substantial CBMs in respect to military activities in border areas. The next significant step towards easing border tensions was the decision by PRC to denounce considerable territorial claims in parts of Eastern Siberia and the Russian Far East. Moscow, for its part, agreed to reconsider the re-markation of the Sino-Soviet border along the Argun’, Ussuri and Amur rivers.

These developments were made easier by the breakup of the USSR in December 1991 and the subsequent collapse of the Soviet military power after 1991. Even prior to the collapse, Moscow initiated unilateral reductions of its military power east of the Urals. Between 1986 and 1991, Soviet military strength in the area was reduced by over 200,000 troops, several thousand pieces of artillery and main battle tanks, over 350 aircraft and multi-role helicopters; and the combined-arms army group stationed in Mongolia began a withdrawal.11 In the 1990s, Russia’s main strategic concerns were directed towards the West and the South. With the improvement of relations with China, the strategic military status of the Far East has declined relative to other strategic directions. In 1992, Russia completed the withdrawal of its 100,000-strong contingent from Mongolia. The remaining military power in the area was drastically reduced. By 1999, Russian forces east of the Urals were down to 15 divisions (190,000 personnel). Nearly 600 tactical missiles formerly deployed in the eastern part of Russia were destroyed.12 The total number of submarines of the Russian Pacific Fleet (RPF) was reduced by 75 per cent, whilst the surface arm fell by 47 per cent.

The revision of China in the context of Russia’s post-Cold War threat perceptions was taking place at a time when Moscow was struggling to formulate its new global strategic agenda. Russia’s foreign policy agenda under its first President, Boris Yeltsin, lacked consistency and strategic sense. Crafted by the then Foreign Minister Andrei Kozyrev, Russia’s first Foreign
Policy Concept, which was approved by Yeltsin on 23 April 1993, ranked Asian affairs as a fifth national priority with a clear emphasis on China. Being an aggressive promoter of strong ties with Western liberal democracies, Kozyrev emphasised the Trans-Atlantic vector of Russian foreign policy - relations with Europe, the North Atlantic Treaty Organisation (NATO) and the US - above all others.\textsuperscript{13}

It was only under Kozyrev’s successor, Evgeniy Primakov that Russia began to seriously reconsider its select reengagement with larger Asia. An expert in Eastern (primarily Middle Eastern) affairs, Primakov nonetheless argued strongly towards a more eastern orientation of Russian foreign policy with a particular emphasis on East and South Asia and the Persian Gulf. Being a very strong promoter of the multi-polar world strategic concept, Primakov argued that Russia’s geopolitical construct should be driven by pragmatism, which included reanimation of old Soviet ties and the development of strategic partnerships with key regional players across Asia, the Middle East, Africa and Central and South America. His advocacy of the Grand Asian Alliance (the strategic triangle Moscow-Beijing-New Delhi), which Primakov formally proposed during his official Prime Ministerial visit to India in December 1998\textsuperscript{14}, trigged speculation and debate about Russia’s new strategic approach in larger Asia.\textsuperscript{15} Igor Ivanov, who replaced Primakov as Foreign Minister in 1998, continued the active pursuit of a pro-China policy, making Northeast Asia affairs the number one priority for Russia in Asia.\textsuperscript{16}

However, with the rise of Vladimir Putin as the national leader after he took over the Presidency in December 1999 a dramatic shift occurred in Russia’s overall engagement with the international community. As one respected Russian commentator noted, from mid-2000 the eastern direction of Russian foreign policy had become a prerogative for Putin and his team.\textsuperscript{17} Prior to visiting Beijing in May 2014, Putin noted that Russia and PRC share similar, often same views, on the majority of major regional and global problems.\textsuperscript{18} China’s neutrality on the crisis in Ukraine became critical to Moscow, which has interpreted it as a sign of quiet support for Russia’s involvement in the crisis. Still, the 2014 Moscow-driven intensified dialogue, like in previous years, generated mixed results.

One of the main vectors of Putin’s May and November 2014 visits to China was the intensification of bilateral economic cooperation, including major investment initiatives. Since the turn of the 1990s Russia-China economic relations experienced short periods of substantial growth, followed by prolonged pauses during which the cooperation either stalled or even declined. By signing the intergovernmental agreement concerning bilateral economic cooperation on 5 March 1992, Moscow and Beijing established the framework for building economic ties. Between 1992 and 1996, Russia and China signed and ratified over 150 bilateral agreements aimed at intensifying

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political dialogue and expanding economic ties, including establishing special economic relations between Chinese northern provinces and the Russian Far East. By 1996, the level of bilateral trade reached US$ 5.5 bn. Russia continued to supply Chinese clientele with heavy machinery, raw materials and energy resources, whilst the Chinese manufacturers secured large shares of the Russian textile, production and other markets. However, an anticipated boom in bilateral economic cooperation was not achieved. The volume of Russian high tech civilian machinery and technology exports into China declined from 28 per cent in 1990 down to a miserable 1.5 per cent in 2008. By 2010, the Chinese segment of Russian exports did not exceed six per cent. For China, Russia occupied only two per cent of its total export market. So it was no surprise that during his May 2014 visit Putin was lobbying the establishment of joint high tech industrial clusters, particularly in the aerospace industry, thus attempting to reverse Russia’s depleted export of civilian technologies to China.

Still, over the past four years there has been a noticeable growth in bilateral economic cooperation. In 2014, China was considered Russia’s fourth largest trading partner and the most significant economic partner in the Asia-Pacific. For PRC, Russia remained 10th largest trading partner. In 2013, the bilateral trade reached US$ 89.21 bn. Putin noted that Moscow aims to increase the level of bilateral trade to US$ 200 bn by 2020. That means the doubling of economic cooperation over the next five years, the goal as is ambitious as may be hard to achieve. A real breakthrough was the signing of the 30-year mega contract on the annual supply of 38 bn cubic metres of gas from Eastern Siberia to PRC in May 2014. The contract is worth US$ 400 bn and will include the construction of the special pipeline Sila Sibiri (the Power of Siberia), which would attract US$ 55 bn of Chinese investments. The signing of this project was considered in the west a major political concession on part of Russia in the wake of its political standoff with Europe and the US over Ukraine. But it has allowed the Russians to secure a significant share of the lucrative Chinese energy market, thus signalling of Russia’s long anticipated intent to diversify its energy supplies to Asia.

The break up of the Soviet Union also created a more complex situation when in a instance the PRC-Soviet border became a boundary between China on one hand, Kazakhstan, Kyrgyzstan, Russia and Tajikistan on the other. PRC had a range of new incentives to work with Russia, not least of which was the need to prevent the newly-independent republic of Kazakhstan on China’s western border from becoming a catalyst for separatist movements in the Xinjiang Autonomous Region, in which there were significant Kazakh communities disaffected with the communist rule.

On the other hand, the collapse of the USSR meant the effective removal of the immediate strategic threat to PRC. As one of former top
analysts of the Russian General Staff, Lieutenant-General Anatoliy Klimenko observes, ‘With the disintegration of the USSR and the improvement of relations with Russia the thesis of the ‘military threat from the north’ has lost topicality.’ In December 1992, Moscow and Beijing signed a declaration for mutual reduction in armaments and for the deployment of more open military relations in the border areas, with an additional agreement ‘On the Prevention of Hostile Military Activity’ signed by two defence ministers in July 1994. The two governments also reached an agreement to open the Amur River to international shipping.

After some lengthy and difficult negotiations a compromise was struck with both sides agreeing to a 200-km security zone, which later included three former Soviet Central Asian republics. On 26 April 1996 presidents of China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan signed a multi-national agreement on threat reduction and CBM measures along the former, Sino-Soviet border, with a more profound agreement signed in April 1997. According to the 1996 and 1997 accords all parties involved agreed to the following:

- That armed forces of all states that ratified above agreements would not target each other;
- That all parties agree not to conduct exercises aimed at each other;
- That all parties agree to inform each other on the nature and scale of planned exercise activity in the vicinity of each others’ borders.

The 2001 Treaty of Good Neighbourly Relations, Friendship and Cooperation between Russia and China verified previous border agreements and opened avenues for deepening of multi-vectorial bilateral relations. Both sides declared their border issues finally resolved in 2004, after settling outstanding territorial points of contention along the Amur and Argun’ rivers, largely due to concessions made by Russia. Overall, the ratified 1996 and 1997 agreements on border security and force reductions should be viewed not just in the context of easing tensions along the former Sino-Soviet border but a first comprehensive set of documents aimed at developing and improving CBMs in the Asia-Pacific region since the end of the Cold War confrontation. They also paved the way to the formation of one of Asia’s major security networks – the Shanghai Cooperation Organisation (SCO).

The formation of SCO was an important milestone in the post-Cold War evolution of Russia-China strategic ties. Based on the notion of cooperative security the organisation does not present itself as a geopolitical or security alternative neither to NATO or US-led Pacific regional security frameworks. Its main strategic claim is for Russia’s and PRC dominance in Eurasia’s affairs, particularly energy rich areas of former Soviet Central Asia. Still, commonality of Russia’s and China’s geopolitical views on a number of
major international developments, ranging from NATO’s eastward expansion, US unilaterism, crisis in Kosovo, Iraq and Syria, to NATO’s intervention in Libya, to the deployment of the Anti-Ballistic Missile defence in Europe and East Asia and the US and NATO’s presence in Central Asia post Afghanistan withdrawal, combined with the organisation’s emphasis on energy security, stability of ruling regimes in Eurasia, and problems of counter-terrorism and transnational organised crime, presents SCO as an important geopolitical framework in the contemporary international system. In this context, closer security and defence collaboration between Russia and PRC is becoming one of key strategic vectors that affect both Eurasia’s and Indo-Pacific security environment.

**Developing Strong Defence Links 1992–2014**

The warming of bilateral relations following Gorbachev’s visit paved the way to gradually restoring collapsed defence ties as well as full-scale military-technological cooperation. In the context of the latter, a prospect to access the advanced Soviet technology offered PRC a chance to reequip PLA relatively fast and with minimum affects on systems interoperability, logistics and major doctrinal postulates. For Russia, it was a chance to earn much needed hard currency or acquire commodities and goods in exchange for ex-Soviet military surplus. It was also an opportunity, to provide the collapsing national defence industry a strategic breather to keep it live and afloat. So it came as no surprise that only four years after the imposition of arms embargo by western nations, a suit of large defence contracts was signed and Russian military technology began arriving in China in large quantities.

The second phase of the Sino-Russia military-technological cooperation could be divided into two periods: 1992–2007 and 2007–today. The first period was marked by the development of strong cooperative links and a large-scale procurement of then advanced Soviet-developed military technology either from the surplus of the former Soviet military or being specifically built for the PLA. The second period was characterised by a more balanced approach by both sides, which will be discussed later.

In the 1990s, PRC accounted for about 25 per cent of Russian arms sales. On 24 November 1992, the governments of Russia and PRC agreed to form a special commission on the military-technological cooperation with annual meetings being held in both Beijing and Moscow. According to Russian sources, between 1992 and 2007, Russia had supplied PRC with some 138 combat aircraft of the Sukhoi family (76 Su-27 variants, 38 Su-30MKK and 24 Su-30MK2) and about 40 Ilyushin heavy lifters (Il-76) and aerial tankers (Il-78). In addition, PLA received several hundred Mi-17 multirole helicopters, 20 divisions (divizioni) of S-300PMU1 theater-level air defence (AD) system, 35 Tor-M1 tactical AD systems. The People’s Liberation Army’ Navy (PLAN)
acquired four Type 956E Sovremenny class guided-missile destroyers (DDGs), 12 diesel-electric attack submarines (Type 877, Type 636/636M), S-300FM Rif M ship-borne AD system, Ka-28 and Ka-31 ship-borne helicopters.\textsuperscript{27} In addition, China procured airborne and ship-borne missiles, aircraft radars, RD-33 and Al-31FN aircraft engines, Smerch MRLs, anti-tank guide missile munitions, spare parts and other.

Between 1992 and 2007 alone PRC procured from Russia armaments, ammunition and spare parts worth some $26 billion Moscow has supplied the PLA with such considerable quantity of armaments and such a comprehensive suit of high-tech weapons packages, which was sufficient to fully re-equip a defence force of a medium-size European or Asian power.

After a decade of an intensive cooperation, it seemed like that both parties reached their peak and the decline, even a pause in the intensive bilateral security dialogue was inevitable. From 2006, the Chinese share of Russia’s arms exports started to decline. If in 2005, its total share was 46.5 per cent (the peak year in the Sino-Russia military-technological cooperation), by 2011, the figure has dropped down to just five per cent. This decline could be explained by several major factors. Firstly, the overwhelming majority of weapons-systems and equipment that China has acquired from Russia in the 1990s and early 2000s (for example, earlier versions of Su-27 fighter aircraft) was of the Soviet era design, still robust and reliable but no longer cutting edge. When immediate requirements of the Chinese military were satisfied and also when Beijing was in the capacity to start reproducing some of the Russian systems, the need to buy them en masse from Moscow has decreased.

Secondly, the Russians became increasingly concerned of China’s practices of reverse engineering and felt very cautious of sharing their latest systems within being absolutely certain that their Chinese counter-parts would not be able to clone them. These concerns exemplified when PRC began marketing its cloned products, often at cheaper prices to foreign clients, thus coming into direct competition with more expensive Russian technologies. On the other hand, by the end of the first decade of the twenty-first century Russia has considerably expanded its clients’ base with respect to arms exports so Moscow did not feel pressured to take a softer stand with Beijing in order to retain high levels of arms sales. Finally, the Russian defence industry is struggling to meet the domestic defence order, thus national defence contractors prioritise orders for the Russian military over any foreign arrangements.

Despite considerable progress that the Chinese defence industry has made over the past fifteen years, when it comes to developing new-generation weapons systems China falls behind Russia. Also, one of the principal Achilles hills of the Chinese defence industry is the inability to produce indigenously developed aircraft engines. To compensate these shortfalls
Beijing has little option but to continue rely on Russian defence supplies. So it was no surprise that from 2012 a gradual reverse began occurring. PRC placed an order for additional 55 Mi-14s and has expressed an interest in acquiring most advanced systems, including the S-400 *Triumph* AD complex, 24 Su-35 *Super Flanker* strike aircraft, 34 IL-76MD-90A *Candid-M* heavy lifters, and four *Amur* 950 diesel-electric attack submarines armed with advanced surface-to-surface missiles. Should Russia sell these systems to the Chinese, it would allow PLA to extend its effective defence coverage and strike range over entire Taiwan, the disputed Diaoyu (Senkaku) islands, and as far as the Philippines Sea. Although crisis in Ukraine and Russia’s desperate attempts to secure Beijing’s support may pave way for PLA to acquire these state-of-the-art systems, the successful outcome of these discussions would still depend on China agreeing to honour Russia’s intellectual rights, which will be another test of how serious Beijing views its strategic relations with Moscow.

Since the formation of the SCO both Russia and China have demonstrated strong interest in developing a defence vector of this multinational organisation based on the notion of cooperative security. The first opportunity to test capabilities of the member-states arose in 2003, during a multinational counter-terrorism exercise codenamed *Interoperability-2003*. The two-stage wargames were held in Kazakhstan and PRC and involved over 1,000 personnel from China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan. During these exercises all parties involved participated in a number of operational scenarios aimed at providing coordinated force options against local extremists and in response to different terrorist attacks at different theaters of operations within the area of responsibility of the SCO backed by diplomatic and political support of national foreign ministries. For the first time Russia and PRC, with support of its regional allies, have openly demonstrated that they don’t just share a declared common security agenda in Central Asia but were developing capabilities to enforce and protect their strategic interests in the area.

A more bold statement about growing defence links was made two years later, when Moscow and Beijing staged bilateral large-scale exercise *Peace Mission 2005* in late August of that year in the Yellow Sea. The combined force included 10,000 troops, over 70 aircraft, 65 warships and auxiliaries, over 100 fighting vehicles. Other SCO member-states did not contribute force elements to the *Peace Mission 2005* but were represented by observers. According to the legend of this exercise, PLA and the Russian Armed Forces (RusAF) provided support to ‘restore constitutional order’ on the territory of a hypothetical Northeast Asian state. Despite the declared counter-terrorism agenda of the exercise, concerns were raised about the true strategic intent of these wargames, which involved strategic bombers, nuclear-powered submarines and AWACS aircraft. Some analysts argued that PRC was trying
to secure Russia’s military support in resolving its Taiwan’s dilemma; others suggested that both Beijing and Moscow were considering force options in North Korea.32

Between 2007 and 2014, the militaries of Russia, PRC and other SCO members staged more joint Peace Mission exercises but the majority of them were smaller in scale and were limited to the use of tactical ground and air power elements within the Eurasian theater of operations (Eastern Russia or Tajikistan). Nonetheless, each of the follow-on exercises provided the militaries of SCO member states with opportunities to improve tactical and operational interoperability of command headquarters, front-line combat units, reconnaissance and communications elements, and logistical elements; utilised joint operations of fixed wing and rotary elements. The Peace Mission 2013, which was held in Russia’s Chelyabinsk region in mid-August, involved elements of just RusAF and PLA (about 1,500 troops).33 However, the latest exercise, Peace Mission 2014, which was held in China between 24 and 29 August, saw the involvement of militaries of not just PRC and Russia but also Kazakhstan, Kyrgyzstan and Tajikistan. Being the largest joint military exercise involving all SCO member-states (over 7,000 personnel and about 500 pieces of heavy equipment, including main battle tanks, armoured vehicles, heavy artillery and combat and transport aircraft), the Peace Mission 2014 proved to be another indicator of a) mutual interest in keeping bilateral defence ties grow; b) that both Russia and PRC have real capacity and will to drive the SCO’s broader military-political agenda, engaging all member-states with a potential to turn the security arm of the organisation in the quasi regional military alliance.34

In parallel to bilateral and multinational SCO Peace Mission exercises Russia and PRC developed a strong interest in close defence cooperation in the field of maritime security. What has started as the exchange of port calls of warships of People’s Liberation Army’s Navy (PLAN) and the RPF has soon turned in a regularised exercise activity. After the joint manoeuvres in the Yellow Sea in 2005 and some pause in the intensive dialogue a more comprehensive trend began occurring. In 2009, both the Russian and Chinese navies committed assets in support of international counter-piracy operations near the Horn of Africa. Just like Russia, PRC dispatched its units to operate independently of international task forces 150 and 151, whilst coordinating operational matters with US, NATO and other navies. Operations in the same forward area gave the Russians and the Chinese an opportunity to further their naval cooperation. In September 2009, Russian and Chinese navies carried out joint counter-piracy exercises in the Bay of Aden. Following the exercise, a combined task group of the RPF and PLAN carried out joint convoy operations.35 During joint counter-piracy operations in the Indian
Ocean the Russian and Chinese militaries were operating side-by-side in near combat environment, for the first time in the recent history of the two powers.

The next significant step in improving operational interoperability and demonstrating common maritime security agenda was the launch of now annual large scale naval exercises *Maritime Interoperability*. The first joint manoeuvres took place between 22 and 27 April 2012 in the Yellow Sea and involved 25 warships PLAN and RPF warships. Given the fact that the *Maritime Interoperability 2012* was the largest exercise of the PLAN with any foreign navy highlighted the special nature of close defence relations between Russia and PRC.36

In July 2013, Russia and China staged another large-scale naval exercise *Maritime Interoperability 2013*, which involved over 20 warships and auxiliaries, approximately ten fixed wing and rotary aircraft and over 4,000 personnel. The three day manoeuvres were carried out in the Sea of Japan near Vladivostok. PLAN was represented by a task force of the Northern Fleet comprising four DDGs, two frigates and an auxiliary.37 It is worth noting that this exercise took place just weeks prior to another joint wargames, *Peace Mission 2013*. The following year, the RPF and PLAN carried out the third *Maritime Interoperability* exercises, this time in the South China Sea. The manoeuvres were held between 22 and 25 May 2014 and involved a dozen warships and auxiliaries, combat aircraft and special marine units.38 The fact that the *Maritime Interoperability 2014* was linked to Putin’s visit to China was highly symbolic, especially against the backdrop of growing political-military tensions between Russia and NATO over crisis in Ukraine. Plans were announced for Russian and Chinese navies to expand their operational activities in 2015, which would include joint naval exercises in the Mediterranean Sea. Overall, the regularised exercise activity of the RPF and PLAN suggests that both nations develop a capacity in coalition type maritime operations, also in support of a common security agenda in the Indo-Pacific and beyond.39

**Looking into the Future**

It would be a mistake to assume that neither Russia nor China doesn’t have any security concerns with each other. Despite undisputed achievements in the field of border security and demilitarisation of border regions, CBMs, information sharing, technology transfer and joint training and operational activity, a fear of a possible conflict remains. This is particularly evident in Russia, which continues feeling exposed to a perceived threat from the south-east. In late 1990s, when the Sino-Russia defence cooperation was shaping up well, several war scenarios with PRC were nonetheless entertained by Russian strategic and defence planners. According to these calculations a
large-scale armed confrontation could result from the following developments:

- PRC reclaiming Russia’s territories in the Amur Region and the Maritime Province (the Russian Far East);
- Uncontrollable cross-border illegal migration of ethnic Chinese and follow on clashes with local Russian population;
- Confrontation in Central Asia with Russia providing military support to its regional allies (former Soviet Central Asian republics) against PRC’s territorial claims.40

Over the past eight or so years some of these concerns were either resolved or neutralised. The developing military vector of the SCO and the close cooperation of the two principal players in this regional security framework reduces a possibility of tensions, leave alone military confrontation between Russia and China over Central Asia. On the contrary, both nations share common regional security agenda aimed at maintaining relative political stability in the area, also through preservation of ruling regimes; ensuring security of the energy infrastructure, which is particular importance to China; combating international terrorism, organised crime and ethno-religious extremism; containing US political and military presence in Central Asia; responding to the emerging security dilemma of Afghanistan post-2014 withdrawal of the bulk of the coalition forces from the country.

Despite bitterness of the past both nations need each other, though it took some time and effort to develop a commonly shared strategic agenda. The intensification of bilateral defence relations is also driven by a shared global political-military agenda. As old members of the nuclear club and permanent members of the United Nations Security Council, both Russia and PRC oppose the US unilateralism, the transformation of NATO’s strategic agenda; global deployment of non-nuclear high precision strategic strike systems by the US and the push to develop a multi-echeloned ABM system based in Europe and the Pacific. In Northeast Asia, Moscow and Beijing consider US military presence in South Korea and Japan as a power deterrent against their regional strategic interests. Despite booming economic relations, Seoul and Tokyo are being viewed by both Eurasian powers as US regional political-military satellites, a factor that affects PRC’s thinking even more than one of Russia, especially after the escalation of tensions over disputed islands in 2012–13.

Still, some threat perceptions remain, particularly in Russia, which feels outnumbered by the concentration of the Chinese population across the
border in Siberia and the Far East, quite cross-border penetration, which occurring against the drop in local Russian population, and the shire size of the Chinese military (Klimenko, 2005, p. 15). One could also add possible confrontation with PRC for the control over strategic energy resources and raw materials in Eastern Siberia and the Far East as well as China’s desire to access considerable fresh water resources in the eastern parts of Russia.

However, in the foreseeable future PRC and Russia will continue nurture their strategic relations, including in the security and defence sphere. As in the past, the China factor dominates Russia’s strategic thinking. The Russian political community clearly puts PRC at the forefront of Russia’s policies in greater Asia and continues to entertain Primakov’s design for a ‘Grand Triangular’ framework in Asia. Russia will build up the Russian–Chinese strategic partnership in all fields on the basis of common fundamental approaches to key issues of world politics as a basic constituent part of regional and global stability. Bringing the scope and quality of economic interaction in line with the high-level of political relations constitutes a major task in the field of bilateral ties.

The 4,300 km shared border, common regional and global security agenda, the fear of a mutually assured destruction, a strong sense of which was clearly felt in Moscow and Beijing in the 1960s and 1970s, and the pragmatic understanding that a mutual confrontation would only benefit the US and its allies in Europe and Asia, all these factors provide sufficient stimulus to work any issues through. Klimenko makes a key point, ‘It is clearly understood in Beijing that in times of the threat vector shifting eastwards and south-eastwards China requires a solid rear, a country is needed, with which a close cooperation is possible. Russia is this country’. Living through a fear of confronting geopolitical rivals on two fronts in the past and in the future both nations are in great need of secured confrontation-free relations. More importantly, they need each others’ political weight and military might in pursuit of national security agendas in areas of immediate and medium-term strategic interests Long lasting strategic stability with PRC would allow Russia to concentrate on emerging security challenges to the south and west of its borders. Having Russia as a political partner and a military ally would allow China to concentrate on resolving its outstanding Taiwan security dilemma, and will make a gradual strategic push down south a reality.

NOTES

1 V. Myasnikov, 2000), ‘Novaya Situatsiya v Aziatsko-Tikhookeanskom Regione i Bezopasnost’ Rossii’ [The New Situation in the Asia-Pacific Region and Russia’s Security], in


7 Ibid, pp. 141-142.


13 Even the Commonwealth of Independent States vector, which was officially declared to be Russia’s number one priority, was effectively sacrificed in favour of building intimate relations with western partners.


16. I. Ivanov, ‘Rossiya Dolzhna Byt’ Aktivna v ATR’ [Russia Must be Active in the Asia-Pacific Region], Nezavisimaya Gazeta, 23 February 1999, p. 6.


22. Ibid.

23. Y. Barsukov and D. Skorobogat’ko, ‘Gazprom’ Podtyanul Kitai k Evrope’ [Gazprom has Pulled China to Europe], Kommersant, 22 May 2014, p. 11.


30. The Russian military provided five warships and auxiliaries, over 20 combat and transport aircraft, among them two Tu-95MS Bear H strategic bombers and four Tu-22M3 Backfire C intermediate bombers 1,800 personnel, including paratroopers and marines. PLA contributed a total of 8,000 troops, 60 surface ships and submarines, 51 aircraft. See O. Zhunusov, ‘Mirnaya Missiya–2005’ [Peace Mission–2005], Izvestia, 24 August 2005, p. 4.


32. Given PRC’s and Russia’s considerable strategic considerations with respect to DPRK it was considered that both powers were entertaining a possibility of use their militaries to occupy North Korea whilst deterring the US from intervening in the conflict. See V. Golovnin, ‘V
Tokio Schitaiut, chto Kitai i Rossiya Gotovyyat Okkupatsiu KNDR’ [It is Assumed in Tokyo that China and Russia are Preparing DPRK’s Occupation], Izvestia, 24 August 2005, p. 4.

33 Y. Belousov, ‘Vzaimodeistvie Proverily v Boiu’ [Interoperability was Tested in Battle], Krasnaya Zvezda, 14 August 2013, p. 3.


37 V. Dubina, ‘Ot Partnerstva do Druzhby – Odin Gals’ [One Turn from Partnership to Friendship], Krasnaya Zvezda, 14 August 2013, p. 2.

38 A. Gavrilenko, ‘V Dukhe Druzhby i Sotrudnichestva’ [In the Spirit of Friendship and Cooperation], Krasnaya Zvezda, 20 May 2014, pp. 1-3.

39 With respect to the Indo-Pacific maritime theater the Sino-Russian naval exercises meant to send a warning to the US and its allies that neither Eurasian power was accepting US naval dominance in that theatre.


42 Primakov proposed his strategic vision during his prime ministerial visit to India in December 1998 (Gornostayev, Sokut, 1998), p. 1.

43 Klimenko, ‘Evoliutsya Voennoi Politiki i Voennoi Doktriny Kitaya’, p. 15