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Russia-China Relations: Alliance in the Making?

By Chris Cheang

Synopsis

The meeting between Vladimir Putin and Xi Jinping in Vladivostok on 11 September 2018 and the first-ever participation of Chinese units in the Vostok-2018 military exercise have renewed speculation about the emergence of a Russia-China alliance. While ties are certainly strengthening, an alliance between them is still difficult to imagine.

Commentary

THE EASTERN Economic Forum (EEF), President Putin's main platform to engage the major economic players in the Asia-Pacific, seeks to attract investment and strengthen the underdeveloped Russian Far East's (RFE) links with the world's fastest growing region.

Putin met his Chinese counterpart Xi Jinping in Vladivostok on 11 September 2018 while Chinese troops took part for the first time in the Vostok-2018 military exercise. During their meeting, both leaders predictably pledged to work closer together to deal with current issues. An increasingly unpredictable geopolitical climate made the partnership between Moscow and Beijing more important, President Xi was quoted as saying during talks with Putin.

Russia-China Response to US Protectionism?

Xi also advocated for both countries to team up against protectionism – which Putin echoed. Both leaders agreed to work on boosting trade and to conduct more bilateral transactions in the rouble and the yuan, rather than the US dollar. President Putin also told reporters that Moscow and Beijing would continue working jointly towards de-escalation and a political settlement on the Korean Peninsula.

During his address to the EEF on 12 September 2018, President Xi pledged to help Russia develop the RFE, surely music to President Putin's ears.

Meanwhile, the Vostok-2018 exercise would see the participation of 3,200 troops and 30 aircraft from China. This military exercise is nothing new – large-scale military exercises take place annually in Russia's vast landscape. Last year, a similar exercise took place in the country's western regions, in a clear signal to NATO with which Russia's relations have been tense, after the Crimean and Ukrainian crises of 2014 and NATO's consequent military build-up in the Baltic states and Eastern Europe.

Russo-Chinese Alliance?

Nevertheless, for several reasons, both presidents' meeting in the EEF and Vostok-2018 do not portend the inevitability of a Russo-Chinese alliance.

First, both sides have made it clear many times that neither is interested in an alliance relationship. In Russia's case, it certainly would not want to become the *de facto* junior partner in any such relationship. A chequered history with China during which Tsarist Russia was one of the foreign powers which acquired Chinese territory, cannot have been forgotten by either side.

Moreover, Russia's sense of *amour propre* or self-concern as a great power and longer history of being one, would not allow it to accept a *de facto* junior partner status.

Second, while Russia's trade with China is increasing, it is still far from the year 2020 target of US\$200 billion. This figure was cited in a 2018 report on bilateral relations by the prestigious Russia International Affairs Council; the Financial Times quoted President Putin as saying it totalled US\$87 billion in 2017 and is expected to reach US\$100 billion this year.

Moreover, Russo-Chinese economic interaction, focused on energy exports, cannot be expected to change soon. Russia's fear of the 1990s when the talk was about Russia becoming an energy appendage of the West, now threatens to be revived with respect to China.

China and the US

On the other hand, China's total trade with the US is more diversified and in 2017 amounted to US\$635.3 billion. Hence, for China, the US is the more important trade partner compared to Russia, despite the current US-China trade war which has only just begun and whose outcome is not predictable.

Third, for Russia, the US is the "main opponent" in so far as the US represents what is perceived as the major threat to its domestic stability and Russia's status as a great power. Economic and trade issues are not in contention between the two countries.

Russia's total trade with the US in 2017 totalled less than US\$24 billion, with the balance in Russia's favour to the tune of only US\$10 billion. While China too perceives

the US as a challenge to its historic role in Asia, currently, economic and trade issues top the agenda of differences between the two countries.

While President Putin and Russian leaders have openly praised President Donald Trump, China does not share this positive view, for obvious reasons. Any alliance between Russia and China would assume that both sides share a similar view of the main opponent's leader and his policies.

Although it is true that President Trump's open praise of Russia and President Putin has thus far not resulted in policies which reflect his words, Russia can still hope for better days. Unlike Russia, China has been consistently criticised for its trade policies with respect to the US by President Trump and lately has been subjected to US tariffs.

Mistrust Amidst Growing Closeness?

Finally, Vostok-2018, ironically, indicates some level of mistrust still remains; it seems that Russia might be seeking to signal not only the US but primarily China that it is capable to dealing with any military threat to its large and sparsely-populated RFE and Siberian regions. Vostok-2018, is the largest exercise since 1981, with a small number of Chinese troops' participating in it.

The participation of Chinese units is a way of directly showing the Russian armed forces' prowess in the RFE and Siberia. Vostok-2018 is also taking place in the RFE and not in the country's western regions, despite the well-known tensions with NATO. Further, there is a history of bad blood, including armed clashes on their common border in 1969. Finally, unlike in the halcyon days of Sino-Soviet "friendship", China today is economically ahead of Russia.

Implications for ASEAN

It is clearer than ever that the focus of Russia's Asia policy is on China, as well as Japan and South Korea, whose leaders were also present at the EEF.

That is understandable and is to be expected given Russia's long history of relations with these countries, their relative geographic proximity to Russia and above all, their economic and political standing in the Asia-Pacific and the world. Hence, they could meaningfully contribute to the development of the RFE.

ASEAN therefore must be realistic about its expectations in developing its relations with Russia. Should President Putin attend the East Asia Summit in November 2018 in Singapore, that would certainly provide a boost to Russia-ASEAN relations. However, whether that would lead to a substantive outcome that would take Russia-ASEAN relations to the next level remains to be seen.

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