

Background

- Periods of close collaboration and bitter rivalry have punctuated relations between China and Russia from the Cold War to the present.
- Both China and Russia have sought in recent years to avoid the kind of costly political-military rivalry that overtook them from the 1960s to the 1980s and that led to thousands of troops and weapons systems deployed along their 2,700-mile border.
- In 1996, the two governments announced formation of a “strategic partnership,” and in November 1998 China and Russia announced that their long-standing and often bitter border dispute was all but resolved (although it took until 2004 to complete a final arrangement).
- The institutionalization of cooperation in Central Asia through the Shanghai Cooperation Organization, and the promulgation of a 20-year “Good Neighborly Treaty of Friendship and Cooperation” in July 2001, further consolidated Sino-Russian partnership.

Current Situation

- China-Russia relations have developed to a point where the two countries focus less on differences than on practical cooperation.
- Both countries are focusing primarily on their respective internal affairs, which leads each to highlight converging and complementary interests to promote national development.

CHINA AND RUSSIA BOTH ATTACH GREAT IMPORTANCE TO THEIR BILATERAL ECONOMIC AND POLITICAL RELATIONSHIP WITH WASHINGTON AND RECOGNIZE THEY MUST AVOID FUNDAMENTALLY ALIENATING THE UNITED STATES EVEN AS THEY ATTEMPT TO COUNTERBALANCE U.S. INFLUENCE.

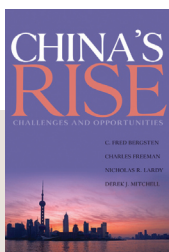
- Cooperation:
 - Russia is China’s primary advanced weapons systems supplier, and China has increasingly turned to Russia for secure energy supplies.
 - Chinese and Russian senior officials regularly coordinate their approaches to key foreign policy matters. China and Russia have frequently aligned themselves in the UN Security Council, often in opposition to the U.S. position.
 - China and Russia first held combined military exercises in 2005 and again in 2007 along with forces from other members of the Shanghai Cooperation Organization. A direct military hotline was established between the two countries’ defense ministries in 2008.
- Constraints:
 - Residues of historical mistrust constrain the relationship. The significant demographic imbalance remains a potential source of Russian fear and xenophobia against China. Few social or cultural ties of any depth exist between the two peoples, despite such recent efforts as the promotion of a “Year of Russia in China” and “Year of China in Russia” in 2006 and 2007 to boost exchanges and bilateral understanding.
 - Russia has struggled to diversify its exports to China beyond natural resources, energy, and military arms sales.
- Shanghai Cooperation Organization, while very unlikely to become an alliance against the United States, is an increasingly substantial vehicle for cooperation and coordination of interests among the six members, including China and Russia, that could be applied to limit U.S. power and influence in Central—and perhaps South—Asia in the future. Nonetheless, divergent Russian and Chinese interests will constrain the development of the SCO. The limits of this organization were demonstrated by the August 2008 SCO joint statement that failed to give Russia clear backing for its aggression in Georgia and instead called for the preservation of states’ territorial integrity.

Implications

- Russia and China together are hedging against the potential application of U.S. power against their interests.
- Although Russia's defense relationship with China will continue in coming years, there is growing evidence that the military relationship, particularly arms sales, might sour.
- The future of the bilateral energy partnership will be driven by cold calculations of economic self-interest, continued interest convergence, and a degree of strategic wariness.
- Russian strategists remain concerned about the prospect of a more powerful and assertive China that is willing to use economic, demographic, and military muscle to overwhelm its demilitarized and demographically challenged northern flank.
- It is extremely unlikely that either country would come to the other's aid during a military crisis—for instance, over Taiwan conflict or in Chechnya. The relationship does not rise to that level of political or military partnership.
- Nonetheless, the 1990s-era debate among Russia's elite about a potential strategic threat from China has receded during the Putin years in favor of a consensus on partnership, a trend that is likely to continue.

FACTS

- China-Russia trade—\$48.2 billion (2007)
- Border trade—\$7 billion, or 20 percent of total trade (2006)
- China is Russia's third-largest trade partner (2007).
- Russia is China's eighth-largest trade partner (2007).
- China's trade with Russia accounts for 2.2 percent of its total trade.
- Russia's trade with China accounts for 8.3 percent of its total trade.
- Trade target—\$60 billion–\$80 billion by 2010
- Russia is China's fourth largest source of crude oil (2007).
- Chinese oil imports from Russia represent about 9 percent of China's total oil imports.
- Since 1992, China has purchased more weapons from Russia than from all other countries combined.
- Russian arms exports to China totaled \$25.9 billion from 1992 to 2007.
- Arms exports to China accounted for 40 percent of Russia's total arms exports from 1995 to 2007.
- Russians in Russian Far East—7 million
- Chinese in China's Northeast—150 million



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 SEE CHAPTER 10: "CHINA AND THE WORLD" IN *CHINA'S RISE: CHALLENGES AND OPPORTUNITIES*
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