The New Type of Partnership between China and Russia and the Trump Administration’s Strategic Options

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Outline

• Changing context: the new U.S. Administration’s post-neoliberal paradigm shift, strategic confusion, and America’s ‘off-shore balancing’ dilemma

• The ‘new type’ of Sino-Russian strategic partnership, and the role of the U.S. factor

• Sustainability of the Chinese-Russian “quasi-alliance” -- looking into specific cooperation issues (North Korea, the Middle East, the Eurasian project/Central Asia, strategic military cooperation, etc.)

• Is a new “Card Game” possible?
Major Argument

• Irrespective of external changes, China and Russia steadily develop their cooperation and the common global and regional agenda.
• They do not intend to alienate the U.S. calling for “collective leadership” (Russia) and the “new type of great power relations” (China)
• However, in the two countries, forces advocating for a closer alliance, deeper political/military coordination, and economic complementarity are strong
• The U.S. needs to accommodate to the dynamic evolution of this Sino-Russian condominium, by developing a new strategy of leadership in the era of multipolarity
The Changing Context

Bipolarity Disorder?
The Trump Era: A Land of Confusion?

Graham Allison (September 2015):
“Instead of trying to break Russia, Kissinger believes America’s goal should be to “integrate” Russia into the international order in a way that takes Moscow’s interests into account.

Min Xinpei (Feb. 2017):
“Trump’s ascent to the presidency may usher in a new Cold War pitting the US against China... Trump’s courting of Russian President Vladimir Putin has only exacerbated concerns among Chinese leaders that the US is preparing to challenge China.”

John Pomfret (December 2016), a former Washington Post bureau chief in Beijing:
“What will the United States have to give Russia to pry it from Beijing’s embrace?”

US and China Get Ready to Divide Central Asia Into Spheres of Influence
June 26, 2017

Trump’s Turn:
From Russia to China
April 9, 2017
Context: The @realDonaldTrump Phenomenon

- Uncertainty of the new President’s decisions and the rationale of his actions
- World order becomes fluid due to the multiple hedging strategic preferences of the major actors, which is making the system of alliances loose.
- François Heisbourg, Chair of the IISS Council:
  i. “a disorderly world driven by rivalries between revisionist and status quo powers,” “hedging becomes a necessity..., against the backdrop of institutional confusion in a Trump-shocked Washington DC.”
  ii. “There are some resemblances with the situation prior to the First World War”
Context: US Leadership Paradigm Shift?

- “Visionary leadership”
- Neoliberal Hegemony
- Collective leadership / Great Power concert
- New instruments to assert leadership
  1. Alliances and partnerships
  2. Multilateral diplomacy
  3. 21 Century statecraft
  4. Good governance & development models
  5. Economic statecraft, regional associations, consensus-building efforts etc

Jonathan Pollack: Transitions in American leadership (especially when political power passes between the major parties) are inherently stressful, but rarely has a transition been so anxiety-laden and uncertain.

Trump is undoing:
Key Feature Persists: From US “Extended Deterrence”...

The Ukraine Crisis & NATO’s switch to deterrence (January 2014-March 2016)

Iskander missiles along the Polish border

Pivot to Asia & Extended Deterrence Concept

To Further Crafting ‘New Bipolarity’: Pressuring Russia...

- Missile Defense Installments in Eastern Europe
- Numerous statements calling to deal with Russia from the position of force, hold Russia accountable
- NATO’s continued Operation Atlantic Resolve including recent deployment 3,500 US troops and 2,800 tanks in south-west Poland
- Deployments in Romania and Bulgaria + Poland
- Increased presence in the Black Sea and in Western Europe at bases in the Netherlands, Belgium and Germany.
To Further Crafting ‘New Bipolarity’: Containing China...

• Rex Tillerson: “We’re going to have to send China a clear signal that, first, the island-building stops,” “and second, your access to those islands also is not going to be allowed.”

• Sean Spicer, White House Press Secretary and Communications Director, stated that, “The U.S. is going to make sure that we protect our interests there.”

• Mattis’s trip to Asia (Feb 2017)

• Mar-a-Lago ‘deals’/‘surprises’

• Trust restored?

• THAAD deployment in South Korea

• US naval operations in the SCS
Resulted in... no surprise
Operational Context

• Ongoing polarization and the return of geopolitical logic
• American leadership in transition
• Power realignments both in Europe and Asia
• Asia’s “Hot spots” persist
• “Hub-and-spoke” framework reasserted?
• The “Economic-security nexus” under revision
The ‘new type’ of Sino-Russian strategic partnership
And the role of the US factor
Russia-China: The “New Type” of Strategic Partnership

• The systemic character of this partnership – not a short-term pragmatic deal, joint constructive effort to provide global public goods

• Based on Beijing’s and Moscow’s pessimistic assessment of the current world developments and the dim prospect of US/Western leadership

• Russo-Chinese strategic partnership aims to reconstruct the current international order to meet their strategic interests and secure their equal voice with the West in international affairs.

• This partnership is based on the proximity of the two political regimes—the regimes extremely concerned about their domestic performance and political legitimacy.

• There is a widening gap between them and the West, and it seems to be impossible to rebuild trust between these countries’ leadership and the West.
A Pessimistic View on the Current Order: Russia and China

• The concept of “democratization” or a “new type of international relations” and global governance

• The principles regarding the role of international law, the UN-based system of global governance, and the respect of state sovereignty, remain valid

• Both China and Russia regard their policy of balancing against the U.S. as a positive measure to maintain global balance of power and deter expansionism and aggression

• There is a more nuanced and coordinated policy aimed at blocking US anti-missile efforts regionally and globally

• There is a new reading of “strategic stability” which includes now conventional forces, the principles of use of force, some political behavior, beyond just nuclear stability.
The “Decline of the West” Thesis

• Russia/China: at present, the world has entered into the period of power realignment and dramatic redistribution of “resources of influence.”

• Global tensions result from economic inequalities and the sharpened contestation between the value systems and developmental models.

• Russia/China need to consider the potential consequences of a political global power vacuum in case of US power diminution

• The declining “old world” should be replaced with a new inclusive political construction, and this new reality requires from Moscow a more emphatic protection of its national interests in competition with the interests of others

• The West is not alienated. Instead, it should be “rescued.”
China Faces a “Turbulent” World

• Chinese Foreign Minister Wang Yi: “Global turbulence, terrorism, de-globalization, chaos in international affairs, great games—these are the features of 2016”
Russia and China: Thesis of Western Aggressiveness
The Perceived Systemic Collapse of the West Fuels Its Destructive Behavior

Rus. Amb. to the UK, Alexander Yakovenko:  
“The established world order is undergoing a foundational shake up with the Crimea, Russia and Brexit. 
“Any other country is dispensable and that includes the United States. We are at end game now.”

Mark Milley (US Army):  
“Other countries like Russia, China, Iran and North Korea... hope of defeating us at some point in the future.” (10/6/2016)

Sergey Glazyev, Advisor to Putin:  
“US considers war with Russia and China inevitable, US loses economic competition to China, compensating this with its aggressiveness toward Russia, and sets chaos in the world” (10/6/2016)
What Fuels Russia’s and China’s Strategic Approaches Toward the West?

The idea of a New great power concert (inclusive, cooperative order-forming)

- Russian Ambassador to China Andrey Denissov:

“The World will benefit from Russia-China-US Cooperation.” It is only China and Russia which contribute to the improvement of international situation
What Fuels Russia’s and China’s Strategic Approaches Toward the West?

The imperative of balancing against US hegemony

“A Russo-Chinese “NATO” will stop America”

Admiral Vladimir Komoedov (Jan 25, 2017): “It is time for Russia and China to agree on something. If their relations with the US do not improve, it is probably worth considering a military alliance.”
Assessing the Source of Global Instability: China/Russia’s Views

The National Intelligence Council’s January 2017 “Paradox of Progress” Report:
“Russia and China portray global disorder as resulting from a Western plot to push what they see as self-serving American concepts and values of freedom to every corner of the planet.”

“China and Russia Destroy The Global Liberal Order” – Japan Business Press
Sustainability of the Chinese-Russian Construction
Regional and global projections
...aimed at:

I. Order-forming
II. Agenda-setting
II. Global stabilizers
III. Growth engines/development stimulators
IV. New “modernization alliance”
IV. Pioneers in new regional initiatives and trans-regional integration
Russo-Chinese “Congagement” in the Middle East

**Congruency of Chinese-Russian interests in the region:**

- Stabilize the Middle East
- Defend the principles of sovereignty and non-interference (restore the UN-based legal system and international norms; uphold legitimate governments; reduce the role of non-state opposition forces and insurgents)
- Demonstrate an alternative to US’s failing strategy in the MENA region (governance instead of democracy, unifying instead of dividing, economic assistance rather than political reforms)
- Enhance cooperation with the key regional players – Iran, Turkey + Saudi Arabia, Israel (Astana talks)
- Secure economic interests in MENA

**Potential Frictions:**

- Moscow’s fragile relations with Turkey and Saudi Arabia
- Competition over influence in Iran
- The prospect of a post-Civil War settlement in Syria
- The level of Russia’s cooperation with the US/NATO
- Russia benefited from sanctions against Iran in 2011-14
- Tehran signed trade development program with Beijing aiming to hit $600 billion in bilateral trade by 2025

*From Bear to Dragon: Iran Abandons Russia to the Embrace of China*
Abbas Stanakzai, head of the Taliban’s political office in Qatar: We want the Chinese leadership to help us get freedom from occupying forces July 2016 visit to China

Afghanistan: Russia-China -Pakistan-Iran Playing the Taliban Card

Russia Gathers Stakeholders, Sans US or NATO, for Afghanistan Conference

On 27 Dec 2016, Russia, Pakistan and China held a peace talk in Islamabad in which they may declare a major role for Taliban. Russia is also showing interest in joining China Pakistan Economic Corridor (CPEC).

Commander of NATO forces in Afghanistan, U.S. Army Gen. John Nicholson: “Russia and Iran are trying to “undermine” the U.S. mission in Afghanistan.” “Russia is trying to “publicly legitimize” the Taliban terrorist movement”
Russia negotiated the use of Sidi Barani air base, ended up inking a $3 bln arms sales deal and nuclear power plant deal in 2015.

China-Egypt 5-year Strategic Partnership Program (Jan 2016)
With an extensive military/tech component, shared position on Syria

Russia-China Deepen Cooperation
With Abdel Fattah el-Sisi Government in Egypt
Russia-China’s Effort in Syria

- Moscow-Beijing condemned the Western use of R2P
- China is present in Syria since 2015
- Director of the Office for International Military Cooperation of China’s Central Military Commission, Guan Youfei (关友飞) traveled to Damascus on Aug 16, 2016 for talks with Syrian Defense Minister Fahad Jassim al-Freij and also top Russian military advisors + recent deployment of special forces

- Russia asked China to deploy military advisers (training, arms supplies)
- The Chinese military have closer ties with Syria, and provide humanitarian aid to the civil war torn nation,
- China has been trying to get more involved, including sending envoys to help push for a diplomatic resolution to the violence there and hosting Syrian government and opposition figures.
- China is supportive of the Astana format
- China’s ‘off-shore’ balancing against US
Prime Minister of Tobruk government, Abdullah Al-Thani enlisted Russian and Chinese military intervention in Libya to fight the extension of IS group (December 2015).

**Egypt-Russia-Libya linkage**

Libya awaits for 1.5 bln worth of arms and marines from Russia.

Russia-China Might Be Instrumental in Arming and Legitimizing Khalifa Haftar in UN

“New Quaddafi Invites Moscow to Benghazi"
Will Russia-China Provide A Coordinated Support of Iran?

- Iran a sensitive issue for both China and Russia,
- Iran plays a significant role in Russia’s actions in the region.
- Russian-Turkey-Iran cooperation over Syria
- The Astana talks drew the 3 parties together
- The air base in Iran for Russian fighter-bombers
- The new US President’s changing stance toward Iran pushes Russia to back up Iran

- Russia might opt for neutrality in the Iranian issue in case of conflict between the U.S. and Iran making the Kremlin take sides.
- China might have more leverage over the U.S. in the Iranian issue, to its own benefits.
- The formation of the Southern branch of the Silk Road Economic Belt across the Middle East to Europe will add an economic component
Russia-China Regionalism: Embracing Greater Eurasia + the EU

- Europe would be able to **resurrect only in tandem with Russia and China** – in conjunction with the Eurasian space.

- Wang Yiwei (2015): China seeks a new economic and political order in Eurasia. “BRI could help **revive European civilization**, offer a basis for EU–Russia reconciliation and hence stability in Europe, enhance the EU’s global influence, transform and upgrade the EU–China strategic partnership, and **balance the development of trans-Atlantic relations**.”

- Russia-China in today’s turbulent world **consolidate moral foundations of international relations on the basis of traditional values** is a top priority issue (Barsky, Russia’s Ambassador to Thailand)

- China’s 16+1 Framework and Russia’s chance to improve ties with Eastern Europe
Despite competitive economic interests of Russia and China in Central Asia, much overlapping interests in the security and political sphere determine prerequisites for a condominium in Central Eurasia. Two key factors drive Russia’s and China’s interest in Central Asia in the same direction:
- regional stability
- fear of adversarial extra-regional interference, related primarily with the NATO’s activities

To pursue the OBOR/EEU conjunction especially to prevent the risks of destabilization in Central Asia
- Revitalization of the SCO and its new role
- “Russia is not able to hold these [CA] states in its orbit alone... cooperation with China is inevitable but Russia seeks to arrange equal operational terms with Beijing in the region.” (Salin, 2016)

Russia-Central Asia Trade Stats (mln $) = $20.8 bln (2015)

China-Central Asia Trade Stats (mln $) = $32.6 bln (2015)
New Character of Economic Partnership Between Russia and China

What is New in Industrial Cooperation? Modernization Alliance?

• The formation of a close industrial alliance between China and Russia, including cooperation in military spheres
• Mutual investments in strategic spheres, incl. R&D, energy, nuclear power technologies, electronic components, air- and space industries, UAV technology, marine gas turbines etc.
• Joint regional development (Dongbei/RFE Co-development plans), Industrial clusters, energy initiatives, Chinese nuclear power plants components to Russia
• Fixing imbalances in the trade model (Russia’s role on the Production Capacity Network), bilateral trade $69.53 bln (2016, 2.2% growth)
  In 2015 – 2.14 bln machinery exports to China
  *Trade will increase to $80 billion in 2017
• Strategic food product supplies to China

By 2017 Chinese investment in Russian non-financial sector totaled 14.02 billion dollars, making China the fourth largest FDI source for Russia.

In 2015 alone Russian companies received $18 billion in loans from China
Production Capacity Network: New Investment Model for Russia/Eurasia/EU

- Xi Jinping at the 2016 Davos forum called for a new development philosophy and a dynamic, innovation-driven growth model.

- Chinese Premier Li Keqiang: “International Cooperation in Production Capacity will become a new driver for stable growth of the global economy reducing global economic and financial risks”

- Reforming production chain network along the Silk Road
Xi Jinping’s visit to Russia (July 3-4, 2017)

• Emphasis on strategic coordination and economic cooperation between the two countries.

• Moscow and Beijing will enhance coordination of their effort to optimize the global governance system and safeguard global strategic stability.

• In a special declaration Moscow and Beijing reiterated that their partnership is not an alliance and is not aimed at third countries.

• A special Russia-China action plan to develop cooperation for the next 4 years was adopted.
Deepening Economic Integration

**Pivotal Project:**
- The conjunction between China’s Silk Road Economic Belt initiative and Russia-sponsored Eurasian Economic Union:

**What is New:**
- the parties will work on concrete economic justification of numerous integrative projects. Those include joint R&D, technical cooperation, investment cooperation including China’s investment into Russia’s strategic industries and also allocation of China’s production lines on the Russian territory.

**Breakthrough in investment cooperation:**
- The establishment of private funds to solidify joint investment into innovative industries and infrastructure.
- They are being formed in national currencies, facilitating currency exchange control and stimulating joint production and trade, including cooperation between private businesses.
- Joint investments in third countries are also being encouraged.
Furthering the Energy Alliance

• Moscow and Beijing confirmed the beginning of natural gas supplies to China through the “Power of Siberia” pipeline, 38 billion cubic meters annually, starting on December 20, 2019, to satisfy China’s growing consumption, which will reach $300 billion cubic meters annually.
• In addition, certain deals related with China’s investments into Russia’s energy assets have been secured.
The Crisis on the Korean Peninsula

• A Sino-Russian joint statement on the North Korean nuclear issue calling for the policy of mutual concessions and for a moratorium on missile/nuclear tests for North Korea and joint naval maneuvers for US and South Korea.

• Both China and Russia stand for:
  * Denuclearization of the Korean Peninsula,
  * Conflict resolution by peaceful means
  * Elimination of any military presence of extra-regional forces (i.e. US, including the elements of missile defense THAAD),
  * Avoidance from unilateral actions or one-sided sanctions without a UNSC approval.
“North Korea and Russia Embrace”

“China wants to see North Korea break out of its foreign policy isolation, so if Russia and North Korea and improve economic ties, this will lighten the long-time burden on China.”

“... Over the last few years, Russia has promoted a policy that looks east toward Asia, promoting multipolarity and strengthening China-Russia relations...”
Сложившегося в этой стране режима. Аргументируется, что сама по себе "демилитаризация" не может стать целью переговорного процесса, так как она оставляет за скобками вопрос о гарантиях безопасности Северной Кореи, не говоря уже о том, что предпосылки для ее достижения отсутствуют. В статье

"... the threat from Pyongyang allows Washington to 'rein in' its allies in the Asia-Pacific region - Japan and South Korea, to maintain and build here large formations and serious military potential offensive aimed at the realization of a long-term strategic goal - to contain China."

стороны Пхеньяна позволяет Вашингтону "держать в узде" своих союзников в АТР - Японию и Южную Корею, сохранять и наращивать здесь крупные группировки и серьезный военный потенциал наступательного характера, направленный на реализацию долгосрочной стратегической цели - сдерживания Китая. В этой
Shared Concerns about US Global/Regional Missile Defense Efforts

• On January 12, 2017 Beijing and Moscow agreed on coordinated efforts to eliminate security threats posed by the THAAD deployment

• “Both sides said they will continue to strengthen their coordinated opposition to THAAD” (China’s MOFA Statement)

• There is a belief that the system would not effectively protect Seoul

• Instead, it becomes an element of US encirclement of China

• The AN/TRY2 radar systems efficient for monitoring China’s medium range missile tests or missile launches in China’s North-East

• Russia technically is not affected but expressed solidarity, and...
Deepening Military Cooperation

• From arms sales to multifaceted defense cooperation, and to military interoperability and joint strategic planning

• Russo-Chinese initial steps in the sphere of missile defense – tested during computer-simulated drills in 2016 – will continue in 2017

• Moscow and Beijing might expand cooperation from theatre missile defense to strategic missile defense

• Coordinated efforts to target US missile defense sites may also not ruled out
Joint Operations Are Possible: Awaiting for Political Decision

• Russian Defense Minister Sergey Shoigu:
  • “It is important that Russia and China are ready to defend the world with mutual efforts and strengthen international security,”
• He held a meeting with his Chinese counterpart Chinese General Chang Wanquan in Kazakhstan, during the SCO summit on June 9, 2017.
The “Iskander” Enigma

• In early June 2017, Russian media reported that yet another Ground Forces missile brigade received the dreaded road-mobile 9K720 Iskander-M missile system (known in Russian military parlance as an “operational-tactical missile system,” or OTRK in short).
• The brigade in question is the 29th Army’s newly established 3rd Missile Brigade, based in Russia’s colossal Eastern Military District (MD).

Not against China?
"The Issue of Russian Tactical Nuclear Weapons after the Cold War"

RESEARCH ON RUSSIA AND EASTERN EUROPE, 2014 NO. 2
Joint Sea-2017 – in the Baltic Sea Area

A PLAN flotilla conducted a live-fire drill in the Mediterranean Sea, en route to a joint exercise with the Russian Navy in the Baltic Sea (started on July 18)

James Goldrick (Lowy Institute): “it suggests an emerging alignment between China and Russia on China’s behaviour in the South China Sea and Russia’s approach to security in the Baltic. What littoral states must fear is some form of Baltic quid pro quo for Russian support of China’s artificial islands and domination of the South China Sea.”

It consists of the Type 052D Luyang III-class guided-missile destroyer Hefei; the Type 054A Jiangkai II-class guided missile frigate Yuncheng; and the Type 903A Quiandaohu-class replenishment ship Luomahu.
New developments in the Arctic region

Vice Premier Wang Yang led the 70-people big delegation To attend The Arkhangelsk Arctic Forum in March 2017

China intends to invest in the Arkhangelsk Deep water port construction and the Belkomur railway construction a project that will cut transportation distance for cargo from Siberia, via the Urals and the Komi Republic to the White Sea by some 800 km.
“... whether concerning use of the navigation route ... or opening the development of resources, these [projects] are all closely connected with Russia. China-Russia ties form our country’s key link to participation in Arctic activities.”

“If the Northern Route can be used, that increases our passages to the Far Seas, and thus weakens attempts to use the island chain to fetter our navy.”

“... efforts by either China or by Russia to energetically develop the Arctic have in certain respects the significance of dispersing U.S. strategic pressures in other areas... It opens up a resistance space in the Arctic.”

Actually, the country most likely to use the Rajin port [in North Korea] would be China ...

SU Han, “SEEING THE ARCTIC FROM A CHINESE PERSPECTIVE”

[The Arctic] is inseparable from our country’s future ... development.”
Some Shared Symbols: North Korea is Envious
Is a New “Card Game” Possible?

Wishful Thinking
### Russian Public Opinion – “Should Moscow Accept US Proposal to Get Closer to Russia at the Expense of Moscow’s Relations With China?”

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>96.5% disagree: Do not accept, since America will eventually cheat</td>
<td>45.8%</td>
</tr>
<tr>
<td>26.2% Do not accept, since Russia’s ties with China are more important</td>
<td>26.2%</td>
</tr>
<tr>
<td>24.5 Partially accept, slightly improving relations with the West, without any breakup with China</td>
<td>24.5%</td>
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(February 12, 2017 update)

http://vz.ru/vote/result/1454/
Concluding Remarks

• At the new stage, Russo-Chinese relationships depend on US behavior but they are not a function of US strategies

• These relationships are largely determined by the systemic shifts in the international arena, interpreted by Moscow and Beijing as an irreversible crisis of Western hegemony

• The new Trump administration is both a relief and a headache for China and Russia: there is less pressure from the neoliberal globalizers but there is more uncertainty and geopolitical risks

• There is an opportunity for China and Russia – to consolidate efforts to shape new institutional setting, to protect their national interests
Irreversible? Until the Coming of a New Order

- The upgraded partnership with Russia fits Beijing’s global vision of the world order and its perception of security threats.
- The two countries pledged their determination to expand cooperation “no matter what changes occur in the world.”
- Moscow’s and Beijing’s regional and order-forming interests overlap: both countries seek the formation of their condominium in Eurasia.
- Both actors’ strategic diversity persists, as long as it does not hurt each side’s national interest and does not increase US influence.
- China will take a lead engaging Russia into regional affairs. However, Russia will try to use multilateral formats to escape the China trap.
US Strategic Options

1. Return to the neoliberal model – exerting institutional and value-related pressure on Russia and China.

2. Exist in the two realities - exercise a belligerent course – while preserving some elements of the globalized order, creating partnerships, manipulating both adversaries.

3. Accommodating to the emerging multipolar setting – by reassessing US strengths and capabilities, agreeing on a certain code of conduct with Russia and China through bargaining.

*The probability of No 1 Option remains high*