

# DOTTING THE I'S AND CROSSING THE T'S : SINO-RUSSIAN COOPERATION IN ACTION

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## INTRODUCTION

FRANÇOIS GODEMENT

The last three years have been good for Sino-Russian cooperation. If one looks at milestones, **Sino-Russian trade passed the \$100 billion threshold in 2018 and is still growing in 2019 : remarkably, this comes with a stagnation of Chinese exports but a constant rise in Russian sales** – energy is the key mover here, and Russia therefore is a rare case of running a trade surplus with China. Indeed, new gas pipeline projects are under way beyond what already exists. The relationship has also been about military maneuvers – after the 2017 Russian-Chinese show in the Baltic, the two countries staged joint air patrols in North-East Asia during the summer of 2019, leading to an incident with South Korea. China took delivery of S-400 surface

to air missiles in 2018 and 2019. Russia is moving towards Huawei for its future 5G network – a move which would reward very long efforts by Huawei to woo the Russian market. At the United Nations, there is currently no light between the two countries. The two move in lockstep on many issues – including on isolating and controlling their social media.

Our three authors provide background and nuances to this picture. Eleanor M. Albert explains that the two countries see themselves as facing the same pressure from the United States. **China counts on Russia to support its views on international institutions and the “power shift” to Asia, in part because Russia is integrating itself within Eurasia:** Moscow’s Eurasian Economic Union fits nicely with the Belt & Road Initiative – and one might add, is not much competition either for China. A key to this may well be what Viviana Zhu terms “a buyer’s market” for energy. China is becoming more dependent on Russian energy – 11 % of its imports, but that’s a welcome diversification from the Middle East, or from American liquefied natural gas (LNG) at a time of trade tension. As of 2019, Russia is becoming China’s largest supplier of oil. **But neither Russia nor any production cartel control the price any more: the greatest dependency, for cash, is still Russia’s.** China’s experts do not hide their country’s hand too much, when they explain that oil and gas resources from Central Asia can also compete with Russia’s. Our third author, Angela Stanzel who is also the editor of China Trends, relays the bullish views of China’s strategic experts on a closer military cooperation between “especially friendly armies”. A long-lasting factor is the relative disarmament on both sides of the Sino-Russian border. Another is terrorism and the “three evils”. Another argument cited by a Chinese strategic expert seems contrived: **is there really a common continental and largely defensive posture between China and Russia as he claims?** In spite of earlier military sales, the weapons pipeline seems to be running dry since 2017. One may speculate that China’s defense industry now reaches the takeoff point where it hardly needs massive Russian hardware.

*China counts on Russia to support its views on international institutions and the “power shift” to Asia, in part because Russia is integrating itself within Eurasia.*

It is not a case of “hot politics, cold economics”, one Chinese expert explains. He has a point. Putin’s Russia reduces its isolation from sanctions and gets a cash lifeline from its energy sales; China finds a twin brother at hand as it hails “multilateralism” in international organizations, but neuters the impact of international law on key issues such as maritime sovereignty and human rights. This is something more than an “axis of convenience” (Bobo Lo, 2008). Moscow “moves deeper into China’s embrace” (Alexander Gabuev, 2018) and China draws a political dividend. But that embrace could prove rather smothering for Russia.

## ABOUT

China Trends seeks understanding of China from Chinese language sources. In an era where the international news cycle is often about China, having a reality check on Chinese expressions often provides for more in-depth analysis of the logic at work in policies, and needed information about policy debates where they exist. China Trends is a quarterly publication by Institut Montaigne’s Asia program, with each issue focusing on a single theme.



## HOW CHINA FRAMES SINO-RUSSIAN TIES INTO ITS FOREIGN POLICY STRATEGY

The China-Russia relationship has experienced various permutations throughout history, though both sides share the tendency of promoting a narrative of enduring friendship and similar values as well as common approaches about how to operate in the international arena. So far in 2019, we can identify a handful of examples that fit this mold. For example, Russian leader, Vladimir Putin, has called for Russia's return to the G7 and backed the inclusion of China, as well as that of India and Turkey, in the group.<sup>1</sup> Separately, the two plan to hold consultations across their media organizations on how to protect themselves against foreign influence.<sup>2</sup> On more concrete terms, economic exchanges between Beijing and Moscow appear to be deepening. China's tech giant Huawei is piloting its 5G program in Russia and there has been further talk of introducing Russian operating systems on Huawei technology devices.<sup>3</sup> Russia has also revealed plans to issue the first Chinese currency-issued bond, and there are discussions of an energy pipeline linking Russia to China via Mongolia.<sup>4</sup> But beyond these short-term developments, how exactly do modern Chinese leaders think about the country's relationship with Russia in the larger context of developing its overall foreign policy strategy, and how does the relationship fit into China's vision of its role at global and regional levels?

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**The history between Beijing and Moscow has been one of highs and lows over the seventy years** since the founding of the People's Republic of China, riddled with ideological, conceptual, and operational alignments and splits, which have bred a significant degree of mistrust and suspicion. Formal ties were forged in 1991 after the disintegration of the Soviet Union. Since then, they

have bilaterally negotiated and resolved border disputes, and entered into a "good neighborliness and friendly cooperation" treaty. They also were co-founders of the Shanghai Cooperation Organization (SCO), nearly twenty years ago.

Schemes behind foreign policy decisions of authoritarian governments are typically hard to decipher, but native-language research from domestic institutions on international relationships can shed some light on ongoing debates. Recent Chinese commentary and scholarship on the dimensions of China-Russia relations reveal a number of commonalities, as well as diverging views on how to push the relationship forward.

The pervading conclusion among Chinese analysts is that **China and Russia are now well-positioned to deepen their relationship across the board, notably on the economic front to alleviate respective developmental roadblocks and**



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1. Sarah Zheng. "Russia and China should be allowed to join G7, says Vladimir Putin." South China Morning Post, 6 September 2019. <https://www.scmp.com/news/china/diplomacy/article/3026100/russia-and-china-should-be-allowed-join-g7-says-vladimir-putin>

2. "Russia, China to discuss foreign media interference in domestic affairs." TASS, 6 September 2019. <https://tass.com/world/1076864>

3. Zak Doffman. "Huawei Just Launched 5G In Russia With Putin's Support: 'Hello Splinternet.'" Forbes, 1 September 2019. <https://www.forbes.com/sites/zakdoffman/2019/09/01/hello-splinternet-huawei-deploys-5g-in-russia-with-putins-support/#6e065a26199d>

4. "Putin pushes idea of Russian gas supplies to China via Mongolia." Reuters, 9 September 2019. <https://www.reuters.com/article/us-russia-china-mongolia-gas/putin-pushes-idea-of-russian-gas-supplies-to-china-via-mongolia-idUSKCN1VU19G>

**challenges.** Chinese analysts view the deepening of relations with Russia as undeniably mutually beneficial. Underpinning the argument for bolstered ties is a recasting of the benefits of their geographic proximity. Unsurprisingly, this logic also champions the pursuit of greater connectivity through infrastructure and energy linkages—an explicit reference to Chinese President Xi Jinping’s landmark Belt and Road Initiative (BRI). They also call for doubling down on enhanced support for the developing world, with a regional emphasis on Asia. This thinking further emphasizes that boosting not only bilateral ties but also regional relations can translate into more influential roles on the international stage for both Beijing and Moscow in existing multilateral and international institutions.

Regarding global governance, the China-Russia Dialogue 2018 Special Research Report by the Institute of International Studies, Fudan University,

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Russian International Affairs Committee, and Far Eastern Institute of the Russian Academy of Sciences emphasizes the critical importance of major multilateral institutions that help manage the international system.<sup>5</sup> However, it also highlights the need for reform

within these bodies (such as the International Monetary Fund, the World Bank, and the United Nations) to give greater voice to developing countries in order to better reflect the shifting balance of power. Such reforms have been regularly raised by Chinese authorities and the report goes a step further by explicitly referencing Russia’s willingness to back and participate in this institutional reform and development. The expansion of the SCO’s membership to include India and Pakistan in 2017 can be seen as an evidence of such a commitment.

While the scope of China-Russia cooperation may seem boundless - from Afghanistan and Central Asia to South Asia and the Korean peninsula - it is evident that Chinese analysts believe certain areas deserve prioritization. Front and center is Northeast Asia, along Russia’s Far East, where China shares a long border with the country. **The fusion and joint development of China’s BRI and Russia’s Eurasian Economic Union (EAEU) features prominently in broader discussions about the bilateral relationship.** This clearly reflects an effort among Chinese leadership to marry its own developmental objectives with its diplomatic push. Moreover, these plans are marketed in a regional framework, drawing on arguments that all of China’s neighbors will benefit from greater regional integration and coordination.

From the Chinese perspective, China is not the only beneficiary of the integration of BRI and EAEU. It is instead seen as a win-win outcome. Although BRI and the EAEU typically reach West through Central Asia, Shi Ze, director and research Fellow at the Center for International Energy Strategy at China Institute of International Studies, encourages Russia to simultaneously pivot toward Siberia and the Far East to stimulate its development and assuage further economic and social crises.<sup>6</sup> The territory is home to a wealth of natural resources including oil, natural gas, minerals, and forests, and could be the source of a new growth for all of the Asia Pacific, according to Shi Ze. But, he writes that success is contingent on the extent of Russia’s regional economic cooperation and progress in joining Asian integration.

**China has traditionally favored one-on-one, country-to-country ties as a way to leverage its sheer size;** this more regional tone could perhaps be interpreted as a move to bypass competition or confrontational changes in China’s and

5. “China-Russia Dialogue 2018” (“中俄对话：2018模式”), Fudan Daxue Guoji Wenti Yanjiu Suo, Eluosi Guoji Shiwu Weiyuanhui, Eluosi Kexueyuan Yuandong Yanjiu Suo (Institute of International Studies, Fudan University, Russian International Affairs Committee, and Far Eastern Institute of the Russian Academy of Sciences), May 2018. <http://www.iis.fudan.edu.cn/47/69/c7015a149353/page.htm>

6. Shi Ze, “Development in Eastern Russia: A Perspective on Sino-Russian Cooperation” (“俄罗斯东部开发：中俄合作的视角”), Zhongguo Guoji Wenti Yanjiu Suo (China Institute of International Studies), 16 Jan. 2017. [http://www.ciis.org.cn/gyzz/2017-01/16/content\\_9289443.htm](http://www.ciis.org.cn/gyzz/2017-01/16/content_9289443.htm)



Russia's relative power in the international system. In pushing for bringing Russia into the regional fold, China is seeking to create an opening for Russia to be a relevant actor and to have a seat at the table, albeit at a table that has largely been made by China. Shi Ze claims that **a Russian pivot to the East (转向东方) and toward Asian integration will improve its ability to serve as a link between Asia and Europe and provide Moscow with added influence leverage.**

Despite common macro-level perspectives, the framing of the China-Russia story is the most prominent way in which the approach to the bilateral relationship in these articles diverge. **The two countries' respective ties to the United States loom large when analyzing how to push the China-Russia agenda forward.** On one hand, the China-Russia Dialogue 2018 report repeatedly draws on the fact that China and Russia are under increasing pressure from the United States, and criticize Washington for calling China and Russia rivals and strategic opponents. It uses this context to argue for strengthened, more dynamic, and diversified relations between China and Russia. On the other hand, a Global Times opinion piece is quick to try and place the relationship outside of the triangular dynamic of China-Russia-United States relations. The Global Times piece highlights that Sino-Russian relations have largely exceeded the influence of the traditional 'big triangle' effect ("大三角"效应的影响). In other words, regardless of how Sino-U.S. relations or Russian-U.S. relations develop, Sino-Russian relations will continue to move in a closer direction.<sup>7</sup> [3] The bid to frame the relationship between the two neighbors outside the confines of American influence reflects a desire to see Sino-Russian ties as strategically important in their own right.

7. Indulgent Geopolitical Perspectives Are Unable to Understand China-Russia Relations" (沉溺地缘政治视角无法看懂中俄关系"), Quanzhou Shibao (Global Times), 5 June 2019. <https://opinion.huanqiu.com/article/9CaKrnKk039>

Among the bolder ideas expressed in these analyses is the suggestion that **the Sino-Russian relationship can serve as a model of deepened cooperation that has the potential to reform international relations.** These are strong claims that are made without concrete delineation of what characteristics are distinct in this relationship that make it replicable as a model, and without specifying how upgraded China-Russia relations will transform the international system. According to the China-Russia Dialogue report, the Sino-Russian partnership has four core characteristics: (1) the freedom to develop ties with third countries; (2) the closeness, trust, depth, and efficiency of the China and Russia partnership surpasses that of formal alliances; (3) the relationship has the potential to become an independent geopolitical force (地缘政治力量); and (4) the relationship model is adaptable to address any global or regional problem while still maintaining its flexibility and strategic stability. **No doubt Sino-Russian rapprochement will have an effect on contemporary international relations, but these statements are predicated on the mobilization of significant political will and economic gains translating into regional security and political stability.**

*Chinese experts believe that mutual gains and benefits will pave the way for more comprehensive Sino-Russian ties, but it remains unclear how the two neighbors, who believe in their own superpower status, will share the spotlight.*

Although this sample of articles confidently discounts any uncertainty about the return of a strong China-Russia relationship, rhetorical calls for deepened ties do not automatically translate into action. Obstacles remain. The Global Times identified **grassroots opposition** to China and nationalistic sentiment as challenges that need to be overcome. **Separately, Shi Ze, while outlining a path for cooperation in Russia's Far East, references funding shortages, policy**

**lags, and a weak legal and investment environment as some of the barriers.**

He also calls on both parties to draw lessons from prior cases of breakdown in bilateral cooperation. The China-Russia Dialogue report also highlighted the need to improve cooperation channels and mechanisms, further urging for consolidation of trust. To do so, the authors recommend expanding links across more Chinese and Russian departments in diplomacy, economy, trade, finance, and scientific research, as well as adopting not only a long-term trajectory but also committing resources to reflect the relationship's multifaceted nature.

These articles suggest that there is a desire for China and Russia to capitalize on this political moment to improve the bilateral relationship. While economic avenues appear to offer the most natural path to a stronger relationship, both maintain sensitivities to perceptions of hierarchy. **Chinese experts believe that mutual gains and benefits will pave the way for more comprehensive Sino-Russian ties, but it remains unclear how the two neighbors, who believe in their own superpower status, will share the spotlight.**



## CHINA-RUSSIA ENERGY COOPERATION: HOT OR COLD?

The relationship between China and Russia has often been labeled as “hot politics, cold economics” (政热经冷).<sup>8</sup> This assumption has been challenged in the past by experts like Xing Guangcheng, Director of the China Frontier Research Institute of the Chinese Academy of Social Sciences, who argues that **the political relationship between the two countries has developed more rapidly compared to the economic relationship, but this should not lead to the conclusion that the economic relationship is “cold”**. In 2018, economic relations had a breakthrough, with bilateral trade reaching \$100 billion.<sup>9</sup> As Gao Feng, Spokesman for China’s Ministry of Commerce, highlighted, 2018 was the “Year of Achievement (成果年)” of China-Russia economic and trade cooperation.<sup>10</sup> Both governments have expressed enthusiasm and hope for the prosperity of their trade relations, and are aiming to achieve up to \$200 billion trade volume in the near future.

At the core of this relationship is the cooperation on energy. According to Dmitry Kozak, Russian Deputy Prime Minister, energy cooperation “is at a historical peak, and has great potential for development.”<sup>11</sup> The two consecutive bilateral Russian-China Energy Business Forums, the first one taking place in Beijing in November 2018, and the second one in St. Petersburg in June 2019, have led to the signing of 33 agreements, signaling the willingness of both sides to push further the energy cooperation. **Russia also promised to introduce more industrial support policies in the future to create a more stable, transparent, unified and convenient business environment for the Russia-China energy cooperation.** Currently, key China-Russia energy projects include: the two China-Russia oil pipelines between Mohe and Daqing (中俄原油管道),<sup>12</sup> both operational; the China-Russian gas pipeline between Heihe and Shanghai (中俄东线天然气管道),<sup>13</sup> still under construction; the Yamal Liquid Natural Gas project (亚马尔液化天然气项目) with investment from Russia, China and France, and operational; and the Tianwan Nuclear Power Plant (田湾核电站), using Russian reactors, also operational.

As the list of key projects above illustrates, the two countries cooperate on oil, gas, and power. Taking oil as an example, both countries are complementary to each other, China being the largest oil importer/consumer country, and Russia being the largest oil exporter/production country. Russian oil accounted only for 1.4% of China’s total crude oil import in 1996,<sup>14</sup> but in 2017, it accounted for 11% with an average daily supply of 3 million barrels per day, a yearly increase of 18%.<sup>15</sup> In 2006, during his visit to Beijing, Russian President Vladimir Putin pushed for joint ventures, which led to the establishment of Vostok Energy in Russia, with China National Petroleum Corporation (CNPC) and Russia’s OJSC Rosneft Oil holding 49% and 51% of the share respectively. However, an article published by the China Petroleum Enterprise Association stressed that **despite Chinese companies’ increasing involvement in the oil industry in Russia, their level of investment, shareholding ration, and production capability remain limited.**<sup>16</sup> The article concludes that China only has leverage in terms of oil trading in the Russian oil industry, making China a vulnerable and dispensable actor that faces a high level of uncertainty.

According to CNPC, in 2018, China’s dependence ratio was 69.8% on foreign oil, and 45.3% on foreign gas.<sup>17</sup> **“China’s external energy dependence is**



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8. “Sino-Russian’s ‘hot politics, cold economics’ is a stereotype 中俄“政热经冷”是刻板印象”, Dragon News, 15 May 2018, <http://www.dragonnewsru.com/dragons/73578.jhtml>

9. “Further deepen Sino-Russian economic and trade cooperation 进一步深化中俄经贸合作”, Chinese Social Sciences Today, 14 February 2019, [http://www.cssn.cn/zx/bwyc/201902/t20190214\\_4825053\\_2.shtml](http://www.cssn.cn/zx/bwyc/201902/t20190214_4825053_2.shtml)

10. “The Ministry of Commerce answered questions on the vice-ministerial consultations on economic and trade issues between China and the United States in Beijing 商务部就中美在京举行经贸问题副部长级磋商等答问”, The Ministry of Commerce of the People’s Republic of China, 10 January 2019, [http://www.gov.cn/xinwen/2019-01/10/content\\_5356819.htm](http://www.gov.cn/xinwen/2019-01/10/content_5356819.htm)

11. “Russia-China energy cooperation is at a historical peak 俄中能源合作处于历史最高水平”, People’s Daily, 09 June 2019, <http://world.people.com.cn/n1/2019/0609/c1002-31125886.html>

12. The first line from Mohe (the northernmost Chinese city, which borders Russia in Heilongjiang province) to Daqing (Heilongjiang province) was put into use in 2011, with an annual capacity of 15 million tonnes. The second one was built in parallel to the first one, operational since 2018 and doubled the annual import of Russian crude oil from 15 million tonnes to 30 million tonnes.

13. The Chinese section of China-Russia East-Route natural gas pipeline, starts in Heihe (Heilongjiang Province), and terminates in Shanghai. The section is a spur from running from Siberia to China on the eastern portion of Russia’s “Power of Siberia” pipeline.

certainly a 'weakness (软肋)', but the huge energy market and consumption capacity are 'advantages (优势)' in energy cooperation", noted Feng Yujun, Deputy Director of the Institute of International Studies at Fudan University.<sup>18</sup> He further explains that **China seems to be suffering from "energy hunger (能源饥渴症)" and "energy anxiety (能源焦虑症)".** However, given that the international oil market's structure is changing from being the seller's market to a buyer's market, China increasingly has more bargaining power given its vast demand, an advantage it has to understand and use.

In addition, Lin Boqiang, Dean of the China Institute for Energy Policy Studies at Xiamen University, reminds us that dependency on foreign energy does not translate into insecurity of energy sources, and that dependency on foreign energy cannot control a nation's macroeconomy, social stability and foreign policy.<sup>19</sup> Therefore, China is not as vulnerable as it thinks it is, and demonstrating its "energy anxiety" is not going to help it position itself as a prominent actor in the energy business.

*China's external energy dependence is certainly a 'weakness (软肋)', but the huge energy market and consumption capacity are 'advantages (优势)' in energy cooperation.*

Even though China's dependency per se does not translate into energy insecurity, its dependency on a single source is considered as a vulnerability. Yu Hongyuan, Director of the Institute for Comparative Politics and Public Policy at the Shanghai Institutes for International Studies, and Song Yiming, Researcher at Renmin University of China, highlight China's need to diversify its oil sources to reduce its dependency on the Middle East, as well as to reduce the transportation risk caused by the Malacca Dilemma.<sup>20</sup> China is heavily dependent on Middle Eastern oil, and 82% of China's oil imports are shipped through the Malacca Strait. Russia provides one of the few sources that do not go through the Malacca Strait, making Russian oil crucial for China's improvement of its energy security, Li Peng, Board Member of the Jilin Province Yandong state-owned enterprise, notes as well.<sup>21</sup> While counting on Russia to increase its energy security, another group of Chinese experts points out in a recent paper the value of the existing competition between Russian and Central Asian countries on oil exports.<sup>22</sup> Of course, according to them, **the emerging Central Asian oil-exporting countries are not going to threaten Russia's current dominant position in the short term, but they enrich China's options.** In the same article, the Chinese experts encourage China to take advantage of this competition to lower oil import costs, which will further increase the Chinese energy security level.

Not surprisingly, energy cooperation is also in the interest of Russia, as it alleviates Russia's economy from Western sanctions and provides a positive boost to its economy. **Russia is increasingly "looking East (向东看)", and becoming more active in seeking cooperation with China.**<sup>23</sup> For a long time, both Russia and China's trade policies have been focusing on the West, resulting in an unbalanced relationship between Moscow and Beijing, but now, both recognize the need to not exclude each other from further developments, points out Shi Ze, Senior Research Fellow at the China Institute of International

Studies.<sup>24</sup> The current situation, Russia's usual uneasy relationship with the U.S. and China's ongoing trade war with the U.S., have further brought Russia and China closer. This being said, the relationship is also subject to a number of other variables, including Japanese investment in the Russian energy sector and India's enormous market demand.<sup>25</sup>

14. Yu Hongyuan & Song Yiming "The Evolution of Sino-Russian Energy Diplomacy 中俄能源外交的历史演进", Area Studies and Global Development, 2018 Vol. 3

15. "First Deputy Minister of Energy of the Russian Federation : Russia will always be a loyal partner in China's energy sector 俄罗斯联邦能源部第一副部长：俄罗斯永远是中国能源领域忠实的合作伙伴", China Energy News, 12 September 2018, [http://www.cnenergy.org/gj/gjft/201809/t20180912\\_694467.html](http://www.cnenergy.org/gj/gjft/201809/t20180912_694467.html)

16. "Sino-Russian energy cooperation is promising 中俄能源深度合作大有可为", China Petroleum Enterprise Association, 01 July 2019, <http://www.zgsyqx.com/Html/?5025.html>

17. "China's oil and gas foreign dependence has reached a record high 我国油气消费对外依存度双创新高", Economic Information Daily, 27 March 2019, [http://www.xinhuanet.com/2019-03/27/c\\_1124287213.htm](http://www.xinhuanet.com/2019-03/27/c_1124287213.htm)

18. Feng Yujun, "New changes in the international energy strategy and Sino-Russian energy cooperation 国际能源战略格局新变化与中俄能源合作", Russian Central Asian & East European Market, Vol. 3, 2018 <http://www.iis.fudan.edu.cn/34/e4/c6852a144612/page.htm>

19. Lin Boqiang, "High dependence on energy is not equal to insecurity 能源对外依存度高不等于不安全", Global Times, 06 June 2019, <http://opinion.huanqiu.com/hqpl/2019-06/14969090.html?agt=15422>

20. Yu Hongyuan & Song Yiming, "The Evolution of Sino-Russian Energy Diplomacy 中俄能源外交的历史演进", Area Studies and Global Development, Vol. 3, 2018.

21. Li Peng, "China's energy security and Sino-Russian energy cooperation 中国能源安全与中俄能源合作", Modern Communication, No.10, 2019.

22. Liang Meng, Peng Yingying, Zhang Yanyun, Sun Li, Ren Zhongyuan, Zhang Qi, and Yang Ying, "Current Status of and Lessons from the Oil and Gas Transit Transportation in Russia and Central Asian Countries 俄罗斯与中亚国家的油气过境运输现状及启示", Oil & Gas Storage and Transportation, July 2019.

23. "Further deepen Sino-Russian economic and trade cooperation 进一步深化中俄经贸合作", Chinese Social Sciences Today, 14 February 2019, [http://www.cssn.cn/zx/bwyc/201902/t20190214\\_4825053\\_2.shtml](http://www.cssn.cn/zx/bwyc/201902/t20190214_4825053_2.shtml)

"China is one of Russia's most important partners in the energy sector," and, "Russia will always be a loyal partner in China's energy sector", stresses Aleksey Teksler, First Deputy Minister of Energy of the Russian Federation.<sup>26</sup>

*China is energy dependent, but at the same time, energy exporters like Russia are also dependent on the Chinese market.*

China is also cooperating with Russia in the Arctic to build the "Polar Silk Road", but Feng Yujun advises China to be more cautious and fully consider the risks of resources, environment, climate, market and infrastructure while participating in such projects.<sup>27</sup>

China is energy dependent, but at the same time, energy exporters like Russia are also dependent on the Chinese market. **All Chinese experts quoted in this article are demanding China to become more energy confident and to play its purchasing power card more wisely.** China has to make itself a more appealing partner, and move away from being constantly worried about its "energy hunger".

24. Shi Ze, "Promote Sino-Russian energy cooperation to historic high 推动中俄能源合作迈上新历史高位", Liaowang, 06 June 2016, [http://www.xinhuanet.com/world/2016-06/06/c\\_129041476.htm](http://www.xinhuanet.com/world/2016-06/06/c_129041476.htm)

25. Sino-Russian energy cooperation is promising 中俄能源深度合作大有可为, China Petroleum Enterprise Association, 01 July 2019, <http://www.zgsyqx.com/Html/?5025.html>

26. First Deputy Minister of Energy of the Russian Federation : Russia will always be a loyal partner in China's energy sector 俄罗斯能源部第一副部长：俄罗斯永远是中国能源领域忠实的合作伙伴 China Energy News, 12 September 2018, [http://www.cnenergy.org/gj/gjft/201809/t20180912\\_694467.html](http://www.cnenergy.org/gj/gjft/201809/t20180912_694467.html)

27. Feng Yujun, "New changes in the international energy strategy and Sino-Russian energy cooperation 国际能源战略格局新变化与中俄能源合作", Russian Central Asian & East European Market, Vol 3, 12 June 2018, <http://www.iis.fudan.edu.cn/34/e4/c6852a144612/page.htm>





## CHINA AND RUSSIA: BROTHERS-IN-ARMS?

China's military cooperation with Russia has been traditionally strong. In particular, because Russia would sell weapons to China, which China has not been able to buy from Western countries due to the arms embargo that had been imposed on China in the aftermath of the Tiananmen Massacre in 1989. While Russian arms could not replace Western modern technologies, in particular American ones, **the Sino-Russian military bond not only lay the basis for China's weaponry to date but also its strategies and theories.** In recent years this bond has grown even stronger as both countries are united against the West, or at least this is the picture they paint for the outside world. Both countries are increasingly engaged in joint military exercises, as seen in the South China Sea in 2016, and even in European waters both countries have conducted joint military exercises, first, in the Mediterranean in 2015, then in the Baltic Sea in 2017.

Wang Haiyun, executive director of the Sino-Russian strategic cooperation think tank (中俄战略协作高端智库) and a former major general, wrote an opinion piece earlier this year, hailing military relations to be the most strategic and prominent areas in Sino-Russian relations.<sup>28</sup> He looks back since the Soviet Union collapsed in December 1991, and finds that military relations have become an important driving factor for the continuous improvement of strategic cooperation between the two countries.

During this period, Wang notes that the development of Sino-Russian military relations was mainly concentrated on the following areas: Firstly, in the field of

*The Sino-Russian military bond not only lay the basis for China's weaponry to date but also its strategies and theories.*

military technology. Cooperation between the two countries began due to military technology blockade of the Western powers in the 1990s. China then decided to introduce a number of Russian military technology and equipment in large quantities.

Military technology cooperation became the highlight of the talks between the two sides and Russia became the only source of advanced weapons and equipment for the Chinese military.

Secondly, **in the field of military security in border areas, both countries began negotiations on "mutual reduction of military forces in the border areas."** (相互裁减边境地区军事力量的谈判). In 1996, China, Russia, Kazakhstan, Kyrgyzstan, and Tajikistan, the "five countries and two parties" ("五国两方") reached an agreement in Shanghai on strengthening military trust in the border areas. In 1997, the "Shanghai Five" ("上海五国") agreed to reduce military forces in border areas and it was this cooperation mechanism, which laid a cornerstone for the establishment of the Shanghai Cooperation Organization (SCO) in 2001. Thirdly, the Chinese and Russian armed forces reached an agreement in the 1990s, to strengthen cooperation in the field of military education. China began to send students to military academies in Russia.



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<sup>28</sup> Wang Haiyun: Military relations reflect the 70 years of China-Russia diplomatic relations, Global Times, 3.6.2019.

Fourthly, since 2005, China and Russia have engaged in joint military exercises. Since then, **the joint military exercises of the two armies have been gradually institutionalized and the exercise areas have gradually expanded from the "home doorstep" (家门口) further away, such as to the Baltic Sea.** These military exercises have played a significant positive role in improving the actual combat capability of the Chinese military. Finally, both countries started cooperating in the area of theoretical military research. China copied a large number of Soviet military theories to draft its own theories for the armed forces on the ground and in the air (大陆军作战理论, 空地一体机械化作战理论) in the 1980s. Later, these military theories developed into the information warfare theory under the conditions of high and new technologies (高新技术条件下的信息化作战理论).

Notably, the author believes that the modernization and reform of the Chinese military should focus on the relationship with the Russian military, rather than imitating the U.S. military. He argues that, firstly, China's military, its weapons, equipment, research and development, are all based on the same system as the Russian military. Then, there are the geopolitical conditions, which China and Russia share as well, both being mainland countries and therefore their armed forces rely on the land for geographical support. Thirdly, **both China and Russia share the nature of military operations, which are, in Wang's view, more defensive than offensive.** This, in his view, is also a major difference to the U.S. military's operations of overseas attack and long-range strike (海外进攻、远距离打击). Finally, Chinese and Russian armed forces cooperate in the field of international military security, such as maintaining the international non-proliferation regime, maintaining cyber security, among others. Cooperation in the field of security within the SCO, in particular on combating the "three evil forces" (三股势力) - by which he means the "three evil forces" of terrorism, separatism and extremism - is also inseparable from the continued deepening of Sino-Russian military relations.

*Both China and Russia share the nature of military operations, which are, more defensive than offensive.*

In sum, military relations have always occupied an important position in Sino-Russian relations and in Wang's view **the two sides should go further and push the two armies into "special friendly armies" (特殊友军).** This would entail to expand transparency in military strategy to ensure strategic mutual trust; "back to back" (背靠背) military deployment, military theoretical innovation, and military reform. Finally, both countries should jointly develop and accelerate breakthroughs in military technology.

Han Lu, researcher at the China Institute of International Studies, underlines Wang's impressions, stating in a 2017/2018 article about highlights of Sino-Russian relations, that military cooperation between the two countries in particular reached a new level.<sup>29</sup> In 2017, China and Russia conducted in-depth cooperation in defense consultations and joint training. Both countries signed a road map for military cooperation and development for the period of 2017-2020. At the same time, Lu highlights, both countries carried out three joint performances on sea, land, and air. At sea, the Chinese and Russian navy held an annual joint naval military exercise (in Vladivostok, the "Joint Sea 2017"), including on counter-terrorism, joint search and rescue, and the protection of maritime traffic lines. On land, the two countries held a joint counter-terrorism exercise, which aimed at enhancing the ability to jointly respond to terrorist threats. Finally, Chinese and Russian armed forces carried out the six-day air defense drills dubbed "Aerospace Security - 2017" (空天安全-2017), where the two armies made new breakthroughs cooperating in the field of anti-missile coordination.

<sup>29</sup> Han Lun "There are three bright spots in Sino-Russian cooperation in 2018 that are worth looking forward to" (2018 年中俄合作有三个亮点值得期待), Global Finance, 1.3.2018 (环球财经), [http://www.ciis.org.cn/2018-03/01/content\\_40236657.html](http://www.ciis.org.cn/2018-03/01/content_40236657.html)

The annual report on Russia-China relations, jointly published by Chinese and Russian academia notes, however, that China and Russia did not achieve major breakthroughs when it came to military-technical cooperation in 2017.<sup>30</sup> Instead of signing new large-scale contracts they focused on implementing agreements that had been signed in the past. In addition, they point out that there was no record of new large contracts being signed between China and Russia in the field of military technology in 2017 (and until the report was written in March 2018). The authors of the report highlight that it is necessary to consider the lengthy process of preparing major contracts in the field of military cooperation, as well as a large number of technical features. Often, drafting these contracts takes three to five years, and in some cases even longer, which explains the seeming lack of progress in signing major contracts.

**Even without major breakthroughs, they found that bilateral military technical cooperation between the two countries seems to have increased and expanded into new and more sensitive areas.** The fact that the amount of relevant information and materials in the media has decreased may have been at the request of the Chinese side. For instance, there was an unscheduled meeting of the Russian-Chinese Intergovernmental Commission for Military-Technical Cooperation (中俄政府间军事技术合作混合委员会会议), which was held in Moscow in December 2017. This meeting could indicate that there was new joint project coordination but the specific content was not announced.

Meanwhile the authors listed continued military cooperation projects, such as Russia supplying a large number of aircraft engines to China, including a contract for the supply of approximately 100 AL-31F engines and the same number of

D-30KP-2 engines, for a total amount of approximately \$1 billion. In addition, there was continued cooperation in the areas of joint development and technology exchange, however slow. Negotiations on joint development of heavy helicopters, for instance, was a project that started in 2008/09, but it was not until

*"China, Russia to lift military relations to new high" as "the two sides will enhance their mutual support on their respective core interests, and improve exchange and cooperation mechanisms at all levels".*

May 2016 that a framework agreement was signed. Cooperation in the field of dual-use technology, namely the wide-body long-range aircraft (C929), was progressing faster. The two sides reached an agreement as early as the end of 2016 and established the company China-Russia Commercial Aircraft International Corporation Co., Ltd. (中俄商用飞机国际有限公司).

In terms of numbers, **in 2017, China accounted for approximately 14.4% of Russia's total defense industry orders (\$6.5 billion)**, including S-400 air defense missile systems, Su-35 fighters, and Mi-171 helicopters. The number of weapons Russia provided to China in 2017 exceeded India for the first time in years (even though more than 50% of Russian arms sales went to the Middle East).

A Xinhua headline recently proclaimed **"China, Russia to lift military relations to new high" as "the two sides will enhance their mutual support on their respective core interests, and improve exchange and cooperation mechanisms at all levels".**<sup>31</sup> This headline and subheading should be music to the ears of Wang Haiyun, and the articles presented here confirm a strengthening of the Chinese-Russian military bond. However, even if cooperation is increasing it does not seem that China and Russia can reach a new dimension of joint military cooperation. One of the reasons may be that even though both countries strive for modernization and military high tech, they do it separately.

30. "Sino-Russian military technology cooperation" (中俄军事技术合作), in the 4th annual report of "Russia China Dialogue: 2018 Modus operandi" (中俄对话: 2018 模式), published by the Institute of International Studies at Fudan University, Russian International Affairs Committee, and Far Eastern Institute of the Russian Academy of Sciences, May 2018.

31. "China, Russia to lift military relations to new high: defense ministry", Xinhua, 28.6.2019, [http://www.xinhuanet.com/english/2019-06/28/c\\_138179303.htm](http://www.xinhuanet.com/english/2019-06/28/c_138179303.htm)

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