

Strategic Analysis Paper

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China's Dire Straits: No Brothers in Arms – Part Three

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Key Points

- China has turned to Russia for economic and political support as it is increasingly challenged by the US.
- Russia has its own reasons, including the US challenges that it faces, to support China.
- Russia and China are not natural allies and suspect, more than trust, each other's motives.
- Those suspicions will undermine and defeat any bilateral agreement that they may strike up.

Summary

The [first part](#) of this paper showed that despite its claims to the contrary and, indeed, its hubris, China still depends on the US to maintain its economic growth. Chairman Xi's aggressive economic and foreign policies have, however, placed much of Asia on edge, engendered suspicion of China's motives and, perhaps worst of all, caused the US, now under a brash and bombastic presidency, to enact measures that have hindered its economic growth. China's faltering growth has caused much concern among its leadership, since the very legitimacy of the Chinese Communist Party's rule is predicated, to a large extent, on its promise of economic prosperity. That slowing growth rate has resulted in Chairman Xi's calls to tighten belts and prepare for [difficult times](#). He has exhorted the Chinese people to prepare for a new "[Long March](#)", thereby invoking the difficulties and

sacrifices that Mao and his followers endured and made in the last century. Typically, the reason for the current difficult times was given as an “increasingly complex” international situation. No mention is made of China’s aggressions in international trade and foreign policy and its desertion of Deng Xiaoping’s invocation not to take the lead and to hide one’s capabilities, in favour of its aggressive approach in its dealings with the international community. That aggressive approach, which is based to a very large extent on the belief that its economic and military might precluded retaliation, has now backfired. President Trump has taken several measures to counter China’s economic growth at the US’ expense. He has, in so doing, also upset China’s plan to become the global factory and, as a consequence, its intention to become the global economic hegemon.

Worse was to follow. Not content with blocking China’s economic growth, President Trump has sought to rebuild the US military, which had been hollowed out by the previous administration. As the [second part](#) of this paper showed, President Trump has, for example, withdrawn the US from the Intermediate-range Nuclear Forces (INF) Treaty that it entered into with the Soviet Union and continued with Russia. That treaty precluded the US from developing missiles that had a range of between 500 and 5,500 kilometres. China, which had no such restrictions placed on it, used the opportunity presented to it to develop missiles that fell within that range. Indeed, an estimated [80 per cent of China’s missile arsenal](#) falls within that range. By withdrawing from the INF Treaty, President Trump has allowed the US to once again build intermediate-range missiles that could potentially carry nuclear warheads. China had sought to keep the powerful US Navy far from its shores by developing, among others, the *Dong Feng-21* missile that was designed to destroy ships, including aircraft carriers. If US aircraft carriers were to attempt to bring their fighter aircraft within operating range, China was sure that its DF-21 missiles could sink them because of the missile’s greater range. Now that the restriction on developing missiles with intermediate ranges has been removed, however, the US Navy can use its own missiles to eliminate the DF-21 missiles before launching its aircraft to strike against targets in China in the case that a war were to eventuate between them. Trump’s desire to situate [missiles in Asia](#) and the basing of around [2,500 troops in Darwin](#), which is emblematic of the renewed US military focus on Asia, can only add to Chairman Xi’s concerns about an increasingly antagonistic US.

It is precisely those concerns that now see him gravitate towards Russia, that being another country that President Trump has challenged with [economic sanctions](#) and calls to renew and [strengthen](#) NATO. As one [source](#) observes, Beijing and Moscow have been pushed closer together by the Trump Administration’s classification of the two former Cold War adversaries as primary threats and top rivals to US global dominance. Both countries have also been on high alert in response to Washington’s “America first” national security strategy.

As this conclusion to the paper will show, however, China’s turn to Russia for support is based on immediate necessity and, given their historical mutual suspicion, is prone to failure.

Analysis

Russia conducted the *Vostok 2018* war games between 11 and 17 September 2018, its largest ever. With over 300,000 troops, 1,000 aircraft, 36,000 combat vehicles and 80 ships involved in the games, the exercise eclipsed the largest Soviet military exercise that was conducted in 1981. The current exercise was conducted across five training areas, as well as the Sea of Japan, the Bering Sea and the Sea of Okhotsk. China, which held a long-stated interest in taking part, was invited to join the exercises in 2018. Around 3,500 Chinese troops with helicopters and aircraft took part. China, which lags behind Russia in officer training, and the movement, deployment and command of troops, also seeks to profit from Russia's military experience in Syria and Ukraine. China has much to learn from Russia, which is a rising power, once again, in the Indo-Pacific region, as one [expert](#) notes. That aside, Beijing has purchased cutting-edge weapons, such as the S-400 missile systems, and platforms, such as the *Sukhoi* Su-35 fighter aircraft, from Russia. According to the Chinese Communist Party mouthpiece, the [Global Times](#), Moscow has also offered to sell its fifth-generation fighter aircraft, the *Sukhoi* Su-57, to Beijing and [China Military](#) announced recently that the two countries are to jointly produce heavy-lift helicopters.

Their strengthening ties have seen China and Russia conduct other military exercises together. In July this year, for example, two Russian Tu-05 "Bear" bombers rendezvoused with two Chinese HK-6 bombers in international airspace above the western Pacific Ocean. They then proceeded to "[probe](#)" the airspace of an island claimed by both Japan and South Korea. Fighter aircraft from those two countries were despatched to intercept the Russian and Chinese bombers and warn them away from the island's airspace. When the bombers did not turn away after several warnings, over [three hundred cannon rounds](#) were fired by the fighter aircraft. While the incident was later [played down](#) as a technical malfunction, it appears to represent the beginning of a new alliance, albeit one born of necessity, that seeks to probe the resolve of the Washington's regional allies.

The nascent Sino-Russian alliance is based on a recent Russian Government [directive](#) on negotiating with Beijing about preparing a new agreement for military co-operation. The joint aerial patrol is one outcome of that directive. Additionally, as the *Global Times* newspaper [notes](#), 'Russia and China will exchange information on the interference of the United States in the internal affairs of the two countries.' Moscow, it adds, recognises Beijing's claims that the US is interfering in its internal affairs in Xinjiang and Hong Kong and treats those claims very seriously. It has reason to do that. Moscow also [claims](#) that the US is behind the ongoing pro-democracy demonstrations there. Russia and China are, in short, being drawn together by the US. The joint aerial patrol was, as a Chinese Ministry of Defence spokesman [stated](#), an outcome of their attempt to bolster ties and 'aimed at deepening the comprehensive strategic partnership of China and Russia and boosting the strategic co-ordination and joint combat ability of the two nations'. That sentiment was [echoed](#) by a Russian writer in a Chinese newspaper. He notes that there probably will be further co-operation between the two countries in missile defence, air and space defence and in future military exercises.

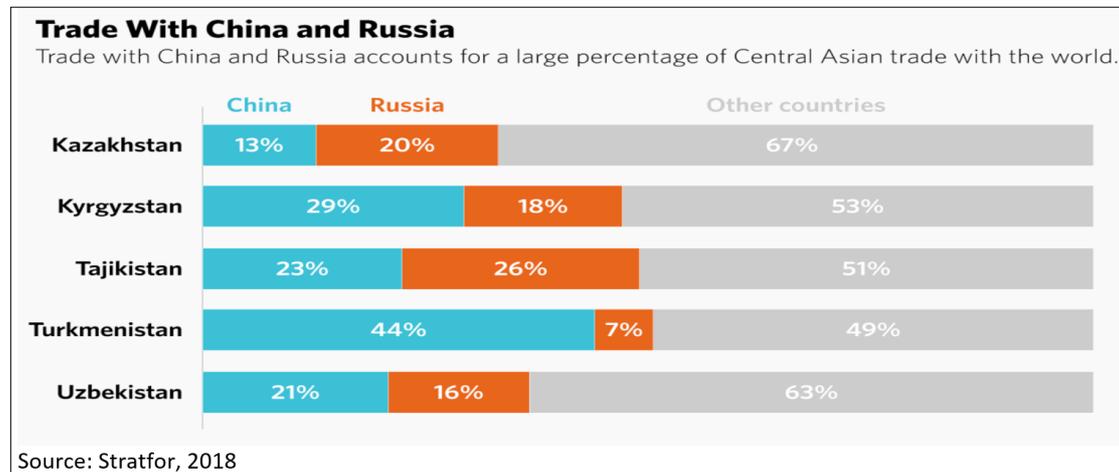
As positive as all that may sound, both Russia and China are undoubtedly aware of the many challenges they need to overcome if they may truly combine their efforts to counter the US and its allies. The greatest of those challenges is the mutual suspicion that permeates the relationship.

Russia and China have been enemies for centuries and have fought several wars against each other. The last time the two countries engaged in a war with each other was as recently as 1968. Most, if not all, of those wars were fought over the issue of territory. The Sino-Russian border extends over four thousand kilometres, which has, in part, caused the territorial disputes between them. Between 1860 and 1937, Russia (as the Soviet Union) purged ethnic Chinese, who had settled there for around a thousand years, from Siberia. Siberia today comprises around 6.5 million square kilometres, which is two-thirds the size of China; and around six million people live in the border region. While the territorial dispute has officially been resolved, unofficially the Russians are extremely concerned that the Chinese might wish to take back the territory that they consider is theirs. The [lack of clean water](#) in China – an estimated 40 per cent of China’s water is unsafe for consumption yet 50 per cent of its population (700 million people) depend on that polluted water to survive – is only one factor that forces Chinese to resettle there. [Reports](#) that China plans to construct a 1,000-kilometre pipeline to pump water from Russia’s Lake Baikal, which China also claims to be its own, to its cities, only add to Moscow’s [concerns](#). In the border areas of Siberia itself, the growing number of Chinese traders, entrepreneurs and tourists is [increasingly resented](#). As one Russian citizen said, ‘If we let them, the Chinese will take over. They will just steal all the money and the local people will get nothing.’ Growing [Chinese nationalism](#) in the border region justifiably compounds Russian fears of a covert Chinese invasion.

Russia has other reasons to be wary of Beijing’s intentions. China’s economy is now around [nine times](#) the size of Russia’s. That economic strength drives its military modernisation and provides a military budget that is now around six times that of Russia’s. That military growth, combined with expanding Chinese nationalism, has seen Chinese military maps being produced that purportedly show the Chinese border extending across Siberia to Lake Baikal. Hypothetically, that could be the first step in a process whereby China could emulate the tactics that Russia employed in Transnistria, Abkhazia, South Ossetia and Crimea to acquire territory: provide its sympathisers in the disputed regions with Chinese passports, then move military forces into those areas to “protect” them. Were that were to occur, Beijing could use the Shanghai Co-operation Organisation and, at a later date, the Eurasian Economic Commission, to unite its economy with those of Russia and the Central Asian ‘Stans in a [free-trade zone](#) so closely as to make those countries almost completely dependent on its factories, thereby turning them into little more than sources of raw materials and increasing their dependence on China. If it could then bring about the equivalent of a Schengen Agreement, as Chinese State Councillor and Foreign Minister Wang Yi [called for](#) in May, it could control much of the Asian landmass, including Russia, and its resources through the resettlement of its citizens.

Russia’s greatest concerns about China are, arguably, its Belt-Road Initiative and the melting of Arctic ice because of climate change. Chairman Xi’s legacy project, the Belt-Road Initiative, involves creating massive infrastructure projects across Central Asia, a region that

Moscow views as its backyard. China has, over the last decade, overtaken Russia in the region on trade, investment and infrastructure development. While Russia’s political influence remains strong there, China’s economic influence is steadily growing, thus seeing it replace Russia in those areas, as the graph below demonstrates.



The overland route of China’s Belt-Road Initiative passes through Central Asia, which necessitates Beijing’s need to secure it. Beijing also needs to ensure a secure environment in that region to ensure that its energy imports remain safe. China would also wish to secure its access to other resources in the region. As one [report](#) notes, by April 2017, China had invested in US\$304.9 billion (\$443 billion) worth of contracts with its partners in the region, in sectors including transport, communications, energy infrastructure, finance, technology transfer and trade. China would also wish to secure access to strategic resources, such as the lithium and copper deposits in Afghanistan, as a previous [FDI paper](#) observed. Acquiring those resources would pay immediate and long-term benefits for China. Its growing presence in Central Asia could, however, upset its relationship with Russia, which could see itself becoming the (very) junior and almost inconsequential partner in a much larger geopolitical game. It could also see itself sidelined in a region it once saw as its backyard.

In addition to inserting itself into Russia’s backyard and increasing its influence there, China is now working to increase its influence in Moscow’s front yard – the Arctic region. With the Arctic ice melting as a consequence of climate change, China sees a way for it to transport its exports to Europe and North America without having to undertake a longer and strategically more fraught route via the Malacca Strait. Russia, which has seen its economy shrink in recent years, requires China’s assistance in the Arctic to access the region’s resources and develop its infrastructure. China requires access to the Arctic in order to access the region’s resources and to develop its own technical capability.

It is estimated that the Arctic region holds around 13 per cent of the world’s oil deposits and 30 per cent of its natural gas. That makes it a key area of interest for Russia, which may also explain why Moscow has resisted countries that do not border the Arctic region from being included in the Arctic Council and prefers to support the smaller “Arctic Five” grouping – Canada, Denmark (Greenland), Norway, Russia and the United States – to deal with all matters that relate to the region, despite the fact that it has an adversarial relationship with

those countries. It is, perhaps, also the recognition of that potential that led Russian Defence Minister Sergei Shoigu to [complain](#) as early as 2015 with implicit reference to China that:

It's not a secret that the Arctic is turning into one of the world centres for producing hydrocarbons and is an important junction for transport communications. Some developed countries that don't have direct access to the Polar Regions obstinately strive for the Arctic, taking certain political and military steps in that direction.

In what can only be seen as a warning to China that Russia would not willingly cede the economic and strategic advantages offered to it by the Arctic, he added:

The constant military presence in the Arctic and a possibility to protect the state's interests by the military means are regarded as an integral part of the general policy to guarantee national security.

In short, Russia would resist a Chinese presence that threatened its national security, militarily if it deemed that to be necessary, in what it sees as its front and backyards.

There is yet another area of potential friction between the two countries. China, which claims around 90 per cent of the South China Sea, has, of late, been challenged quietly but firmly by Vietnam, which wishes to access the offshore energy deposits that lie within its exclusive economic zone. Recognising the difficulty of doing that in the face of Chinese pressure, Hanoi has asked Russia to help it survey the area and to access those deposits.

Between 2017 and 2018, in the space of less than a year, Vietnam was [forced to stop](#) its energy-exploration ventures with the Spanish energy firm, Repsol, following pressure from China. Refusing to be cowed by China's bullying, while acknowledging the latter's overwhelming economic and military might, Hanoi turned to Moscow for assistance. The Russian energy giant, Rosneft, soon entered into an agreement with Hanoi to prospect for oil and gas in the South China Sea. That situation can only cause added friction between Moscow, which will not give up its relationship with Hanoi save at a high commercial replacement price for doing so, and Beijing, which will see Moscow's implicit defence of Vietnam as a challenge to its claims in the South China Sea.

Moscow has an opaque South China Sea policy. While superficially supporting China's claim and its "nine-dash line", especially against US policies and actions in that region, Moscow's own actions there show anything but support for China. It is unlikely that Russia will challenge the Chinese navy overtly, but Beijing recognises that if it does act against Rosneft's assets in the South China Sea, Moscow could jeopardise the Belt-Road route through Central Asia, just as it could China's US\$7 billion (\$10.1 billion) [investments](#) in Ukraine, which is itself another source of friction between Moscow and Beijing.

Hanoi also sent an implicit warning to Beijing that it could work directly counter to China's interests when it entered into an [agreement with ExxonMobil](#) to prospect for energy deposits in the Blue Whale field, which is located off the coast of the strategically important Da Nang port, to which Washington would dearly like to have access. The message is a

straightforward one: if China threatened Vietnam, Hanoi could as easily enter into a security agreement with Washington as it did a US company.

In conclusion, China and Russia have been brought together by their fear of a common adversary rather than for more positive reasons. They share far more suspicions about each other than they do reasons to combine forces. Given that foundation, it is unlikely that their alliance will last. In the event that it does not, China will find itself truly isolated and wholly dependent on those countries it has already brought under its control to keep its economy running.

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