China and Russia: best worst friends

Beijing and Moscow are openly celebrating their good relations. But their actual interests are often diametrically opposed

By Shi Ming | 09.08.2019

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When Xi Jinping was in Moscow for a two-day visit in June, Vladimir Putin held discussions with his Chinese counterpart lasting late into the night. The official Chinese news agency Xinhua later reported that Xi named Putin as his best friend among other world leaders, someone who knows his very heart. Both sides declared that, thanks to Xi Jinping’s visit, Sino-Russian relations had reached a new height of the ‘strategic partnership.’

Putin and Xi have already met on over 30 occasions. China and Russia need each other and enjoy a mutually beneficial relationship. Their alliance is driven forward not least because of the West. At a time of strained relations with Europe, Russia needs economic and military alternatives, while Beijing uses the partnership to defy Trump and his trade policy. But despite their relationship’s wonderful image, reality shows a different picture. The two countries are pursuing completely different goals, and have partners who are not well-disposed toward each other. This becomes evident when examining the two nations’ economic, political and military cooperation.

In geo-economic terms, the state of bilateral relations between China and Russia is by no means a rosy one. The volume of Russian-Chinese trade, amounting to just under USD 100bn a year, lags far behind China’s trade relations with the United States, the European Union, Japan, and even Germany alone. Even adding in the trade volume between China and the Russia-dominated Eurasian Economic Union makes little difference, increasing the value to USD 120bn. In 2019, Russia records a small trade surplus of about USD 9bn, in particular because of a dramatic increase in China’s oil and gas imports. The decline in coal consumption to improve air quality in China’s metropolitan areas benefits the
Russian economy. At the same time, due to the smouldering trade war, the significant decline in China’s bulk purchases of energy from the US and its allies intensifies this effect.

Geopolitical conflicts of interest

However, Moscow’s clearly concerned about China’s economic power, as Russia risks losing partners such as the CIS member states to its competitors in the Far East. And conversely, Central Asian states such as Kazakhstan and Turkmenistan are already regularly undercutting the prices of Russian oil and gas. Ukraine is selling modern weapons technology to China, thereby preventing a Russian monopoly. Recently, around one million Russians submitted a petition in Moscow, opposing the plan of Chinese water companies to exploit Lake Baikal as a drinking water reservoir for China. In response to massive public pressure, the Russian government has had to react and place some already agreed projects with China on hold. This gesture wasn’t well received in Beijing, especially as these projects are part of the ‘Belt and Road Initiative.’ It’s not a good sign that they’re stopped by China’s ‘strategic partner’ Russia.

Geopolitical relations are a matter of pragmatism, if not opportunism. In this case, the third player in the background is Washington. The two major powers, Russia and China more or less align their relations with each other according to how they can avoid major conflicts with the US. For Russia, the Middle East is of particular interest, especially the two Shiite countries Iran and Syria. Beijing, on the other hand, focuses on Sunni Pakistan: the country is indispensable to China’s security needs and a key player in the Belt and Road Initiative. Pakistan is also a longtime ally of the Saudis, who are enemies of the Iranian regime. Accordingly, Beijing cannot and will not decisively oppose US sanctions against Iran.

For its part, the Chinese government again focuses on the South and East China Seas and its relationship to its neighbours. Japan and South Korea are entirely on the side of the US, while North Korea is keeping all of its options open – including the Russian one – in order to keep China’s influence at bay. But Russia needs Japan and South Korea for the economic development of its Far East region. And besides, with Pyongyang, Moscow does not want to miss the opportunity to gain a trump card against both Washington and Beijing.

At the geopolitical level, relations between Beijing and Moscow are proving to be highly ambivalent. When Putin was recently asked how Russia would position itself vis-à-vis the trade war between Washington and Beijing, he replied, ‘Emotionally, of course, Russia would be on China’s side.’ The only question is: since when does Vladimir Putin the strategist make his decisions on the basis of emotions?

Military cooperation remains complex

What remains for Russian-Chinese convergence in the long term is geo-military option. For both sides, this clearly serves the purpose of intimidating the actual and potential opponents of the other ‘partner.’ For Moscow, this means NATO in Europe, which is why Beijing plans a joint naval manoeuvre...
with Russia in the Baltic Sea in 2019. It’s striking, however, that this time around, a quid pro quo from the Russian side has failed to materialise: there’s no plan for a joint manoeuvre in the Pacific. In recent years, several such manoeuvres have already taken place there, sending a clear signal to the US and its regional allies ranging from South Korea, Japan, and Taiwan, to the Philippines and Vietnam.

Even at the military level, however, the relationships are complex. The parties often stand in each other’s way. Beijing, for example, buys core defence technology in Ukraine, which finds itself more or less currently in a military conflict with Russia. And Russia supplies weapons to China’s rivals Vietnam and India, both of whom had fought border wars with China in the past and are now particularly alarmed about China’s military rise. Hanoi has obtained six Russian submarines for use in China’s South China Sea. New Delhi continues to step up joint research with Moscow on the Russian MiG-35 fighter jet – the most modern Russian-made weapon that Beijing can only order, if at all, from Russia without software developed by India.

Although Beijing’s recent ‘White Paper on Defence’ once again emphasises and highly praises its ‘strategic partnership’ with Moscow, it’s foreseeable that the cooperation has its limits. For example, Beijing is by no means ready to accept the US-Russian proposal to include China in new negotiations on the limitation of medium-range missiles (the INF Treaty). Xi Jinping’s words sent a clear signal unequivocally addressed to Moscow: as they go about their business, China and Russia will accompany each other, but they will not forge an alliance.