

RUSSIAN - CHINESE RELATIONS

CURRENT STAGE AND FUTURE PROSPECTS

VLADIMIR PORTYAKOV

article
abstract

THE ARTICLE DESCRIBES PROSPECTS FOR THE RUSSIAN-CHINESE RELATIONS IN THE CONTEXT OF THE FOREIGN POLICY OBJECTIVES SET BY THE 18TH CONGRESS OF THE CPC AND BY THE FOREIGN POLICY CONCEPT OF THE RUSSIAN FEDERATION, AS WELL AS IN LIGHT OF THE OUTCOME OF XI JINPING'S VISIT TO MOSCOW ON THE 22-23TH OF MARCH 2013. THE ARTICLE LIKEWISE ANALYZES THE POSSIBLE IMPACT OF LEADING FACTORS LIKE GEOGRAPHIC ADJACENCY, HISTORY OF RELATIONS, GEOPOLITICAL SITUATION, ON FURTHER DEVELOPMENT OF RELATIONS BETWEEN RUSSIA AND CHINA. THREE POSSIBLE SCENARIOS FOR THE EVOLUTION OF THESE BILATERAL RELATIONS IN NEXT TEN YEARS ARE PRESENTED.

CHINA, BILATERAL RELATIONS, CURRENT STATUS, FUTURE TRENDS, FACTORS, SCENARIOS

The state visit to Moscow by Xi Jinping, the newly elected Chairman of the PRC on 22-23 March 2013, has caused wide public interest towards present-day Russian-Chinese relations and possible options for their future development. In the article presented below I try to observe briefly the current stage of the bilateral relations between the Russian Federation and the People's Republic of China, to analyze the stimuli for their further development provided by the 18th Congress of the CPC,¹ as well as by the new Foreign Policy Concept of Russia adopted in February 2013. Moreover the article aims to look at the possible impact of some major factors framing Russian-Chinese relations.

CURRENT STAGE

It is well known that during the historically short 20-year period of contacts between the Russian Federation and China have paved a way from "friendly status" (1992) to a relationship of "comprehensive equal partnership of trust and strategic cooperation" (2012). For more than a decade after the signing the Treaty of Good-Neighborhood, Friendship and Cooperation between Russia and China on July 16, 2011 Moscow and Beijing invariably characterize the state of their bilateral relations as the "best in history," qualifying them as "a relationship of mutual support and joint efforts for common prosperity, friendship, transmitted from generation to generation."² Often further is argued that the positions of the two countries on most international issues are "similar or identical," that the economies of Russia and China complement each other well, and that Moscow and Beijing have no issues now, nor "any problem that cannot be solved," or, at least, that "there exist no conflict of core interests." However, both parties recognize that Russian-Chinese relations occasionally yield divergent interests and a certain friction, especially in the trade and economic sphere, that they need a major expansion of their social base and require a substantial increase in the level of mutual trust. This means that the maintenance of these already achieved sufficiently high levels of bilateral contact and their further development is not guaranteed *a priori* and cannot be implemented automatically. On the contrary, only constant multilevel work from both sides can give the desired result.

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RUSSIA CONSIDERS ITS COOPERATION WITH CHINA IN FOREIGN POLICY AS ONE OF THE BASIC FACTORS OF INTERNATIONAL STABILITY

¹ Communist Party of China (Editor's note – JvdB)

² Far Eastern Affairs 2012: 3-7.

keywords

RUSSIAN-CHINESE RELATIONS IN THE CONTEXT OF RUSSIA'S AND CHINA'S FOREIGN POLICY GOALS

A particularly important part is played by the leaders of Russia and China and by their vision of which place and role of both countries have in the world, and of their expectations from the partner state.

The objectives of China's foreign policy, formulated at the 18th Congress of the CPC, are able to stimulate further development of the relations between China and Russia. In the sphere of practical politics, the Congress proclaimed a policy of "creating a new type of relations between the big powers" and mutually beneficial cooperation with neighboring countries. China's relations with Russia are completely contained in these two strategic vectors of Beijing's international activities. According to the report by Hu Jintao, some additional areas of China's interaction with Moscow may quite well be cooperation in formats like G-20, the SCO and BRICS, while upholding universal values of the UN Charter and cooperation in the UN Security Council, promoting a multi-polar world.³

While the new Foreign Policy Concept of Russia, approved by Vladimir Putin on February 12th, 2013, declares a totally independent and sovereign role for Russia in international affairs, it also confirms the priority to develop relations with Beijing. As noted in the document, Russia will actively develop cooperation with China in all areas, "including responses to new threats and challenges, addressing the most pressing regional and global challenges." It was also stressed that Russia considers its cooperation with China in foreign policy as one of the basic factors of international stability.⁴

XI JINPING'S VISIT TO MOSCOW

A commitment to further deepening the bilateral cooperation in all possible directions was fully demonstrated during the visit of Xi Jinping to Moscow in March 2013. Both sides readily emphasized the symbolic meaning of the fact that Xi Jinping started his foreign trips as a full head of state from Russia. By the number of documents signed - 35 - this visit was one of the most productive in the entire twenty years of exchanges and visits by the heads of the Russian Federation and China.

³ Hu Jintao 2012.

⁴ Nezavisimaya gazeta 12-02-2013.

It is possible that not all these agreements will be implemented. So, despite the signing of the Memorandum of Understanding between "Gazprom" and the China National Petroleum Corporation for cooperation on a project to deliver Russian natural gas to China by pipeline (the so-called "eastern route"), a number of Russian analysts remain skeptical if a real agreement with Beijing on the price of gas can be achieved soon.⁵

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AMONG RUSSIAN EXPERTS NOWADAYS THERE ARE QUITE WIDE-RANGING VIEWS ON THE PROSPECTS OF RUSSIA'S RELATIONS WITH CHINA.

However, it is necessary to stress the obvious importance of cooperation agreements in various segments like agriculture, which open up the possibility to export Russian grain to the Chinese market. It must be noted in light of the agreements reached during the visit of Xi Jinping, that forecasts predicted an increase of Russian oil supplies to China from the current 15-16 million tons to 50 million in the foreseeable future.⁶ In addition, the Chinese partners were invited to participate in the development of an oil and gas project named "Sakhalin-3."⁷

It seems that Russia and China are seeking to fulfill as soon as possible the task of converting the achieved level of political relations into results of practical cooperation in economic, humanitarian and other fields, set out in the Joint Statement of the 22nd of March 2013. The international part of the Joint Declaration also sounded weighty. It called out for all states to "respect the diversity of the world civilizations and multiple ways of social development," and to "promote the establishment of a new concept of universal, equal and indivisible security based on mutual trust."⁸ Following the visit of Xi Jinping to Russia, both countries announced their intention to elevate bilateral relations to "a new phase of comprehensive equal partnership based on trust and strategic cooperation, mutual support, common prosperity and friendship."⁹

⁵ Kulikov 2013.

⁶ Skosyrev 2013.

⁷ Latukhina 2013.

⁸ Joint Declaration 22-03-2013.

⁹ Joint Declaration 22-03-2013.

RUSSIAN-CHINESE RELATIONS IN THE EYES OF EXPERTS

Commenting the results of the Chinese leader's visit to Moscow, some Russian experts expressed confidence in the progressive development of Russian-Chinese relations. According to Dmitry Mosyakov from the Institute of Oriental Studies, China is increasingly becoming for Russia an economic and political alternative to the West.¹⁰ This approach may prevail in Russia, if not absolutely, then at least relatively. However, it is not the only one. Among Russian experts nowadays there are quite wide-ranging views on the prospects of Russia's relations with China.

As in the 1990s, Professor Alexei Voskresenski continues to consistently advocate the middle, balanced position of Russia between China and the West. In his opinion, "due to carrying the burden of great power status, Russia can probably never get on the USA/Western bandwagon just as it had opted not to get on the Chinese bandwagon in the Beijing consensus game during Medvedev's presidency."¹¹

Academician Alexander Dynkin spoke in favor of closer cooperation between Russia and the EU "in the rapid growth of the two giants - the U.S. and China."¹² In the articles by Vladislav Inozemtsev the discontent on the current "excessive rapprochement" between Russia and China is articulated openly. As an alternative, he suggests a multi-vector approach to the rise of the eastern regions of Russia with broad involvement of the USA, Japan, and Republic of Korea.¹³

In China also there are diverging view point from the official mainstream. So, Yan Xuetong from Tsinghua University believes that the world is not moving towards the formation of a multi-polar, but towards bipolar system with the U.S. and China as the poles. In order to achieve the status of one of the two poles, China needs to design an alliance with Russia.¹⁴ This union, says Yan Xuetong, corresponds to the interests of strategic security of both countries or, at least, does not cause any harm to any of them. Russia also needs this: as a "return of Vladimir Putin to the presidency means that Western pressure on Russia will not decrease, but only increase."¹⁵

10 Euronews 2013.

11 Voskresenski 2012.

12 Dynkin, Pantin 2012.

13 Inozemtsev 2012: 18-19.

14 Yan Xuetong 2012a: 112-117.

15 Yan Xuetong 2012b: 52-54.

Objections to the establishment of Russian-Chinese alliance in any form are distributed both in Beijing and Moscow. According to the director of the Moscow Carnegie Center, Dmitri Trenin, "only a blind and bellicose policy by Washington can, in theory, prompt China and Russia to form an anti-US alliance. Today, such a scenario appears highly unlikely."¹⁶

MAJOR FACTORS WHICH MAY INFLUENCE FUTURE PROSPECTS OF RUSSIAN-CHINESE RELATIONS

The so-called "scenario approach" by analyzing the major factors these bilateral relations, may help to arrive at more reasonable and reliable conclusions about the future nature of Russian-Chinese relations. The most fundamental of these factors include geographical proximity, the history of relations between the two countries (in terms of its projections for the future) and the evolution of the geopolitical position of Russia and China. Also very important are such factors as economic cooperation, the ratio and the absolute scale of the economic potential of both countries, and their mutual perception.

Diverging perceptions - Russia and China have notably different interpretation of the history of their bilateral relations in various periods. According to the Chinese version, in the 1850s-1860s Imperial Russia forced Qing China to sign several unequal treaties, by which Russia "illegally received 1.5 million square km of Chinese territory." According to a number of prominent Russian sinologists, really unequal was the first treaty concerning the two countries' territorial demarcation - the Nerchinsk treaty of 1689, imposed on Russia by force of arms. So, in the middle of the 19th century, when Russia had the chance, this historical justice was restored.

We cannot exclude further unwinding of "unequal treaties" theme in China, especially in the context of Xi Jinping's statements on the "Chinese Dream," which means the revival of China and the Chinese nation. Growth of nationalism and irredentist sentiment in China may have a deterrent effect on the Russian-Chinese relations.

As for the relations of the Soviet period, the stumbling blocks are, firstly, the various estimates of the Treaty on Friendship, Alliance and

16 Trenin 2013: 10.

Mutual Assistance signed in 1950 (Chinese qualify this treaty as unequal) and different interpretations of the clashes on the Soviet-Chinese border in 1969 still exist. In my opinion, the consistent implementation of the bilateral relationship of Deng Xiaoping's idea "to close the past and open the future" can gradually reverse the negative effects of these historical factors on the relationship between Russia and China.



US PRESSURE ON CHINA AND RUSSIA IN THE LATE 1990S HELPED TO BRING THE TWO COUNTRIES TOGETHER. IN PART, WE CAN OBSERVE THE SAME SITUATION TODAY

Geographical factors- Geographical proximity can operate "in the black" and "in the red" as it did with the Soviet Union and China in the 1960's - 1970's, when Moscow and Beijing spent huge amounts of money to protect one from another. Strong Chinese economic influence in a number of border regions of the Russian Federation benefits some citizens of Russia and worries others. Frequent interpersonal contacts, tourism development and cooperation in the humanitarian sphere can partly alleviate concerns among the Russians of a "Chinese coming". However, the huge difference in the number of inhabitants of the border areas of the two countries will remain for Russia in its relations with China the factor with a "minus" for the foreseeable future.

Geopolitics- Among geopolitical factors, the most significant impact on the Russian-Chinese relations may come from two sides: the US and Central Asia. Simultaneous US pressure on China and Russia in the late 1990s helped to bring the two countries together. In part, we can observe the same situation today. However, the triangle formed by Russia, the US and China, does not abide by the primitive law of communicating vessels, but through complex realities of the world economy and politics in action. In a sense, we can speak about the opposition of the "economy" (the Sino-US relations) to "politics" (Russia-US talks on the reduction of strategic offensive weapons), but there is also a lot of policy in Chinese-American relations, especially after the declaration of Washington in 2009 on "the return of the US to Asia." To the satisfaction of Beijing, Russia has declared its non-participation in any schemes affecting China in 2012. However, relations with the US, which are often categorized as one of the "major bilateral interstate relations in the modern world," remain more important for China than its relationship with Russia: twelve issues of the magazine «Zhongguo waijiao» (China's Diplomacy) in 2012 together published 24 articles devoted to China's relations with the United States, while to China's relations with Russia - only 4. However, the self-sufficiency of the Russian-Chinese relations

makes them largely independent from the relations between China and the US.

In Central Asia, Russia and China for the foreseeable future will have the common interests, such as ensuring stability in the region, their fight against drug trafficking, and neutralization of excessive presence of extra-regional forces, activation of the SCO. The "confrontation" between the two powers in the region, predicted sometimes, is unlikely. Among other geopolitical factors, relations of Russia and China with India, Vietnam, Japan and Mongolia should be mentioned. From time to time both Moscow and Beijing demonstrate displeasure over some aspects of their strategic partner's ties with this or that country. But such displeasure may create only temporary friction at most, but will lead to a serious deterioration of Russian-Chinese relations.

Economic discrepancy- The growing gap in the economic power of Russia and China is a factor in some way hindering a closer union of the two countries. Russia's GDP in 2012 was 62.35 trillion Rubles or 13 trillion RMB - just a quarter of the GDP of China. The ratio of foreign trade of the two countries in 2012 was 4.6:1 on overall turnover (US\$ 3,866.76 billion in China and US\$ 837.3 billion in Russia), including 3.9:1 in exports (2048.93 billion in China and 524.7 billion for Russia) and 5.8:1 for imports (1817.82 billion in China and 312.6 billion in Russia). Some citizens in Russia, which was ahead of China in most economic data only two decades ago, see such a situation as a real danger of turning the country into an appendage of China, or at least getting into a multifaceted dependence on it, including its dependence on the export of energy resources and on its import of the widest range of consumer and investment goods.

The current structure of their bilateral trade reflects the role of the two countries in the international division of labor. In 2012, the share of oil and oil products in Russia's exports to China amounted to 66.8%, while the share of machinery and equipment was only 0.7% (\$ 315 million). The share of machinery and equipment in Russian imports from China accounted for 42.4% and the absolute amount of their entry into the Russian Federation - \$ 18.7 billion is quite impressive.¹⁷¹⁵ However, if such a situation can be corrected, it would be only very gradually, following the re-industrialization of Russia and the creation of a large scale and structurally differentiated processing industry. In the short term, the current trade pattern will change only slightly. It seems that to be in the interests of powerful pressure groups in both countries.

17 Calculation of the author based on the data of China's customs statistics.

FUTURE PROSPECTS OF RUSSIAN-CHINESE RELATIONS

In summary, we can conclude that three scenarios for the development of Russian-Chinese relations in a decade-long term are possible. This normative approach is based on the ordinary logic, that every process in human society, including interstate relations, has only four possible options of future development: improvement (elevation to higher stage), maintaining the same quality, deterioration, and, finally, disappearance (when the process ceases to exist). I suppose that in ten years perspective both China and Russia will remain on the world map, and that their bilateral relations will have prolongation. So, actually we have three possibilities.

Firstly, the “status quo” scenario: it will be characterized by prolongation of current trends in the key areas of cooperation. This scenario most likely will mean further change in the PRC favor in ratio of economic parameters of the two countries and the gradual expansion of China’s presence in the Russian market. But both countries will despite some small frictions, nevertheless rather effectively support each other in the international arena and the volume of their bilateral trade and economic ties will demonstrate more or less sustainable growth. This scenario is the basic one.

Next - a scenario of significant deterioration of Chinese-Russian relations due to a change in the geopolitical situation and/or because of the growing tensions on certain issues. The script is disadvantageous either for Russia or for China. Despite its high improbability, it should be mentioned according to the principle: “never say never.”

The third scenario - a significant deepening of the comprehensive partnership and principal increase of mutual trust between the leadership and people of both countries; consistent interaction on most international issues; growing scale and diversification of trade and economic cooperation between Russia and China. It is unlikely that this scenario would be implemented in full before 2020-2022 (at least for technical reasons), but a movement in that direction would be valuable in itself.

In order to realize this scenario, Russia and China should achieve an agreement with a formal alliance of some kind. Up to now, it seems like neither Moscow nor Beijing is ready to make such a step. So, probability of these three scenarios (from 100% in total) is, in my rough estimate, is 70%, 5% and 25%.

Vladimir Portyakov is an expert on a wide range of contemporary China issues. He is Deputy Director of the Institute of Far Eastern Studies, Russian Academy of Sciences in Moscow and Editor-in-chief of the “Far Eastern Affairs,” a Russian Journal on China, Japan and Asia-Pacific. In 1970 he graduated from the Moscow State University, with a specialization of “economic geography.” After obtaining the title “Candidate of Sciences” in 1978, and “Doctor of Sciences” (PhD) in 1999, he is now a professor specialized in the global economy. He has written about 250 publications, including monographs: (in Russian) “China: a search for social and economic development” (1995), “The economic policy of China in the era of Deng Xiaoping” (1998), “The economic policy of China in the 1990s” (1999, in English), “Economic Reform in China” (2002), “From Jiang Zemin to Hu Jintao: China at the beginning of the Twenty-First century” (2006), “The formation of China as a responsible global power” (2013).

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