

CHINA AND RUSSIA

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# A Strategic Alliance in the Making?

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# Should the U.S. be worried about a Sino-Russian alliance emerging?

Among the most prominent features of the 21<sup>st</sup> century is the
realignment in the distribution of global political, economic, and
military power. Many scholars and observers of international relations
argue that the United States and China in some configuration will <u>likely</u>
<u>dominate the geopolitical landscape this century</u>. Certainly, the United
States will remain a great power in the international system, despite
the diminishing gap between American power and that of the rest of
the world. However, a rising China is pressing for a world order more
favorable to its interests, arguing that it was absent when Washington
led the fashioning of the existing rules forming the Western-dominated
international system today.

in Where does Russia sit in the 21<sup>st</sup>-century realignment? Right in the middle. Ever since the collapse of the Soviet Union, Russia has been struggling to hang on to its great power status. Many of its traditional sources of power—political, economic, and military—have eroded over the past nearly three decades. U.S. and Chinese leaders know this, and they view Russia through the prism of their own country's geopolitical interests.

To that end, Beijing and Moscow see a Sino-Russo strategic partnership as a counter to America's global influence. In fact, the most recent signal of strengthening ties between China and Russia is unfolding this week with the participation of roughly 3,200 Chinese military personnel in the Russian military exercise "Vostok", an exercise dating back to the Cold War that was designed, ironically, to aid Moscow in a ground war with China along its eastern front. Although the number of participating Chinese pales in comparison to the estimated 300,000 Russian troops involved, the joint exercise nevertheless indicates a deepening of Chinese-Russian military-to-military cooperation. Vostok is among several recent joint military exercises.

Ahead of the military exercise, the countries' two leaders, Chinese President Xi Jinping and Russian President Vladimir Putin, will meet in the Russian far-east city of Vladivostok, the 26<sup>th</sup> time the two leaders will meet. Xi will be attending the Russian-hosted Eastern Economic Forum, the first time a Chinese leader has done so. Their latest meeting and the upcoming exercise have heightened concerns that a real Sino-Russian alliance is emerging. How warranted are those concerns? The answer is mixed: There are several considerations driving China and Russia together, but at the same time a Sino-Russian alliance would require overcoming deep historical, political, economic, and cultural divisions.

## f Considerations Driving China and Russia Closer

Y Several forces driving China and Russia closer together include: U.S. primacy and the desire in Beijing and Moscow to challenge that G+ primacy; increasing American rhetoric projecting China and Russia as threats; China's rise and need to mitigate U.S. efforts to contain or  $\mathbf{\mathbf{Y}}$ confront it; and Russia's limited economic, political, and military power combined with its desire to remain a great power. Furthermore, both Ó China and Russia have a common desire to undermine the allure of democracy relative to authoritarian models. Finally, both are feeling in the impact of Western-led economic efforts, most notably the U.S. and EU sanctions that have forced Russia to explore other markets, as well as the U.S. tariffs on Chinese goods and Russian steel and aluminum, which have driven them to cooperate economically against the United States.

> As articulated in the U.S. national security and defense strategies, Russia and China are considered direct threats to America's primacy. President Trump's National Security Strategy released in December 2017, paints both Russia and China as "revisionist powers . . . that use technology, propaganda, and coercion to shape a world antithetical to our interests and values . . . ." According to the <u>National Defense</u> <u>Strategy</u> released by the Pentagon in January, China and Russia are lumped into the same category.

"The central challenge to U.S. prosperity and security is the reemergence of long-term, strategic competition by what the National Security Strategy classifies as revisionist powers," the document declares. "It is increasingly clear that China and Russia want to shape a world consistent with their authoritarian model—gaining veto authority over other nations' economic, diplomatic, and security decisions."

Russia, not surprisingly, does not share this assessment of China (nor of itself, for that matter). Indeed, Moscow virtually never describes China in negative terms, to say nothing of being a threat, in contrast to how it views the United States, which is often cited as Russia's chief threat. Russian propagandists on Kremlin-controlled television frequently bash the United States. This was certainly the case in the second half of the Obama Administration; in the days after Russia illegally annexed Crimea, television presenter Dmitry Kiselyov famously threatened, "Russia is the only country in the world that is realistically capable of turning the United States into radioactive ash." While such rhetoric was toned down at the start of the Trump Administration, rhetoric against the United States continues. Similar talk about China coming out of Moscow is simply unimaginable.

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As U.S.-Russian relations deteriorated after Russia's invasion of  $\mathbf{\mathbf{\nabla}}$ Ukraine and illegal annexation of Crimea in 2014, Russian-Chinese relations deepened. Some in the think tank and analytical community Ó have argued that the tensions in relations between Moscow and in Washington are driving Moscow and Beijing closer together. In May of 2014, soon after Europe and the United States imposed sanctions on Russia for its annexation of Crimea and widening aggression in Ukraine, Putin traveled to Shanghai to sign a long-awaited \$400 billion gas deal with China involving a costly and much-discussed pipeline. President Xi exercised leverage in signing the deal, knowing that Putin was under pressure from the West and was looking for other, eastern options. "This is the biggest contract in the history of the gas sector of the former USSR," said Putin, after the agreement was signed between state-controlled entities Gazprom and China National Petroleum Corp (CNPC).

Even though China got the better deal through a reduced price for the gas, Putin's supporters argued that the deal demonstrated that Russia had the "China card" to play. "Obama should abandon the policy of isolating Russia: it will not work," Putin loyalist and senior parliamentarian Alexei Pushkov, <u>tweeted at the time</u>.

The Russian-Chinese military relationship has significantly deepened over the years, with arms sales of advanced aircraft and missiles such as the Su-35 combat aircraft and S-400 SAM systems between the two (mostly going from Russia to China), totaling some \$7 billion. Russia needs the currency earned from such sales, especially in light of Western sanctions and the drop in the price of oil. Nevertheless, the arrangement, which includes some of Russia's leading military equipment, reminds one of the old Lenin quote: "The Capitalists will sell us the rope with which we will hang them." In this case, some in Moscow must wonder whether Russia is selling the Chinese the means by which Beijing could threaten Russia militarily.

There is common ground between China and Russia when it comes to the United States. Both resent efforts by the United States over decades to establish and maintain American unipolarity around the world. Both are interested in a multi-polar world as a way to vitiate American primacy. Beijing and Moscow seek to undermine and discredit the very concept of Western-style democracy. Both have been eager to hold up their systems of government, which combine authoritarianism with a market economy as viable and desirable alternatives to the United States model. Both tap into populist movements around the world, including the United States, challenging the efficacy of democratic systems and highlighting their failures to deliver to average citizens.

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Both bristle at American-led sanctions and a military build-up in Europe in the case of Russia and military maneuvers and economic pressure to contain a muscle-flexing, growing China. Those sanctions against Russia have forced Moscow to look east for new markets. Recent American tariffs on China may impel Beijing to look toward Russia.

Both use their veto power in the United Nations Security Council to block U.S.-led efforts to sanction and target countries such as Syria and Iran, even more recently Nicaragua, with Russia usually taking the lead in this forum and China closely following behind. One time when they abstained, in the case of Libya in 2011, the Qaddafi regime was overthrown and Qaddafi was killed, leading authorities in Moscow and Beijing to vow never to let that happen again. We see this playing out in North Korea. Although Moscow and Beijing oppose North Korean nuclearization efforts, neither are interested in seeing the Kim regime toppled. China especially, but Russia, too, have helped undermine the effectiveness of international sanctions against the regime in Pyongyang in a challenge to the United States.

### Factors Working Against a Sino-Russian Alliance

For all those common interests, there is much keeping Moscow and Beijing apart. There are deep historical, political, cultural and economic differences as well as diverging global interests. They compete for influence in Central Asia and beyond; China has greater wherewithal to pursue an aggressive agenda. Both countries have radically different demographic projections.

China is struggling to manage its still growing population with respect f to the anticipated socioeconomic demands of an aging population in the latter part of this century, hence its efforts to move away from the One Child Policy and ongoing debates over eliminating the Two Child G+ Policy. Russia, meanwhile, suffers from a declining population, with worst-case predictions calling for a dramatic fall from its current 143  $\mathbf{\mathbf{Y}}$ million to 100 million in a few decades. This will bring with it huge economic, labor, social security, and other implications for Russia. Ó Roughly five million Russians live in the country's Far East, among the least-populated stretches in the world; more than 100 million, live in across the border in the three Chinese regions adjacent to Russia, where some 5-7 million Russians reside. China views Russia's bountiful natural resources, space, and opportunity with envy. An influx of Chinese into the Russian Far East to fill employment opportunities, including into the two largest cities of Khabarovsk and Vladivostok, risks significantly changing regional dynamics and is the source of significant resentment among many Siberians.

The two countries have different economic outlooks: China's economy continues to rise—albeit at a slower rate than the previous decade—whereas Russia's economy remains stagnant. China attaches more importance to its relationship with the United States than to that with Russia. China aspires to be on equal footing with the United States, not Russia, which Beijing recognizes as a declining power. China

is catching up to the United States in GDP terms, <u>\$19.5 trillion versus</u> <u>\$12.2 trillion</u>, though it still has quite a way to go. Russia's GDP, by contrast, does not even break the \$2 trillion level.

The United States remains a global power, even with a push starting in the Obama Administration and continuing under Trump to pull back on some of America's commitments overseas. China, through military muscle-flexing and economic means, is expanding its global reach regularly. Beijing has devoted \$1 trillion to its Belt and Road Initiative to extend its influence in developing countries through financing for infrastructure; Russia can't even dream of such an initiative.

Trade between China and the United States came <u>close to \$650 billion</u> <u>in 2016</u>, dwarfing trade between Russia and the United States, which was barely more than \$27 billion in 2016, according to USTR statistics. Recent tariff wars, rising wages in China, and Chinese indigenization efforts will likely affect those numbers especially with China, but even then, Russia is not going to fill any void created. Trade between Russia and China, by comparison, was only <u>\$84 billion in 2017</u>. China is an important, albeit not decisive, player in the American economy, holding more than \$1 trillion in U.S. national debt; Russia isn't even an important economic partner.

Russia is an equal with the United States when it comes to nuclear weapons and significantly outpaces China in this area. However, Russia is a wannabe global power; while it is capable of making trouble beyond its borders (see Syria in particular) the bulk of its influence lies with the countries that were once part of the Soviet Union. But even there the United States (albeit less so in recent years) and especially China are competing for influence in that region.

The Shanghai Cooperation Organization, a regional grouping created in 2001, has not dampened the push and pull that countries in Central Asia and elsewhere feel in the competition for influence between Moscow and Beijing. As Russian analyst <u>Dmitri Trenin acknowledged</u>, "For the first time in their history, Russians have to deal with a China which is more powerful and more dynamic than their own country."

The passage of time has largely erased memories of actual clashes between the Soviet Union and China in the late 1960s, but it has not eliminated lingering distrust between the two countries. This distrust has existed for decades, exacerbated after the Chinese Revolution in

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1949 by Khrushchev's de-Stalinization campaign in the 1950s and continuing throughout the next several decades. Nixon's play of the "China card" in the 1970s heightened the distrust between Moscow and Beijing. In the United States, some wonder whether we should be doing something similar, this time with the "Russia card."

#### Where Does That Leave the United States?

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Amid the controversies swirling around the July 2018 meeting between President Trump and President Putin in Helsinki, one comment made by Trump at the very beginning of his one-on-one meeting, just before the joint press conference, went virtually unnoticed. In listing a series of topics he planned to discuss with Putin, Trump said, "we'll be talking a little bit about China, our mutual friend President Xi." Nothing more was said during the press conference or in follow-on coverage of the Trump-Putin meeting. What might the two leaders have discussed regarding China?

Some argue that former National Security Advisor Henry Kissinger is advising the Trump Administration to consider Russia as a partner in its strategy to contain a rising China; after all, Kissinger pushed U.S. alignment with China in an effort to contain the Soviet Union during the Cold War. The logic behind this is clear: Russia has few traditional sources of national power that threaten U.S. long term interests.
However, Moscow does present near-term challenges in undermining democratic values and exacerbating social and political divisions in the U.S. through its efforts to weaponize information. If the United States can compel Russia to layoff attacking U.S. interests (and there's little to indicate that it can), then it can focus its efforts on managing its interests with respect to a rising China.

Still, among the many problems with pursuing such an approach is the fact that the United States and Russia share no common values and share fewer and fewer interests. Given the current state of relations, even with Trump's efforts to "reset" in his own way his ties with Putin, it is hard to imagine such a strategy would succeed in pitting Russia and the United States together against China. Moreover, there are no indications that Putin would risk antagonizing his relationship with Xi and China by agreeing to team up with the United States to contain Beijing. Putin and the Kremlin believe they have reason to doubt the reliability of the United States: They thought Trump was going to lift

sanctions and instead have seen the U.S. Administration ramp them up instead. The same is true in Washington: There is little reason for them to think officials in Moscow would reliably partner against China.

Given the yawning gap between the Russia and the United States, an alignment between them would likely require some sort of grand bargain. What would the United States sacrifice to garner Russian favor with respect to China? Silence on Russia's human rights situation? No more sanctions? Abandonment of Ukraine, Georgia, and other countries in Eurasia to a Russian sphere of influence? It is doubtful that any of these sacrifices would be worth the return. Even if one assumes that Russia will one day align with the West, the costs to American interests and values required to strike a deal with Moscow in the short-term, if such a deal were even possible, overwhelm any potential benefits. A Russo-American alliance against China seems as unlikely and unwise in certain respects as a Russo-Chinese Alliance against the United States.

 Furthermore, even amid rising tensions over tariffs and North Korea, Sino-American relations seem in better shape than those between Moscow and Washington. Indeed, Trump's pursuit of better relations with Putin is making little headway. The White House has delayed an invitation for Putin to visit the United States until next year, meaning that Trump and Putin so far have only met in third countries. President Xi, by contrast, visited Trump at Mar-a-Largo in April 2017, and Trump traveled to Beijing for an elaborate visit there last November.

The U.S.-China relationship, in other words, is much deeper and more in productive than the one between Russia and the United States-or the one between Russia and China. For the time being, that will act, along with other factors, as a drag on the hope some have of seeing a Russian-American rapprochement aimed at jointly containing China. That leaves many scratching their heads in wonderment as to what Trump and Putin might have discussed about China in Helsinki. Nor does it clarify where the Russia-China relationship is headed with respect to the United States. For the United States, Russia is not an ally, and China is not an enemy—for now. But the coming reconfiguration of the international system will force these countries to reconsider alliances in an effort maximize their own interests and preserve, if not carve out, their place in the world. The U.S. should engage Russia and China when and where it makes the most sense to its strategic interests, but it should also remain cautious about Moscow and Beijing's intentions and stay agile enough to react to the changes taking place in both countries. The outlook, in other words, is very gray, not black-and-white, and likely to stay that way for years to come.

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