A 'NO LIMITS' PARTNERSHIP? CHINA–RUSSIA STRATEGIC COOPERATION

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On 4 February 2022, the opening day of the Winter Olympic Games in Beijing and only twenty days before Russia's invasion of Ukraine, the People's Republic of China (PRC) and Russia declared a 'no limits' partnership that 'surpasses an alliance'.[1] Given the two countries' geopolitical ambitions and boundaries, a tighter alignment could significantly change the power structure of the contemporary international system and fundamentally challenge the existing liberal order.

This chapter takes stock of recent developments in the China–Russia strategic alignment from three often neglected angles. The first is the consistency of Chinese–Russian cooperation. The second is growing military–technical cooperation. The third deals with the structural shifts in great-power politics that drive Chinese–Russian relations. The chapter also addresses the main weaknesses of China–Russia strategic cooperation and the impact on it of Russia's invasion of Ukraine.

Consistent Consolidation of Bilateral Cooperation

The relatively high level of China–Russia strategic cooperation is not an ad hoc phenomenon. Nor is it a knee-jerk reaction to the deterioration of US–Russia relations in the aftermath of the Ukraine crisis or recent US–China tensions in South-East Asia and beyond. It is a continuation of a consistent consolidation of the strategic partnership between China and Russia since the breakup of the Soviet Union. The steady expansion of China and Russia's comprehensive mechanism of strategic cooperation has proven immune to episodical perturbations, progressing into what in alliance studies is defined as an advanced form of strategic cooperation.[2]

This consistent trend is reflected in official statements, according to which the relationship has progressed from 'good neighbourliness' in the early 1990s to 'constructive cooperation' in the late 1990s, to a 'comprehensive strategic partnership' in 2001, a 'comprehensive strategic partnership of coordination' in 2012, and a 'comprehensive strategic

partnership of equality, mutual trust, mutual support, common prosperity and long-lasting friendship' in 2019.[3] On 5 June 2019, Chinese president Xi Jinping and Russian president Vladimir Putin upgraded China–Russia relations to 'a comprehensive strategic partnership of coordination for a new era'. This progression highlights consistent consolidation of the alignment, its immunity to exogenous shocks, and the willingness of both sides to deal together with future challenges.[4]

The consolidation materialised mostly in military–strategic terms, including the introduction of a comprehensive mechanism for military consultations at different levels. The number of joint military exercises involving the two countries' armies, air forces, and navies in different parts of the world, as well as regular computer-simulated missile defence drills, significantly increased coordination between them. The critique and condemnation of US policies in Asia and elsewhere as 'increasingly threatening', as well as China and Russia's proclamation to jointly resist the growing US threat, became an embedded norm of Chinese–Russian security dialogue. Cooperation across economic and diplomatic dimensions, while not yet as strong, has also steadily increased.

There have been ups and downs. Examples include a temporary stagnation in military–technical cooperation in the mid-2000s and the occasional suspension of otherwise regular bilateral consultations. However, the overall trend is upward; viewed in its entirety, the relationship shows itself immune to short-term fluctuations. It is in this context that on 4 February 2022 the two leaders announced a 'no limits partnership' that 'surpasses an alliance' because it has 'no forbidden areas'.[5]

Then came Russia's invasion of Ukraine. Beijing has carefully tried to distance itself from Russia over Ukraine to avoid being affected by the global sanctions, which suggests at least one limit to the partnership — an unwillingness to be partners in economic adversity. However, China has procured more energy resources from Russia since the latter's aggression against Ukraine. Amid the sanctions imposed on it over the war, Russia has become China's biggest supplier of oil. In May 2022, imports of Russian oil rose by 55 percent from a year earlier, reaching a record level and displacing

A train enters China from Russia
Source: Jack01, Wikipedia

Saudi Arabia as China's biggest provider.[6] Moreover, the continuing bilateral military exercises and joint air patrols over the Western Pacific, especially recent incidents of Chinese and Russian warplanes together entering the South Korean air defence zone from the Sea of Japan,[7] suggest that China is not distancing itself from Russia when it comes to the strategic aspects of the bilateral cooperation, even though China's voting decision on Ukraine at the UN Security Council suggests more neutrality than support.[8]

Growing Military–Technical Cooperation

Military–technical cooperation (MTC) relates to the degree of military alignment between China and Russia and is ultimately a question of how technically prepared the two countries are for a hypothetical fully fledged alliance, including united military action.

China and Russia have travelled a long way in terms of strategic cooperation since the early 1990s. Currently, they carry out twenty to thirty high-level security-related consultations every year, which is at the

level of a functional alliance. This number excludes regional consultations between Chinese and Russian provinces and cities and exchanges between military academies.[9]

Russia's attitude towards a more comprehensive and interdependent MTC with China has evolved, with Moscow increasingly less wary of relying on China in this area. Political factors that used to constrain Russia in its MTC with China — which included concerns about China's unlicensed reverse-engineering of weapons, potential competition from cheaper China-made weapons on international markets, and worries about excessive dependence on China — have disappeared and interconnectedness is becoming the dominant tendency.[10] Russia has begun to rely on China for such things as electronic components for its space program, composite materials and technologies used in drone construction, and engines for warships — all of which result in closer military–technical interdependence.[11] Russia's tendency to consider China as not only a target market for its weapons but also a source of critical equipment and technologies has only consolidated in the context of its war in Ukraine. Willingly or not, Russia has reconsidered its previous defence-equipment-for-cash model of cooperation with China. The imposition of global sanctions on Russia, however, has made China more cautious about sending it supplies and has incentivised the use of more complex and less traceable schemes in bilateral transactions.[12]

China and Russia have undertaken a growing number of joint military exercises in different parts of the world. For example, 'Joint Sea-2015' was held in the NATO-dominated Mediterranean and 'Joint Sea-2016' became the first major exercise of its type to include China and a second country in the disputed South China Sea after the Hague tribunal overruled China's claims over the waters within its Nine-Dash Line. The increasing operational complexity of these joint exercises has laid the foundation for potential simultaneous joint military actions in multiple theatres of operation. This could enable China and Russia to draw the attention and capabilities of the United States and its allies to a specific region, reducing their ability to react to, for example, Chinese actions in the Pacific or Russia's in western Eurasia.[13] This is one of the reasons, in the context of Russia's ongoing war in Ukraine, the United States has paid so much attention to China's potential military

invasion of Taiwan.[14] As some recent congressional reports specified, the United States could struggle to win a war against China or Russia if forced to fight on two or more fronts simultaneously.[15]

The degree of interoperability between Chinese and Russian forces has increased: recent joint military exercises have involved the creation of temporary joint command centres, tactical groups under a single command, and air groups jointly implementing simulated attacks. China and Russia have also started integrating their satellite navigation systems, Beidou and GLONASS, respectively. Huawei Technologies Group has been facilitating China–Russia cyber integration by opening data centres in Moscow, St Petersburg, Kazan, Novosibirsk, and Nizhny Novgorod.[16]

A new level of military cooperation came with the announcement by President Putin in October 2019 that Russia was actively helping China to create an early warning radar system for missile attack.[17] According to some assessments, the new system will be based on the Russian 'Tundra' satellites and 'Voronezh' modular ground-based radar stations set up in Chinese territory.[18] The system will provide advance warning of incoming missiles' potential trajectory, speed, time-to-target, and other critical information needed for effective interception. Missile early warning systems constitute one of the most critical aspects of any country's defence capability. Potential integration of the two countries' systems would facilitate the convergence of their defence strategies, in which case their military integration and interdependence would potentially match that of US alliances with such countries as France and the United Kingdom.[19]

Structural Shifts in Great-Power Politics

To understand the third aspect of the relationship, the structural balance of power, requires looking into the structural shifts in great-power politics. There are strong factors within the international system that drive China–Russia alignment. Historical research suggests that of sixteen great-

'Cage of Wonders' art installation
Source: Alexander Muller, Wikipedia

power transitions (shifts in the global balance of power in which a rising power catches up with or surpasses the dominant great power in terms of comprehensive capabilities), only four were peaceful.[20]

In the contemporary international system, a transition of power is occurring between China and the United States. According to the World Bank, in 1991, the total US gross domestic product (GDP) of US$6.2 trillion was more than sixteen times that of China (US$383.4 billion). By 2020, China's GDP reached almost 70 percent of that of the United States (US$14.3 trillion versus US$21.4 trillion).[21] History shows that an established superpower (the United States, in this case) represents the greatest threat to states that are on the cusp of becoming superpowers (in this case, China).[22] In this context, China has every reason to develop its strategic alignment with Russia, which, given Russia's anti-US foreign policy orientation, military, and geopolitical characteristics, and its permanent seat on the UN Security Council, presents the most effective counterbalance against US power.

At the same time, the United States explicitly identifies China and Russia as major strategic threats — an assessment that drives its defence decisions and allocation of military resources. As the United States' main strategic rival, China is given a primary place in US defence strategy.[23] Russia, in turn, is dubbed a 'revitalised malign actor' that must be contained

through comprehensive sanctions (increased since its invasion of Ukraine).[24] A simultaneous US focus on China and Russia contributes to a situation in which the latter two start to view the US the same way the US views them: as the greatest threat to their national security and the primary focus of defence policy.

This tendency was exacerbated on 27 October 2022, when the Biden administration unveiled a new defence strategy that effectively puts the US military in Cold War mode towards both China and Russia. The new strategy details the United States' plan to confront the two nuclear peers and potential adversaries with a historic multi-year buildup of modernised weaponry, enhanced foreign alliances, and a complete overhaul of its nuclear arsenal.[25] The issue is complicated by the fact that while the United States and Russia have negotiated on nuclear weapons, China has never agreed to any such talks. As a result, the power balance in the international system that is conducive to China–Russia alignment is buttressed by their shared perception of external threats: both increasingly feel that the United States jeopardises their geopolitical interests, national identity, and domestic political regimes.

The current behaviour of the United States suggests a lack of questioning within its strategic establishment of whether adopting a hostile attitude towards both China and Russia makes strategic sense. According to some assessments, the approach does not bode well for the United States' long-term strategic interests because it encourages China–Russia alignment.[26] In the context of the evolving power balance, this deterioration removes any remaining political barriers to closer alignment.[27]

'Unfavourable Complementarity' in Economic Relations

Economic cooperation remains the Achilles heel of Chinese–Russian strategic alignment. The two countries have become more complementary economically and more interdependent in the energy sector. However, as

China and Russia's relative shares in each other's external trade indicate, Russia depends much more on China than China depends on Russia in terms of trade. China ranks as Russia's top trading partner, but Russia is only China's fourteenth-largest trading partner. Moreover, Russia has ended up in a role that it is reluctant to embrace. The so-called complementarity of China and Russia's economic models — allegedly conducive to closer cooperation — creates unfavourable geopolitical pressures on the relationship.

The rapid growth of the total China–Russia trade volume — from a meagre US$5.6 billion in 1992 to US$153.9 billion in the first 10 months of 2022 — has been accompanied by the emergence of a bilateral trade structure that is too unbalanced to be healthy for the relationship and reflects the degradation and primitivisation of Russia's economy since the breakup of the Soviet Union. Russia's manufacturing sector has all but collapsed and the country has become a petrostate. Meanwhile, China has become the world's factory on a gargantuan scale, producing more than 20 percent of global manufacturing output. Between 2001 and 2021, the share of machinery and equipment in China's exports to Russia rose from less than 10 percent to almost 50 percent, but Russia's exports of the same to China dropped from almost 30 percent to less than 1 percent. Simultaneously, the share of oil and oil products in Russia's exports to China soared, from 10 percent in 2001 to more than 70 percent by 2020.[28] Despite this, China, unlike Europe, does not strongly depend on Russian resources, which represent only 19 percent of its total energy/oil consumption. In contrast, for some European countries such as Germany, Russian resources accounted for more than 50 percent of total energy/oil consumption in 2021. The war in Ukraine and the comprehensive sanctions imposed on Moscow will most likely accelerate the technological degradation of the Russian economy, reducing Russia's significance to China, from a true economic partner to little more than an energy provider.

The deterioration of Russia's economic standing vis-a-vis China has various implications. Except for the Russian military-industrial complex, China perceives Russia less as a source of innovation and new technologies and more as simply a source of energy resources and a market for finished manufactured products. For Russia, which only twenty years ago was ahead

of China on many economic development indicators, this is a disappointing outcome that thins the otherwise strong foundations of and support for strategic cooperation with China.

On a psychological level, China's increasing perception of Russia as a net energy exporter discomfits many Russians, including political elites, and makes the Russian government cooler on China than it might otherwise be.

These tendencies consolidated after Russia invaded Ukraine. Barred from access to Western technologies by comprehensive economic sanctions that are unlikely to ease in the foreseeable future, Moscow has rushed to extend its energy exports to Asia at discounted prices — a situation of which China has taken advantage. Thus, the pattern of unequal bilateral economic transactions is likely to continue. This in turn will lead to demands within Russia for protection of national markets and producers from Chinese economic expansion, and to prevent Russia from turning into little more than China's resource appendage.

The Test of the Ukraine War

The war in Ukraine is stress-testing China–Russia strategic cooperation. By not distancing itself from Moscow, Beijing has incurred serious reputational costs and potentially risks becoming a target of secondary economic sanctions. Yet, the war is unlikely to significantly reverse the strategic alignment because of Beijing's growing recognition that it is on a long-term collision course with the United States.

US policies towards China indicate that Washington has embarked on a strategy of containing China, though its official rhetoric favours use of the word 'competition'. On top of de facto economic containment — enforced through such measures as restricting exports of microchip technologies to China and pressuring partners to ban Chinese companies Huawei and ZTE from involvement in building 5G network infrastructure — the United States continues to back Taiwan with arms sales and high-profile visits by top officials. These measures place serious stress on China–US relations and make China increasingly reluctant to distance itself from Russia.

Ten days after Russia invaded Ukraine, former US secretary of state Mike Pompeo travelled to Taipei and urged Washington to 'take necessary and long-overdue steps to do the right and obvious thing', by which he meant recognise 'free and independent' Taiwan.[29] Former House Speaker Nancy Pelosi's visit to Taiwan on 2 August 2022 (five months after Russia's invasion of Ukraine), despite Beijing's vehement criticism and the staging of live-fire exercises off Taiwan's coast, added fuel to the fire.[30] For Beijing, any proclamation of Taiwanese independence is a red line. Washington could have tried to use the Ukraine war to pull China away from Russia, but actions such as those of Pompeo and Pelosi have made this difficult.[31] An argument can be made that neither Pelosi's visit nor Pompeo's words represent US policy and that, thanks to the nature of its political system, both are independent actors. However, if this was the case — that is, Pelosi's visit was the pursuit of her personal political interest — and the United States was interested in minimising tensions with China, the Biden administration should have criticised Pelosi's visit.

President Xi has continued to speak directly with President Biden, including for three hours in Bali, as the two leaders affirmed their mutual opposition to any use of tactical nuclear weapons in Ukraine. Nonetheless, Beijing remains suspicious that Washington is promoting a new Cold War. These suspicions were exacerbated significantly by, among other things, the recently minted AUKUS initiative that former Australian prime minister Scott Morison claimed was a way to push back against a China-led 'arc of autocracy'.[32]

Another factor that contributes to China's unwillingness to openly criticise Putin's war in Ukraine is Western hypocrisy in not making much noise about India's friendship with Russia. Like China, India has never condemned Russia's invasion of Ukraine and, through its purchases of crude oil from Russia, is supporting Moscow no less than is China.[33] In March 2022, India was preparing a rupee–ruble trade arrangement with Russia that will allow the two countries to continue trade despite Western sanctions against Russia.[34] Attempts to warn India of the consequences if it tries to circumvent the sanctions have only been mild and delivered with nowhere near as much pressure and hostile rhetoric as those targeted at China.[35]

From Beijing's perspective, this behaviour appears to confirm that US criticism of it is not about the war in Ukraine, but about using the war to contain China. In such a hostile context, then, Beijing has been reluctant to condemn Russia and risk undermining their strategic alignment.

Conclusion

China and Russia's alignment is not a formal military alliance and may not become one. Moreover, it is not impossible for Chinese–Russian military cooperation to unravel. For all its reluctance to condemn Russia directly, China remains ambivalent about the war in Ukraine and its position on the issue of state sovereignty does not fully coincide with Moscow's. Economic factors could also hinder the upgrading of relations to the level of a fully fledged alliance. The different economic roles of China and Russia in the global division of labour remains another challenge for bilateral strategic cooperation.

Yet, the China–Russia strategic alignment is solid, institutionalised, and comprehensive, and it should be taken seriously. It is also trending incrementally upward. Their shared great-power hostility towards US hegemony in world politics suppresses the most likely centrifugal forces that could pull them apart. The simultaneous deterioration of China–US and Russia–US relations after Russia's invasion of Ukraine prevents the Ukraine war from becoming a factor that will slow or undermine the China–Russia strategic alignment. An alliance is possible, although if one is in the works, China and Russia may delay an official announcement or not make an announcement at all.

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