

China-Russia Relations:  
**Beautiful Relationship in a Dangerous World**

by Yu Bin  
Associate Professor, Wittenberg University

The second quarter of 2002 witnessed major changes in world politics as President Vladimir Putin's Russia took gigantic, and perhaps final, steps into the West (joining NATO and going beyond the 1972 Anti-Ballistic Missile Treaty, or ABM). Despite the huge impact of Russia's Westernization, Beijing and Moscow were able to soft-land their cordial, though sensitive, relationship and to institutionalize the Shanghai Cooperation Organization (SCO), a joint venture that has been under severe constraint following the U.S. strategic return to Central Asia after Sept. 11, 2001. While both Moscow and Beijing improved and/or stabilized their relations with Washington, all three faced a post-deterrence world in which nuclear weapons are no longer viewed as weapons of last resort and in which the incentives for nonnuclear states to obtain those weapons were greater than ever.

**Is Russia "Lost" Again?**

Neither Putin nor President George W. Bush mentioned China during their May 24 Moscow summit. Yet the impact of Russia's Westernization, if proved substantial, would be as strong as that of Gorbachev for China, argues an influential Chinese analyst. The official Chinese position argues that improved U.S.-Russia relations are favorable for maintaining peace and stability in the world and positive for Sino-U.S. ties. Yet, beneath the surface calmness, Chinese analysts are seriously debating the implications of Putin's Westpolitik. At least three opinions are discernible: pessimism, optimism, and pragmatism.

Pessimists, whose views are derived largely from conventional triangular geopolitics, see China as the net loser in this three-player game. Although these pessimists are by no means alarmists, they believe that a change of chemistry in any pair of relations would inevitably affect the third party. This time, Russia's pilgrimage to the West, if not outright betrayal, pleases the U.S. and therefore reduces China's ability to maneuver within the triangle. For pessimists, the short- and medium-term prospects are not bright for China.

The optimist school, on the other hand, tends to see continuities and limitations in Russia's latest move to the West. Russia's Westernization, they argue, would take much longer than the recent "symbolic" summits suggest. For this, they point to Yeltsin's

“unrequited love” a decade ago. Besides, as a major power, Russia has to define and defend its own interests in pursuing a diplomacy that may not necessarily overlap with that of the U.S., particularly in dealing with “rogue states” such as Iran and North Korea. Some optimists even argue that a Westernized Russia would perhaps tilt more toward Europe than to the U.S. Finally, the Sino-Russian relationship has developed a life of its own. Beijing and Moscow have gone well beyond the ubiquitous “third-party” syndrome of Cold War times. In this regard, there is no way that Russia’s joining the West necessarily means Russia will diminish its affiliation with China and the SCO.

Between pessimists and optimists is a pragmatic assessment of Putin’s move to the West. For these analysts, Russia joining the West is not a total surprise. In Europe, both NATO and Russia were “rational” in searching for a way to reconstruct a Pan-European security system beyond the century-long balance of power structure. On one hand, Putin realized that a Europeanized Russia must go through the NATO “gateway.” On the other hand, NATO’s embrace of Russia is a way to justify and prolong NATO’s own existence. For some, Putin’s move is not necessarily “smart diplomacy” for short-term gain but a logical step in Russia’s pursuit of Westernization dating back to Peter the Great. Although historically the West is both a menace and a model of modernization for Russia, a weak Russia today must find its way into the West since all other alternatives are worse. Putin’s move, therefore, was a historical move through a diplomatic choice. For this reason, a Russia that anchors itself in the West may not be a bad thing for China.

Pragmatists do not see any immediate negative impact for Sino-Russian relations from Putin’s Westpolitik. Neither do they share the optimists’ continuities-more-than-change view regarding Russia. What is uncertain is Russia’s long-term policy trend. A more Westernized Russia may inch toward “neutrality” in Sino-Western relations. Indeed, it cannot be ruled out that a newly Westernized country would adopt a more Western way in dealing with China, particularly in terms of China’s domestic affairs. It is also possible that Russia would play its newly obtained “Western card” in dealing with China, particularly in economic/trade relations. In security areas, Russia may even allow a certain U.S. role in managing its Far Eastern affairs. For pragmatists, these “wild” possibilities for Russia’s future foreign policy behavior remain speculative. At a minimum, Russia’s move complicates China’s strategic calculation and presents China with more challenges than opportunities for the long-term.

For pragmatists, Russia’s long-term challenge is by no means a predetermined path for China. Instead, the future of China’s external environment will be shaped by its own ability to adapt with flexibility and creativity. In this regard, pragmatists also argue for a fresh approach to reconstruct China’s external relations not only beyond the Cold War mentality, but also beyond the conventional European integration model based on political-economic-social sameness. The SCO, accordingly, should be grounded in what is defined by pragmatists as “new regionalism.” This new regionalism should aim at comprehensive, rather than narrowly defined, security needs for its member states, be open-ended rather than closely-knit, and be able to coordinate with other multilateral institutions such as Asia Pacific Economic Cooperation (APEC) and ASEAN with inter-regional and even global implications. In this respect, Sino-Russian relations, including

their coordination within the context of SCO, should go beyond pure and conventional geopolitik.

### **Putin's Balancing Acts**

Putin and his foreign and defense policy teams appeared well aware of the impact on China created by Russia's tilt to the West. A series of actions was taken to sustain important yet sensitive ties with Beijing. While Bush was still in Russia, Putin made public that Defense Minister Sergei Ivanov – a former KGB colleague and his most trusted man – would visit China to brief its leaders about Russia's policy changes. Immediately after Bush's departure, Putin told reporters May 26 that Russia had huge interests in the East and China was one of Russia's "key partners."

Two days after the signing of the Rome Declaration, Putin conducted a lengthy interview in the Kremlin with the head of China's official newspaper *Renmin Ribao*. Putin described PRC President Jiang Zemin as "a great friend of Russia," noting that Jiang could speak Russian and sing Russian songs. To drive home his point, Putin mentioned that his wife and twin daughters were guests of Jiang's wife at her home during his July 2001 visit to China, months before President Bush opened his Texas ranch to the Russian first family in November 2001. Putin indicated that he would reciprocate in St. Petersburg when Jiang came for the SCO annual summit.

A few days after Putin's meeting with Chinese reporters, Deputy Foreign Minister Alexander Losyukov, who is in charge of Russia's relations with Asia, said that Putin would conduct a "full-scale visit to China" toward the end of this year. In a huge press conference with 700 reporters in the Kremlin June 24, Putin again spoke of the mutual trust and cooperation between Russia and China.

Although Defense Minister Ivanov's Beijing trip was previously scheduled to take part in the Ninth Russian-Chinese Joint Inter-Governmental Commission for Military and Technological Cooperation, his meetings with President Jiang Zemin and Premier Zhu Rongji attracted the most attention. China's Foreign Ministry spokesman described Ivanov's first trip as Russian defense minister as "very important." Both sides indicated that the key issue for Ivanov's visit was not military cooperation but politico-strategic policy. His mission was to explain to China Putin's willingness and ability to pursue a balanced diplomacy in both the West and East. Ivanov's mission apparently succeeded as Chinese leaders responded positively to Russia's policies toward the U.S. and NATO.

The result of Ivanov's Beijing visit was somewhat unusually praised by both sides. Chinese Defense Minister Chi Haotian described Ivanov's visit as "a grandiose event" in Chinese-Russian relations and Ivanov's meeting with President Jiang showed "the importance that the Chinese administration attaches to [his] visit." Upon returning to Moscow, Ivanov stated that "China is our privileged partner in Asia," that "Russia is pursuing a multifaceted policy aimed at strengthening security and stability, first of all with its neighbors," and that "geographically speaking, Russia is a Western, Eastern, and Northern country."

## **Stakes in the East**

Putin's balancing moves were not just symbolic. In the past decade, Russia and China have indeed developed substantial ties with huge stakes for both sides in sustaining stable and normal relations, regardless of their relations with other countries. Across the areas of bilateral interactions between Moscow and Beijing (military, economic, and diplomatic), there has been a broadening, deepening, and institutionalizing process.

By the time of Ivanov's visit to Beijing, Russia's annual revenue from arms sales to China had reached over \$1 billion, almost one-fifth of the total volume of Russian-Chinese trade. China was the biggest purchaser of Russian weapons, with 40 percent of Russian arms export volume going to China, of which \$5.8 billion was for Su-27 and Su-30 jets, \$2.4 billion for destroyers (project 9563), and \$1.5 billion for air defense systems. In early May 2002, Russia concluded another \$1.5 billion contract to supply the Chinese navy with eight Kilo-class diesel submarines (project 636) armed with long-range Klab missile systems. In recent years, Russian-Chinese military cooperation has also expanded to joint research and development and personnel training, which were believed to have been discussed during Ivanov's meeting with his Chinese counterparts in Beijing.

In the economic area, Russia and China are gradually moving toward a deeper and more substantiated level. Bilateral trade increased in January-May 2002 by 20 percent over the same period last year, totaling \$5 billion. In 2001, two-way trade increased by 33.3 percent to \$10.67 billion, the highest in history.

During the second quarter, officials of the two countries sped up deliberations on a series of major economic projects. One was the 2,400-km long "Russia-China" oil pipeline, scheduled to be operational in 2005. Once completed, the \$2 billion pipeline will supply China with 700 million tons of Russian oil over 25 years. Currently, Russia delivers only 1.4 million tons of oil to China annually by rail.

Meanwhile, several firsts were made in bilateral economic relations. April 3, Russian experts installed the first reactor at the Tianwan nuclear power plant that is under construction in China. During the late-April ministerial meeting between Deputy Prime Minister Viktor Khristenko and State Councillor Wu Yi in Beijing, China offered Russia a \$1.5 billion credit to boost China's exports, the biggest credit China ever offered. Meanwhile, 100 Russian business executives were invited by Premier Zhu Rongji for a 10-day tour of China in the midst of a Russian high-tech exhibition in China with 200 Russian companies participating.

More economic transactions also meant more friction. To anticipate transactions and minimize problems, Khristenko and Wu agreed to set up an expert group for the settlement of trade disputes. The group would be in charge of "preventive work" to ascertain "any complexities and difficulties" that may occur in the two countries' trade and economic relations. Finally, China made it clear that it would use all its influence in the World Trade Organization to help Russia get into the global trading forum.

In foreign policy, Russia and China were described as “actively coordinating” their foreign policy activities, especially in areas of strategic stability. In early April and in anticipation of the U.S. final move to abandon the ABM Treaty, Russian and Chinese arms control officials (Georgii Mamedov and Wang Guangya) stressed “the necessity for taking active measures to prevent the proliferation of arms in space” and that the two countries “will work together to bring into existence a multilateral agreement against the deployment of arms in space.” Toward the quarter’s end, Moscow and Beijing submitted a joint proposal to the Conference on Disarmament for a new international treaty to ban weapons in outer space.

At various multilateral fora, Moscow and Beijing coordinated policies for resolving the India-Pakistan nuclear crisis, despite their traditional affiliations with the two South Asian countries. This was true during the Conference on Interaction and Confidence Building Measures in Asia (CICA) in the Kazakh capital of Alma-Ata in early June. At the SCO St. Petersburg summit, Putin and Jiang again pushed to lower the nuclear heat in South Asia.

### **SCO: to and from St. Petersburg with “Love”**

The Russian-Chinese “recovery” effort seemed to have culminated during the June SCO summit in St. Petersburg, which happened to link the two most Westernized cities in Russia and China. A year before, President Jiang suggested the SCO summit be held in “the Russian window to the West.” While playing geopolitics in St. Petersburg in June, Jiang indulged in the splendor and richness of Russian culture. Jiang’s sentimentality with the 19<sup>th</sup>-century Russian poet Alexander Pushkin was real and alive as he emotionally read one of Pushkin’s poems in Russian during his visit to the Lycee museum. As the SCO summit may well be Jiang’s last trip to the Russian city as China’s head of state, Jiang had every reason to make it look and taste good.

To prepare for the St. Petersburg summit, SCO members held a series of ministerial-level meetings, including border security ministers (Alma-Ata, April 24), foreign ministers (Moscow, April 26), emergency situation ministers (St. Petersburg, April 29), defense ministers (Moscow, May 15), and trade ministers (Shanghai, May 29–29). In St. Petersburg, SCO leaders signed the SCO Charter, the political declaration of the heads of state, and an agreement for setting up a counterterrorist center. Upon its conclusion, Putin referred to the summit as “a qualitative change in cooperation.”

The SCO summit reinforced the “one China” position. Its political declaration states that “the Chinese government is the only legitimate government, which represents entire China, while Taiwan is an inseparable part of the Chinese territory.” This was particularly needed when the Taiwan government became eager to develop relations with Russia.

Perhaps a more important achievement in St. Petersburg was the Putin-Jiang mini-summit that turned out to be a “thorough, benevolent, and substantive” presidential talk. Putin

informed Jiang in detail of the U.S. president's visit in May, the Russia-NATO summit in Rome, and the Russia-European Union summit in Moscow.

As a sign of China's positive assessment of Russia's Westpolitik and its confidence in managing the SCO, China for the first time publicly stated that it was "not concerned about the presence of NATO forces in Central Asia in connection with the antiterrorist campaign in Afghanistan."

### **Hu's Dance with "Wolf"**

In assessing China's understanding and acceptance of Russia's new-found love with the West, particularly with the U.S., Russian Foreign Minister Igor Ivanov noticed, "The Chinese side also intends to make smooth, practical, and constructive progress in its relations with the USA ..."

Ivanov's statement seemed to reflect a long-held policy intention of Russia and China that their strategic relations seek to minimize its impact on any third party while maximizing their separate freedom of action. Such generosity is easier said than done. Events during the second quarter suggested that their reciprocity did work toward that non-zero-sum game.

While working hard to sustain and push forward relations with Putin, Jiang and his colleagues also tried to restore normalcy in relations with Washington. In late April and early May, Jiang sent his purported successor Hu Jintao for a five-day visit to the U.S., despite strong warnings in both the U.S. and China about a possible backlash against Hu. Vice President Hu was able to meet almost all top leaders of the Bush administration and also became the highest-ranking Chinese official to visit the Pentagon. Exactly what was exchanged between Hu and the U.S. officials remains to be revealed. At least two major positive developments in China-U.S. relations were discernible. One is the resumption of U.S.-China military discussions when Peter Rodman, assistant secretary of defense for international security affairs, visited Beijing in late June. This was the first step toward a normal relationship after the damaging effect of the EP-3 reconnaissance plane crisis in 2001.

Perhaps the most important change, or adjustment, in Bush's China policy is over the Taiwan issue. In his May 15, 2002 answers to questions at the Brookings-Harvard Forum, Deputy Defense Secretary Paul Wolfowitz signaled, for the first time, a rather significant turn away from a pro-Taiwan posture of the Bush administration. He stated, "We support a 'one China' policy. We do not support independence for Taiwan, but we also do not support an attempt to impose a solution on Taiwan by force ... There is no intention, no desire to separate Taiwan from the mainland or have an independent Taiwan. But ... attempts to solve this problem by force would be a disaster for everybody." Wolfowitz reiterated his position in a press briefing in Washington before departing for Singapore for a conference on East Asian security on May 29, 2002.

Hu's U.S. visit and Wolfowitz's posturing have by no means resolved all the outstanding issues between the world's lone superpower and the fast rising Chinese state. Their efforts, however, were significant in managing, at least for the time being, the world's most important, and fragile, bilateral relations in the post-deterrence world. Stability in Beijing-Washington relations, which has been rare since the 1999 accidental bombing of the Chinese Embassy in Belgrade, may help to alleviate China's sensitivity to Russia's sudden shift to the West.

### **World Cup, Miss Universe, and Loose Nukes: A Beautiful and Dangerous World**

In a less conspicuous manner, Russia and China, too, demonstrated their potential to excel in areas other than geopoliticking. In late May 2002, Ms. Oxana Fedorova of St. Petersburg's Police Academy won the crown at the 2002 Miss Universe, while Ms. Zhuo Ling of China's Zhejiang Province came in third place.

Meanwhile, all three military-political states of the Cold War worked hard to defuse the nuclear crisis in South Asia. In a brave new world in which all civilizations are now nuclearized and the incentives for some nonnuclear states to obtain the bomb are greater than ever, there are plenty of reasons for the three former Cold Warriors to work together to prevent the worst from happening.

## **Chronology of China-Russia Relations**

### **April - June 2002**

**April 9, 2002:** Russian Deputy Foreign Minister Georgii Mamedov and Chinese counterpart Wang Guangya meet in Moscow to discuss the issue of strategic stability, international security, and the upcoming Shanghai Cooperative Organization (SCO) summit.

**April 17, 2002:** Russian President Vladimir Putin informs Chinese President Jiang Zemin about progress in Russia-NATO relations toward the summit in Italy on May 28. Putin and Jiang also stressed the fundamental importance of Russian-Chinese collaboration at both bilateral and multilateral levels, including the SCO and other international organizations.

**April 19-22, 2002:** Russian Deputy Prime Minister Viktor Khristenko and State Councillor Wu Yi meet in Beijing to prepare the regular prime ministerial meeting (between Mikhail Kasyanov and Zhu Rongji) in the fall. China offered Russia a \$1.5 billion credit to boost exports from China.

**April 24, 2002:** SCO chiefs of border departments hold first meeting in the Kazakh capital of Alma-Ata. They discuss confidence building measures, possible reduction of visa formalities for business, trade, and free traffic of people, commodities, capitals, and services.

**April 22-25, 2002:** Russian Technologies 2002 Exhibition opens in Shenyang city of China's Liaoning Province. Chinese enterprises conclude deals worth \$100 million and sign 24 contracts and 175 protocols of intent with Russian partners.

**April 25, 2002:** Russian Foreign Minister Igor Ivanov holds talks with Chinese counterpart Tang Jiaxuan. The focus of the meeting was international terrorism.

**April 26, 2002:** The SCO second foreign ministers' meeting occurs in Moscow.

**April 27-May 2, 2002:** Taiwan's Board of Foreign Trade Director General Wu Wen-yea meets president of Russia's International Private Enterprise Center in Russia.

**April 29, 2002:** SCO emergency situation ministers meet, with the exception of Uzbekistan, in St. Petersburg.

**May 3, 2002:** Russian Rosoboronexport company concludes contract to supply the Chinese navy with eight kilo diesel submarines, armed with Klab missile systems; the \$1.5 billion contract will be filled within five years.

**May 15, 2002:** The SCO defense ministers meet in Moscow to discuss issues of Central Asian security and nuclear free zone. A joint communiqué issued at the end of the meeting calls for creating a commission of senior defense officials for coordinating joint military planning and action. The Uzbek defense minister does not take part in the meeting due to "objective reasons."

**May 16, 2002:** Russian Defense Minister Sergei Ivanov and his Chinese counterpart Chi Haotian meet in Moscow after the SCO defense ministers' meeting,

**May 20, 2002:** Russian Deputy Foreign Minister Alexander Losyukov reveals that Russia had proposed the idea of a regional antiballistic missile defense system encompassing Russia, China, the U.S., and Japan, with chances for other countries to join, at a Russian-Japanese conference in St. Petersburg.

**May 22, 2002:** Chinese Deputy Culture Minister Meng Xiaosi participates in the second meeting of the Sino-Russian subcommission on cultural ties at the Russian Culture Ministry in Moscow.

**May 22, 2002:** PRC and Russian trade ministers Shi Guangsheng and German Gref participate in a session of the Russian-Chinese Subcommission on Economic Cooperation in Moscow.

**May 28-29, 2002:** Heads of economic agencies of SCO states hold first ministerial meeting in Shanghai to discuss economic cooperation. China's Vice Premier Qian Qichen meets the group on May 29.

**May 29, 2002:** Chinese Public Security Minister Jia Chunwang holds talks in Moscow

with Russian Interior Minister Boris Gryzlov. They work on several documents on strengthening cooperation in the fight against terrorism, transborder crime, drug smuggling, and illegal migration.

**May 30-June 2, 2002:** Ivanov holds talks with President Jiang Zemin, Premier Zhu Rongji, and DM Chi in China. He also participates in the ninth meeting of the Russian-Chinese intergovernmental commission on military cooperation.

**June 1, 2002:** Russian Minister for Transport Sergei Frank and Chinese Minister of Railways Fu Zhihuan sign protocol for cooperation in water and ground transport services in St. Petersburg.

**June 2-4, 2002:** Putin and Jiang Zemin meet at the summit of the Conference on Interaction and Confidence building measures in Asia, which includes Azerbaijan, Afghanistan, China, Egypt, India, Iran, Israel, Kazakhstan, Kyrgyzstan, Mongolia, Palestine, Pakistan, Russia, Tajikistan, Turkey and Uzbekistan in the Kazakh capital of Alma-Ata. In their effort to mediate the India-Pakistani conflict, Putin and Jiang meet separately with Pakistani President Pervez Musharraf and Indian Prime Minister Atal Behari Vajpayee.

**June 4-7, 2002:** Chinese military delegation visits Russian Maritime Territory and holds talks on cooperation with the Pacific Regional Department of the Russian Federal Border Service.

**June 4-8, 2002:** SCO summit is held in St. Petersburg.

**June 5, 2002:** Russian Deputy Foreign Minister Georgii Mamedov and director of the Chinese Foreign Ministry's department of arms control Liu Jie hold talks in Moscow.

**June 14, 2002:** Officers of the Russian Far East Border Agencies and the Chinese Heilongjiang Province meet in Blagoveschensk.

**June 14-15, 2002:** Chinese State Council member Wu Yi and head of the China National Petroleum and Natural Gas Corporation Ma Fucai meet Russian Deputy Prime Minister Viktor Khristenko in Harbin to discuss major cooperation projects in the fuel and energy sector.

**June 18, 2002:** Russian State Duma Speaker Gennady Seleznyov meets in Moscow with President of Chinese Academy of Social Sciences Li Tieying.

**June 24-26 2002:** Zhou Guangzhao, deputy chairman of the Standing Committee of the National People's Congress and president of the All-China Federation for Science, leads a group of Chinese scientists to Moscow to boost scientific cooperation.

**June 24-25 2002:** Li Changchun, member of the CCP Politburo and Guangdong party secretary, visits Moscow and meets with Mayor Yuri Luzhkov and Chairman of the State

Duma Seleznyov.

**June 17, 2002:** Russia's FSB intelligence agency (formerly KGB) arrests a 39 year-old Russian citizen suspected of spying for China in the country's Far Eastern region. It is reported that several other residents and servicemen in Russia's Maritime territory also provided secret information to China.

**June 25-27, 2002:** Interior Minister Gryzlov holds talks with Chinese State Council Lo Gan and Chinese Public Security Minister Jia Chunwang in Beijing. Two documents were signed: cooperation in border districts and a protocol on interaction between the two ministries in 2002-2003.

**June 28, 2002:** Russia and China submit a joint proposal to the Conference on Disarmament for a new international treaty to ban weapons in outer space.