

# The Current State of Russian-Chinese Defense Cooperation

Vasily Kashin

Senior Research Fellow at the Institute of Far Eastern Studies, Russian  
Academy of Sciences

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**Approved by:**

**August 2018**

A handwritten signature in black ink that reads "Ken G. Gause".

Ken Gause, Research Team Lead  
International Affairs Group  
Center for Strategic Studies

## Abstract

In this CNA Occasional Paper, Russian East Asia expert Vasily Kashin examines the current state of Russian-Chinese defense and security cooperation, Russia's approach to developing it, and the possible outcomes of a further Russia-China rapprochement. He highlights the historical antecedents to the unprecedentedly long period of close ties between the two countries, focusing on the mutual advantages derived by both countries from defense industrial cooperation. The paper describes the gradually depending nature of bilateral military cooperation across a number of domains, including arms sales and joint exercises. The paper also addresses Russia's evolving views on China's increasing global role and the potential for an even closer Russia-China strategic alliance in the future, concluding that although the two countries are not ready for Western-style cooperation in defense technology, they are gradually moving toward a security partnership characterized by greater integration and interdependence.

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# Introduction

Since the normalization of ties between Moscow and Beijing in 1989, defense and security cooperation has been the most important element of the bilateral relationship. For a long time, arms trade and dialogue about regional and border security were the only elements of the relationship that were showing positive dynamics. The other elements, such as bilateral trade, were negligible until the early 2000s. Then, as Russian-Chinese economic cooperation began to grow, defense and security ceased to be the only substantial element of the relationship—but they have remained important.

While the arms trade has seen ups and downs depending on the modernization cycles in the Chinese People's Liberation Army (PLA), military cooperation has seen steady progress since mid 2000s. The two sides attach great political importance to this cooperation but avoid public discussions about their desired end state. While both sides officially deny that they intend to form an alliance, the scale and nature of their joint activities in the military, security, and defense technology fields are consistent with preparation for possible joint military action against a major hostile country. This paper examines the current state of this cooperation, Russia's approach to developing it, and the possible outcomes.

Before discussing the current state of cooperation, this paper will describe two mistakes that analysts often make when analyzing Russian-Chinese relations:

- First, they underestimate the very high level of continuity in the two sides' policies towards each other. Vladimir Putin's policy towards China is basically a continuation of the course that was laid down by the first president of Russia, Boris Yeltsin, in 1996-1997. Yeltsin's policy was largely based on approaches developed in the last years of the USSR, during the rapprochement with China started by Mikhail Gorbachev.
- Second, they limit the historical background of the current Russian-Chinese relations to the Cold War era relations between the USSR and the People's Republic of China (PRC). The story of the alliance and subsequent dramatic break-up of the two Communist giants leads to certain conclusions about the way they look at each other. However, the history of the relationship between Russia and China is much more complicated than that. After being neighbors for more than 300 years, Russia and China have a long and unusual history of relations in the defense field.

Of all Russia's relationships with its neighbors, the one with China probably used to be the most peaceful one. At the beginning of their relations, in the 17th century, the two countries fought a long, low-intensity border war (which was won by the Chinese). The next conflicts did not occur until the early 20th century, when the Russian Empire took part in the Eight Powers Intervention into China during the Boxer Rebellion. The most significant conflict was a brief border war during the East China Railroad Conflict (1929). The Soviet-Chinese border skirmishes in 1969 were not very significant militarily—although they had deep political consequences, they can hardly be compared to Russia's wars against any of its large, or even small, neighbors.

There have been at least five major episodes in history when Russia was consciously arming or trying to arm China in order to change the balance of power in the Pacific. The first such attempt was undertaken during the Second Opium War, when the Russians offered a large number of rifles and cannons to the Chinese in order to repay the British and the French for the defeat in the Crimean War and to strike a good deal with the Chinese. That attempt failed because the Chinese were unwilling to accept the Russian conditions.

Next, in 1896, the Russian Empire and the Qing Empire signed a military alliance treaty; however, it was not observed by either side. Then, in the 1920s, the USSR helped Guomindang to build an army and unify China. In the 1930s, it provided China with significant amounts of weapons and military expertise for fighting the Japanese. In the 1950s, the USSR helped build a new Chinese military and a world-class defense industry, which, even after being seriously weakened during the Cultural Revolution, provided a basis for future Chinese development.

Historical arguments have always played a prominent role in Russian-Chinese relations, and are well known to the bureaucrats who manage the relations on both sides. For them, the history of the relationship is not limited to the Communist era—a short period of ideological alliance that was succeeded by decades of extreme animosity and occasional bloodshed. It is rather a centuries-long story of trade, intrigues, complicated balancing games, hard bargaining, helping each other, cheating each other, and spying on each other, while doing everything possible to avoid a direct conflict. That has been the normal state of the bilateral relations for much of history; the ideological alliance of 1949-1960 and the ideological confrontation of 1960-1989 look like deviations from the norm and are seen that way from both sides.

The current period of defense and defense-industrial partnership began shortly before the USSR collapsed, and was based on the views of global politics in both Moscow and Beijing. It has been the longest and most successful period of cooperation yet, and can have profound consequences for international politics.

## Why Did the Two Countries Start to Cooperate in Defense and Security?

Russia and China started to develop military-to-military relations immediately after the collapse of the Soviet Union and the emergence of an independent Russian state. To some extent their efforts were based on the substantial progress made by the USSR and the People's Republic of China in the late 1980s, when the two countries were working on normalization of their relations (which was achieved during Mikhail Gorbachev's visit to China in May 1989).

By the time the USSR collapsed, the two sides had solved the territorial issues along most of their common border, had signed the first significant arms trade agreement, had exchanged military delegations, and were engaged in high-level political consultations. The remaining border issue between them was finally solved in October 2004, when Vladimir Putin and his Chinese counterpart Hu Jintao signed a treaty defining the fate of the three large river islands that were not covered by the Soviet-Chinese border agreement of 1991. Although in 1991 the USSR did agree in principle to divide the river islands according to the midpoint of the border rivers (the islands had been taken under Soviet control in the late 1920s and early 1930s), the size of these large islands and their strategic locations made the final agreement difficult. As a result of the October 2004 compromise, the islands Bolshoi on the Argun River and Bolshoi Ussuriysky on the Amur River were divided between Russia and China while Tarabarov Island, also on the Amur, was transferred to China.<sup>1</sup>

From the late 1980s on, the USSR, and then Russia, did attach huge political importance to improving relations with China. The Soviet-Chinese split of 1960 and U.S.-China cooperation against Moscow in the 1970s and 1980s were seen by Soviet, and later Russian, foreign policy specialists as possibly their gravest failure in the course of the Cold War, to be avoided in the future at all costs.

As Sergey Goncharov, a prominent Russian researcher and diplomat with long experience in China wrote, "We should not forget that the greatest geopolitical

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<sup>1</sup>Дополнительное соглашение между Российской Федерацией и Китайской Народной Республикой о российско-китайской государственной границе на ее Восточной части, N 52-ФЗ, (2005), <http://docs.cntd.ru/document/901945334>.

achievement of the Western diplomacy was that ... for almost 30 years the relations between the United States, Western Europe and Japan and China were in general more constructive than the Soviet-Chinese relations. That gave the Western countries a widest range of advantages against USSR in the international politics.”<sup>2</sup> The causes and consequences of this failure were the subject of significant soul searching in Russia in the 1990s and 2000s, with some works being written by actual Soviet foreign policy veterans.<sup>3</sup>

The Soviet experience of having China as a foe was painful indeed. The urgent deployment and maintenance of significant forces along the Chinese border in the 1960s through the 1980s was a major burden on the Soviet economy. For example, at the end of the 1980s, the Trans-Baikal Military District (which also included the 39th Army in Mongolia) had some 270,000 troops, the Far Eastern Military District had some 370,000 troops, and the Siberian Military District had some 80,000 troops.<sup>4</sup> The total number of troops in this area had increased by more than 50 percent compared to the first half of 1960s, and it required a very significant economic effort to build the necessary infrastructure in the harsh terrain and cold climate. The Soviet Union also made a significant investment in building long-term fortifications along the border.

However, even after it had significantly strengthened its forces in eastern Siberia and the Far East, the Soviet military believed that its strategic position would be very vulnerable in case of actual military conflict with the Chinese. Lieutenant General Vladimir Legominov, the former chief of the intelligence department of the Trans-Baikal Military District, wrote, “Indeed, we understood that the capabilities of our forces in case of conventional military conflict could not be even compared with the capabilities of our opponent.”<sup>5</sup>

The key source of the Soviet vulnerability was geography: the populated part of Russia’s eastern Siberia and Far East is a narrow strip of land along the Chinese border. Most of the population, economy, and infrastructure is concentrated in that strip, making it possible for the enemy to cut off the Russian Far East from the rest of the country in one decisive strike.

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<sup>2</sup> С.Н. Гончаров, *Заметки о военно-техническом сотрудничестве Китая с СССР и Россией во второй половине XX в.* (Москва: Институт Востоковедения РАН, 2013), 57.

<sup>3</sup> See for example: Б.Т. Кулик, *СОВЕТСКО-КИТАЙСКИЙ РАСКОЛ: ПРИЧИНЫ И ПОСЛЕДСТВИЯ* (Москва.: Институт Дальнего Востока РАН, 2000), 639.

<sup>4</sup>В. И. Феськов, Голиков В. И., Калашников К. А., Слугин С. А., “Сухопутные войска,” во *Вооруженных силах СССР после Второй мировой войны: от Красной армии к Советской под науч. ред. В. И. Голикова* (Томск: Изд-во НТЛ, 2013), 640.

<sup>5</sup> Владимир Легоминов, “Будни военной разведки в воспоминаниях ветерана,” Фонд ветеранов военной разведки, [http://www.vrazvedka.com/news/news2006\\_files/vosp2.htm](http://www.vrazvedka.com/news/news2006_files/vosp2.htm).

Three major routes connect the Russian Far East with the rest of the country: the Baikal-Amur Railroad, the Transsiberian Railroad, and Chita-Khabarovsk Highway 2. Of those, the latter two are partly within the firing range of artillery from Chinese territory.

Not only did this situation force the USSR to make wasteful investments in its military, but China became one of the main opponents of the Soviet Union in the developing world, causing a split among the Communist-leaning “national liberation” movements. China was the key provider of light weapons to the Afghan fighters resisting the Soviet forces in 1979-1989. In fact, China represented the second front of the Cold War—and that second front is seen as having been a main cause of the Soviet crisis and decline. In the last years of its existence, the USSR was ready to go to great lengths to correct its past mistake of allowing relations with China to deteriorate.

The Chinese likely had similar feelings about the period of mutual animosity. They too had to make huge and largely unproductive investments during the 1970s and 1980s. For example, they relocated some strategically important industrial facilities to the central and southern parts of the country in order to reduce their vulnerability in case of war with the USSR (and so-called “third line enterprises”); they built massive fortifications in the northern part of the country; and they maintained a military that was 5 million strong and dominated by a huge ground force. The collapse of its industrial and technological partnership with the USSR slowed China’s progress in a number of fields and hurt the economy in general. The fear of Soviet political influence contributed to the disastrous purges conducted by Mao Zedong during the Cultural Revolution.

The painful lesson of the Cold War was clear: neither Moscow nor Beijing could afford confrontation. The costs of such confrontation between the two giant neighbors would be so high that it would undermine any prospects for development and critically limit their freedom of action on other fronts.

## How the Two Sides Built Their Cooperation

According to the memoirs of former Chinese foreign affairs minister Qian Qichen, China started looking for ways to compromise with the USSR in 1982, when the Chinese concluded that their negotiating position and their relationship with the West were solid enough. By that time, Moscow was desperate to improve its relations with China.

Also by that time, neither side could gain a meaningful victory in a confrontation. In the 1970s the Chinese started flight testing of the DF-4 IRBM (later upgraded to a limited-range ICBM) and DF-5 ICBM, which put the European part of the USSR within the range of the Chinese nuclear forces. The maintenance of the costly but limited antiballistic missile system around Moscow was reportedly justified by this Chinese threat. But even with that system in place—and even though the Soviet military had a significant technological advantage over the PLA (and would until the late 1980s)—by the late 1970s successful military action against China had become almost impossible.

For China, the risk of a military conflict against a nuclear superpower could not be justified by any possible gains in the Russian Far East, which, contrary to the persistent myths, is relatively poor in natural resources and has generally unfavorable natural conditions (major Russian natural gas and oil deposits are in Siberia, thousands of kilometers from the Chinese border).

Demography is frequently used to support the point that China supposedly has a hidden interest in acquiring Russia's Far Eastern territory. However, it is not really supported by the facts, since the northeastern Chinese territories close to the Russian border have remained relatively poor and underpopulated. Since 2012 the working-age population of China has been gradually shrinking, as a result of its one-child policies in the 1980s through the 2000s. The Chinese northeastern regions that border Russia are current economic outsiders in China. They are suffering from population outflows to the more prosperous southern provinces and have the lowest

birth rates in the country. Instead of overpopulation, they are thus experiencing depopulation.<sup>6</sup>

The USSR of the late 1980s did recognize the huge importance of China for Soviet foreign policy and security interests; however, now it had fewer available tools with which to secure firm Chinese cooperation. Neither the USSR of the late 1980s nor post-Soviet Russia could provide large-scale economic assistance to its allies; however, the export of defense technology still could be used in order to strengthen the relationship. A deep economic crisis, which was obvious by 1989, provided an additional reason to boost the arms export.

The importance that the Soviets attached to their relations with China in the defense field was clearly shown by their readiness to immediately provide China with the latest achievements of the Soviet defense industry. China became the first country which was able to buy Su-27 fourth-generation heavy fighters; meanwhile, the most trusted Soviet allies from the Warsaw Pact and India, the key Soviet partner in Asia, had access only to the less sophisticated MiG-29 fighters.

Selling the Su-27 to China was likely a Soviet initiative. In March 1989, two months before Gorbachev's visit to China, the Sukhoi's chief designer, Mikhail Simonov, visited Beijing, where he met with Chinese military leaders and suggested that they request the Su-27 from the Soviets. Simonov later described it as his own idea; however, taking into account the Soviet practices of that time, it is almost certain that he merely delivered a message from the Soviet authorities.<sup>7</sup>

The Chinese were granted wide access to the Soviet Union's defense industrial facilities, including the unfinished aircraft carrier construction projects in the Ukrainian city of Nikolaev.

For PLA leaders, a key driver of supporting the rapprochement with Moscow was its readiness to grant its new Chinese partners wider access to its advanced technology. In the 1990s, prominent Chinese military leader and thinker Liu Huaqing, who was deputy chairman of the Central Military Commission and the father of the modern Chinese navy, reportedly complained to the Russians that during the period of cooperation with the United States and Europe in the 1970 and 1980s, the Soviets had granted China access to only their outdated, previous-generation technology at very high prices.<sup>8</sup>

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<sup>6</sup> "Low Fertility Rate, Labour outflows Hamper NE China's development," *China Daily*, July 17, 2015, [http://www.chinadaily.com.cn/china/2015-07/17/content\\_21313472.htm](http://www.chinadaily.com.cn/china/2015-07/17/content_21313472.htm).

<sup>7</sup> Гончаров, Заметки о военно-техническом сотрудничестве, 53-55.

<sup>8</sup> Ibid., 54.

An important factor boosting the Chinese interest in speeding up the technical modernization of their military was their assessment of the Gulf War of 1991. The Chinese leaders were deeply impressed by how easily the United States and its allies crushed the Iraqi military. The Chinese understood that Saddam Hussein's military of 1990 was far more advanced technically than the PLA was at that time. A deep analysis of the new state of military affairs followed. It resulted in the emergence in 1993 of the strategic guidelines approved by the Central Military Commission of the Chinese Communist Party, calling for "winning local wars in high tech conditions." That approach made it necessary to speed up modernization in a number of areas such as C4ISR, air defense, and precision weapons, while China was increasingly isolated from Western defense technology.

After the Tiananmen Square incident in 1989, U.S. and EU sanctions prohibited new defense industrial cooperation projects with China in general. Until the early 2000s, China was still able to cooperate with Israel in the field of defense technology, but then this only remaining channel to accessing Western defense technology was closed under U.S. pressure.

Russian foreign policy towards China in general represented continuity with the late Soviet approach. The negotiations at the level of deputy foreign minister conducted at the end of 1991 led to an agreement that the Russian-Chinese relations would be built on the basis of the Sino-Soviet joint statements of 1989 and 1991. In December 1992 Russian president Boris Yeltsin visited China. The visit resulted in a joint declaration, according to which the two sides were considering each other to be friendly countries.<sup>9</sup>

## The role of defense and defense technology in the development of the relationship

In the 1990s, Russia's approach to defense cooperation with China was based on a clear recognition of the fact that Russia was supposed to build a relationship of trust and maximum interdependence with China, in order to avoid the mistakes of the past. The Foreign Policy of the Russian Federation of 1992 (approved by Presidential Decree in April 1993) stated,

Realistic transformation of our relations with China should take into account the differences in ideology, social and political systems of

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<sup>9</sup> К.Г.Муратшина, *20 лет партнерства России и Китая: результаты и уроки* (Екатеринбург: Издательство Уральского университета, 2016), стр. 83-84, [http://elar.uafu.ru/bitstream/10995/41430/1/978-5-7996-1862-9\\_2016.pdf](http://elar.uafu.ru/bitstream/10995/41430/1/978-5-7996-1862-9_2016.pdf).

the two countries and be based on the fact that there is no alternative for Russia for the friendly, intensive and substantial relations with China. In the past the confrontation with China did cost too much for the USSR (and China) and was one of the main reasons for our estrangement from the region in general....The relations must be such that the third countries would not be tempted to use China against Russia and China would not be tempted to use "the Russian card" in its relations with the other countries.<sup>10</sup>

The document also called for a measured approach to military technical cooperation with China, which should take into account Russia's economic interests but at the same time help avoid a Cold War style confrontation with U.S. interests in Asia.

During the first post-Soviet decade, however, the arms trade between the two countries served as a pillar of the whole bilateral relationship. This is partly explained by the very limited development of the economic component of the bilateral relationship at the time. The bilateral trade volume in 1992-1999 was not growing. It fluctuated between \$5.4 and \$7.6 billion per year, depending on the state of the Russian economy. A visible growth pattern appeared only after 2000.<sup>11</sup> With such a limited amount of trade, the arms transfers, which usually stood at \$1.5-2 billion per year and had a huge political importance, served as the most important single component of the whole relationship.

Of course, for much of the post-Soviet period the Russian defense industry also heavily depended on China for survival. The domestic procurement of conventional weapons almost stopped after 1991 and did not resume until 2010-2011. China, together with India, was a major foreign customer for Russian weapons. For most of the 1990s and early 2000s, weapon sales to China made up some 40-45 percent of Russia's total arms exports; sometimes this share even reached some 60 percent. The maximum value of the Russian arms shipments to China in real terms, reached in 2002, was \$2.7 billion.<sup>12</sup> With an adjustment for inflation, that would be \$3.76 billion in 2018.

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<sup>10</sup> "Концепция внешней политики РФ 1992 г," во *Внешней политике и безопасности России 1991-2002*, Том 4 (Москва: Московский институт международных отношений, 2002),39.

<sup>11</sup> "Справка МИД «Российско-китайское торгово-экономическое сотрудничество»," Министерство Инностранных Дел Российской Федерации, [http://www.mid.ru/ru/maps/cn/-/asset\\_publisher/WhKWb5DVBqKA/content/id/548594](http://www.mid.ru/ru/maps/cn/-/asset_publisher/WhKWb5DVBqKA/content/id/548594).

<sup>12</sup> "Интервью гендиректора ФГУП «Рособоронэкспорт» Сергея Исайкина," *РИА Новости*, 10 апр. 2009, [http://www.vpk.name/news/27293\\_obem\\_vts\\_rossii\\_i\\_kitaya\\_za\\_poslednie\\_vosem\\_let\\_sostavil\\_16\\_mlrd\\_rosoboroneksport.html](http://www.vpk.name/news/27293_obem_vts_rossii_i_kitaya_za_poslednie_vosem_let_sostavil_16_mlrd_rosoboroneksport.html).

The fate of every Russian defense enterprise in the 1990s and 2000s depended on its access to the Chinese and Indian markets. The enterprises which had such access thrived and developed. The ones which did not have such access began to degenerate and die. A good example is the Russian aircraft industry, which is centered around two major enterprises in the eastern part of the country: IAPO in Irkutsk, and KNAAPO in Komsomolsk-on-Amur. KNAAPO was China's key partner in the Su-27SK, Su-30MKK/MK2, and J-11A (license-produced Su-27) programs, while IAPO delivered Su-27UBK two-seaters to China and was cooperating on the Su-30MKI aircraft with India.

These two enterprises are currently playing key roles in most of the major Russian military and civilian aviation programs, such as the production of Su-30SMs, Su-35s, Su-57 fighters and Sukhoi Superjets, and MS-21 airliners. The fixed-wing aircraft producers that did not have a major involvement in China (for example, the Novosibirsk Chkalov Aviation Industry Group, the Nizhny Novgorod Aviation Society, and the Kazan Aircraft Production Corporation) are playing secondary roles even after considerable investments into their revival in the 2000s.

## Russia's Evolving Views on China's Global Role

When Russia failed to develop a partnership with the West, Moscow came to see China as more important than ever. During Russian president Boris Yeltsin's visit to China in April 1996, the two sides agreed to upgrade their relations to a strategic partnership. Russian leadership clearly started to view China as a possible future counterbalance to Western influence. This led Yeltsin to pay more attention to that relationship in spite of the fact that the economic basis for it was still quite insignificant.

Yeltsin's views of China as a possible counterbalance to Western dominance progressed until the end of his presidency. In December 1999, he chose his meeting with his Chinese counterpart Jiang Zemin to make his strongest statement yet on Russia's relations with the United States. Responding to U.S. President Bill Clinton's criticism of the Russian operations in Chechnya, Yeltsin said: "Bill Clinton yesterday allowed himself to pressure Russia. He apparently... has forgotten what Russia was, that Russia has a full arsenal of the nuclear weapons and decided to flex his muscles." Yeltsin added that the U.S. President would not be able to "dictate to the world how to live" and that Russia and China would also have their say in the world affairs.<sup>13</sup>

As far as the wording is considered, Yeltsin's speech in Beijing in December 1999 was arguably stronger than any of the anti-Western or anti-U.S. statements by Vladimir Putin during his presidential terms. It was also unique that Yeltsin decided to make such a strong anti-U.S. statement in the presence of the Chinese leader—something Putin never did. However, it was not taken seriously in the West, possibly because of the state of the Russian economy and the lack of any significant economic foundation for the Russian-Chinese relations.

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<sup>13</sup> "Борис Ельцин: пусть Клинтон не забывается," *Лента.ру*, 9 дек. 1999, <https://lenta.ru/news/1999/12/09/clinton/>.

## Building the Defense Partnership

By April 1996, when the Russian-Chinese strategic partnership was established, the two countries had already made substantial progress in developing an organizational framework for their military-to-military relations.

In November 1992 the two sides had signed an intergovernmental agreement on military-technical cooperation as well as a memorandum of understanding on future projects in defense industrial cooperation. A bilateral commission on military-technical cooperation was established and started to hold yearly meetings (the only exceptions were in 2006 and 2007), which were co-chaired by the defense ministers from the Russian side and by defense ministers or deputy chairs of the Central Military Commission from the Chinese side.

The two countries also had already made major progress in solving the border problem, which had been an important irritant to their relationship for decades. About 97 percent of the common border was agreed upon before the Soviet Union's collapse, and on May 16, 1991, a Soviet-Chinese agreement on the eastern part of the border was signed. On September 3, 1994, Russia and China signed an agreement on the tiny (about 55 km) western part of the border. The only remaining problem was the fate of three islands on the Amur and Argun Rivers. The fate of the islands was decided in October 2004 when Vladimir Putin and Hu Jintao signed the Additional Agreement on the State Border between the Russian Federation and the People's Republic of China, which divided two of the islands between them and transferred the third to China. The agreement was ratified by both sides and came into force in June 2005. Therefore, the territorial issue between the two countries, which had lost most of its political significance in 1991, ceased to be part of the bilateral agenda after 2004. Physically these territories were transferred to China in October 2008, when the technical work on demarcation of the new border was concluded.

The governments of China and the Soviet Union (later the former Soviet republics) started gradual demilitarization of the common border. The first agreement on general principles of demilitarization of the border was signed in April 1990 between China and the USSR, and provided the basis for future progress.<sup>14</sup> That immediately

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<sup>14</sup> *Соглашение между Правительством Союза Советских Социалистических Республик и Правительством Китайской Народной Республики о руководящих принципах взаимного*

led to a significant reduction of the military forces along the border. In 1996 China and the neighboring former Soviet republics of Russia, Kazakhstan, Kyrgyzstan, and Tajikistan signed another agreement on improving military trust along the border. That agreement established some limitations on the number of troops deployed in the area within 100 km from the borders, established information exchange protocols, and put some limitations on exercises in the border areas. Specifically, military exercises involving more than 25,000 troops could take place within 100 km of the border only once a year; there should be no permanently deployed combat units within 10 km from the border—only the border troops; and it was forbidden to hold military exercises specifically aimed against the participants of the agreement.<sup>15</sup>

The final agreement on the force reduction in the border areas was signed in April 1997 and came into power in 1999. The agreement put strict and detailed limits on forces within 100 km from the border. For the eastern part of the Russian-Chinese border, the ceilings were: 119,400 troops (of which no more than 104,400 were in the ground force and no more than 14,100 were in the air force); 3,810 main battle tanks; 5,670 armored vehicles; 4,510 artillery systems; 96 tactical ballistic missile launchers; 290 combat aircraft; and 434 combat helicopters. A mechanism for detailed inspections, including surprise and short-notice inspections and information exchange, was put into place.<sup>16</sup>

It is easy to see that the ceilings imposed by the agreement were effectively limiting the Chinese side only, since the Russian military of the late 1990s and 2000-2010s clearly could not have permanently deployed that many troops and that much equipment along the Chinese border even if it had wanted to. For example, the actual number of active main battle tanks in the whole Russian military is likely significantly smaller than the amount allowed to be deployed close to the Chinese border. The deal was criticized by some nationalists in Russia, but the Russian leadership generally considered it to be highly successful.

Of course, China could build up its forces along the border much more quickly than Russia could, because it had better infrastructure and shorter distances to travel. To

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сокращения вооруженных сил и укрепления доверия в военной области в районе советско-китайской границы, Сборник международных договоров СССР, выпуск XLVI, (1993) <http://docs.cntd.ru/document/901729235>.

<sup>15</sup> Соглашение между Российской Федерацией, Республикой Казахстан, Киргизской Республикой, Республикой Таджикистан и Китайской Народной Республикой об укреплении доверия в военной области в районе границы, N 87-ФЗ (1997), <http://docs.cntd.ru/document/901763237>.

<sup>16</sup> Соглашение между Российской Федерацией, Республикой Казахстан, Киргизской Республикой, Республикой Таджикистан и Китайской Народной Республикой о взаимном сокращении вооруженных сил в районе границы, N 180-ФЗ, (1999), <http://docs.cntd.ru/document/901779315>.

some extent, China's good roads, high level of mechanization, and mobility of forces served to reduce the value of its commitment. The conventional advantage of the 2 million strong People's Liberation Army over any forces Russia could deploy in the Far East remains overwhelming.

Growing trust in the military and security fields resulted in the further expansion of the defense industrial cooperation and growing contacts between the militaries in the fields of information exchange and training. In 2001 Russia and China signed<sup>17</sup> "the treaty of good-neighborhood, friendship and cooperation," usually called the "Big Treaty" by Russian specialists. It set the principles of the two countries' relations for the future.

Chapter 9 of the treaty stipulated that "in case there emerges a situation which, by opinion of one of the Participants, can create threats to the peace, violate the peace or affect the interests of the security of the Participant, and also in case when there is a threat of aggression against one of the Participants, the Participants immediately contact each other and start consultations in order to remove the emerging threat."

While the treaty did not create any obligations for mutual defense, it clearly required both sides to consider some sort of joint action in the case of a threat from a third party. The two countries' ambassadors to each other are some of their highest ranking diplomats, usually former deputy ministers of foreign affairs, with wide authority and expertise.

Russia and China also set up and continue to hold regular strategic consultations between their armed forces. Such consultations are held at the level of deputy chiefs of the General Staffs. Participants discuss strategic issues and the development of military-to-military relations of the two countries. The latest (20<sup>th</sup>) round of such consultations took place in May 2018.<sup>18</sup>

At the political level, the two sides discuss security issues during the annual strategic stability dialogue: Russia is represented by the secretary of the Security Council; China, by the state councilor in charge of foreign affairs (the secretary of the Central Foreign Affairs Commission, formerly known as the Foreign Affairs Small Leading Group). Simultaneously the Russian Security Council secretary usually also meets the

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<sup>17</sup> Договор о добрососедстве, дружбе и сотрудничестве между Российской Федерацией и Китайской Народной Республикой, Министерство Иностранных Дел Российской Федерации, (2001), [http://www.mid.ru/ru/maps/cn/-/asset\\_publisher/WhKWb5DVBqKA/content/id/576870](http://www.mid.ru/ru/maps/cn/-/asset_publisher/WhKWb5DVBqKA/content/id/576870).

<sup>18</sup> "В Пекине состоялся 20-й раунд стратегических консультаций между вооруженными силами Китая и России," *Russian.China.org.cn*, May 30, 2018, [http://russian.china.org.cn/china/txt/2018-05/30/content\\_51534352.htm](http://russian.china.org.cn/china/txt/2018-05/30/content_51534352.htm).

top Chinese official in charge of internal security—i.e., the secretary of the Central Political and Legal Affairs Commission. The latest such meeting was held in July 2017.<sup>19</sup>

Military technical cooperation developed quickly until 2003, when a downturn in the arms trade started. Until then, defense technology cooperation had affected almost every area of defense technology (except nuclear and strategic weapons) and could best be described as “a deliberate transfer of great military industrial power status from Russia to China.”

The most important and capital-intensive projects took part in the aviation industry and tactical missile weapons production. These represented the new Chinese assessment of future warfare, coined in the phrase “winning limited war under high tech conditions.” The ground forces had the lowest priority but were also benefitting from cooperation with Russia.

Initially Russian policy-makers had the idea of maintaining the so-called “technological gap” between Russia and China by selling China systems that were inferior to the ones available to Russia’s own military. However, with no significant procurement by the Russian military for almost two decades, such an approach was clearly unrealistic. In the 1990s and 2000s, both China’s and India’s militaries were getting systems that were more advanced than the ones commonly used by the Russian military. India was usually given privileged access to Russian defense technology, but China was not—both for national security reasons and because of the risk that China would violate the intellectual property rights of Russian designers.

During the Cold War, China had gained significant experience in unauthorized copying of the Soviet weapons (for example, the 9K11 Malyutka/AT-3 Sagger ATGM, D-30 howitzer, and Il-28 bomber). In the 1990s and 2000s, China usually copied the weapons by violating the license agreements—the best known case was Su-27SK fighter. After producing 95 aircraft under a Russian license, China chose not to prolong the license agreement and started to make a fully localized upgraded version of the aircraft, called the J-11B.

As result, India was buying—and later was licensed to produce—Su-30MKI heavy fighters, while China was only sold less-advanced Su-30MKK and Su-30MK2 aircraft.

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<sup>19</sup> “Ян Цзечи провел 12-й раунд китайско-российских консультаций по стратегической безопасности,” CCTV, 09 сен. 2016, <http://russian.cctv.com/2016/09/13/ARTI2wolqbSFFxqAPjHMWum5160913.shtml>; “Патрушев 26-28 июля проедет в Пекине консультации по стратегической стабильности,” ТАСС, 26 июл. 2017, [tass.ru/politika/4439958](https://tass.ru/politika/4439958); “Россия поставит в Китай С-400, противокорабельные ракеты и Су-35,” Звезда, 21 фев. 2017, <https://tvzvezda.ru/news/opk/content/201702211445-41k8.htm>.

India has been leasing Russian nuclear submarines since Soviet times and continues to do so today, while China has never had access to those kinds of systems.

Also, in a number of cases Russia has denied certain defense technology to China on grounds of national security. Those cases include Tu-22M3 bombers, MiG-31 heavy fighters, and, according to some accounts, Iskander missiles. Providing such systems to a major power that has a long ground border with Russia could dramatically upset the balance of power—which already is not very favorable for Russia.

Until the late 1990s a significant part of the arms trade between Russia and China was barter trade: China would provide consumer goods in return for weapons. The Russian defense industrial enterprises could then sell those goods on the Russian internal market for a profit. Then, in the second half of the 1990s, Chinese defense expenditures began to grow steadily and China was able to pay for the Russian weapons in cash.

The temporary decline in the bilateral arms trade in 2004-2010 was caused by a combination of factors. China had achieved a certain degree of success in absorbing Russian technology obtained in the 1990s. Chinese defense industry was likely exaggerating its successes, however, especially in the most complex areas of defense technology, such as aircraft engine production. For example, the WS-10 Taihang engine used on Chinese fourth-generation fighters was first declared completely tested and ready for serial production in 2006,<sup>20</sup> while in reality the mass production of two-engine fighters with that engine only started around 2013-2014, due to reliability problems.

The mid 2000s also saw the continuing decline of a number of Russian defense industry enterprises and their technological partners in the other former Soviet republics. That decline affected their ability to implement the contracts with China. The best known example was Russia's failure to implement the contract signed in 2005 for the procurement of 38 Il-76 transports and Il-78 tankers for the PLA Air Force. The final assembly factory for these types of aircraft was outside Russia, in the Uzbek city of Tashkent. The poor state of this production facility and Russia's inability to start the aircraft assembly in Russian territory in a reasonable amount of time led to this contract being broken and Chinese customers deeply dissatisfied.<sup>21</sup>

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<sup>20</sup> "Liming WS10A Taihang Engine," GlobalSecurity.org, <https://www.globalsecurity.org/military/world/china/ws10.htm>.

<sup>21</sup> "Проблемы с поставкой Китаю самолетов Ил-76 и Ил-78 вызваны невыполнением обязательств ТАПОиЧ," Aviation Explorer, 23 ноя. 2009, <https://www.aex.ru/news/2009/11/23/71660/>.

Russia managed to restart the serial production of an upgraded Il-76 version, the Il-76MD-90A, in 2014. By that time, however, it was too late to sell these aircraft to the Chinese market, as the Chinese had started to test fly their indigenous Y-20 heavy transport, developed with Ukrainian assistance. Still, Russia managed to sell China a number of refurbished Il-76s from Russian and Belorussian air force reserves.<sup>22</sup>

## Joint exercises

### Peace Mission

In 2005, a major new development in bilateral security relations took place—the first Peace Mission exercise, which was held in China’s Shandong Province and within the Shanghai Cooperation Organization (SCO) framework. The initial exercise, Peace Mission 2005, was the biggest Peace Mission exercise ever, involving more than 10,000 servicemen (including 1,800 Russians) and a combination of ground, air, and naval forces.<sup>23</sup> Peace Mission exercises are generally held every two years within the SCO framework. After 2005, they evolved into exercises for ground and air forces, sometimes involving security forces and dealing with possible scenarios of major destabilization in Central Asia. Since 2007, they have involved other SCO members besides Russia and China. Peace Mission 2018 is supposed to be especially important because new SCO members India and Pakistan will participate for the first time. Also, Uzbekistan will take part for the first time in many years.

A typical Peace Mission exercise scenario involves a joint response to an attack in which terrorists are taking over a town or a piece of territory belonging to an SCO country.<sup>24</sup> This joint response usually involves an initial action by some of the Central Asian SCO members, their quick reinforcement and support by the special operations and air forces of Russia and China, and further deployment of heavy units of the Russian and Chinese armies to the theater.<sup>25</sup> Peace Mission exercises are

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<sup>22</sup> “Россия начала поставку Китаю транспортников ИЛ-76,” *АвиаПОРТ*, 01 фев. 2013, <https://www.aviaport.ru/digest/2013/02/01/248300.html>.

<sup>23</sup> Сергей Карамеев, “Мирная Миссия – 2005,” *Лента.ру*, 21 фев. 2005, <https://lenta.ru/articles/2005/08/18/jointforce/>.

<sup>24</sup> “ШОС: Мирная миссия 2007,” *Красная Звезда*, 23 авг. 2007, [http://old.redstar.ru/2007/08/23\\_08/5\\_01.html](http://old.redstar.ru/2007/08/23_08/5_01.html).

<sup>25</sup> “Антитеррористические учения «Мирная миссия – 2014». Досье,” *ТАСС*, 22 авг. 2014, <http://tass.ru/info/1393512>.

gradually growing in complexity, involving, for example, joint basing of the Russian and Chinese combat aircraft and joint strikes against ground targets.<sup>26</sup>

## Maritime Cooperation

Since 2012, Peace Mission exercises have been augmented by a maritime exercise called “Maritime Cooperation.” Like Peace Mission, Maritime Cooperation is held on a rotational basis in Chinese or Russian waters in the Far East. In 2015 and 2017 the exercises were conducted in two phases, with Phase 1 taking place in the Atlantic. In 2015 the two countries held the Phase 1 exercise in the Eastern Mediterranean (the Chinese ships also visited the Black Sea, but avoided Crimea). The next year, the joint naval exercise was held in the South China Sea (perhaps in return for the Chinese navy’s visit to the Black Sea in 2015), close to the coast of Guangdong Province and far away from the disputed Paracel and Spratly Islands. In 2017 the Chinese naval squadron came into the hotbed of the Russia-NATO military tensions—i.e., the Baltic—to hold a joint exercise with the Russian Navy. This could be seen as a political statement, both in support of Russia, and as an act of reciprocity for the increased presence of the British and French navies in the Pacific, especially in the South China Sea.

Even though both sides try to portray this exercise as counterterrorism or anti-piracy, the training related to dealing with non-state actors has always had only a marginal role in it. Rather, the two sides train in joint air defense, antisubmarine warfare (ASW), landing operations, joint missile and artillery strikes, and submarine rescue. The naval helicopters of the two countries land on their partner’s ships; in 2017 the Chinese submarine rescue ship docked with a Russian submarine for the first time. Significant attention is paid to data exchanges between the two sides’ command and control system, including data transmission from the Chinese airborne early warning (AEW) aircraft to the Russian ships.

Although the Maritime Cooperation exercises are growing in complexity, they are encountering certain obvious problems because of the current state of the Russian Navy. The Russian Navy has only a limited number of operational cruisers, destroyers, frigates, and landing ships. With the exception of three newly built Project 11356 frigates belonging to the Black Sea Fleet and one recently commissioned 11711 landing ship, the Russian blue-water surface combatants have an average age approaching 30 years. The ships have also been heavily used during

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<sup>26</sup> Ян Межень and Михаил Тимофеев, “К “Мирной миссии - 2013” подключилась авиация,” *Вести.ру*, 12 авг. 2013, [www.vesti.ru/doc.html?id=1116898](http://www.vesti.ru/doc.html?id=1116898).

the seven year old Syrian war for maintaining a constant presence in the Eastern Mediterranean and bringing supplies to the Syrian government forces. During the first three years of the exercises, the Russian Navy was represented by a rather powerful squadron consisting of one Project 1164 cruiser, two or three Project 956 and Project 1155 destroyers, some landing ships, and some auxiliary transports.<sup>27</sup> Sometimes one or the other side also brought a Kilo-class submarine for ASW training.

In the second phase of Maritime Cooperation 2017, in the Far East, the Russian Navy was represented by just three ships: two old Project 1155 destroyers and a supply transport. Some of the participants of the previous Maritime Cooperation exercises from the Russian side were undergoing a lengthy and long-overdue overhaul (like the Marshal Shaposhnikov Project 1155 anti-submarine destroyer) or were just recovering from a lengthy deployment to Mediterranean (like the Varyag Project 1164 cruiser) and could not be replaced. The same level of participation (two destroyers and a transport) from the Russian Pacific Fleet can be expected in Maritime Cooperation 2018.

During Phase 1 of Maritime Cooperation 2017, held in the Baltic Sea, the Chinese were able to send one brand new Type 052D destroyer, a Type 054A frigate, and a supply transport, while their Russian counterparts were just two Project 20380 corvettes.<sup>28</sup> Since the Russians are interested in maintaining some kind of positive dynamic in these exercises, it can be expected that they will move into some new, more sensitive areas such as submarine operations, long-range maritime bomber operations, and mine warfare; in these areas, unlike in surface warfare, the Russians still have a certain edge over the Chinese.

## Other exercises

Since 2014 Russia and China have been participating in a growing number of competitions involving various services of their armies and air forces. Originally started by the Russians (from the Tank Biathlon armor crews' competition), these contests now involve members of various services, ranging from those in army air defense, helicopters, and strike aircraft, to military cooks and doctors. The Chinese are known to be the most active foreign participants and now host some of the competitions.

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<sup>27</sup> "Российско-китайские учения «Морское взаимодействие» – Досье," ТАСС, 25 июня. 2017, [tass.ru/info/1960969](https://tass.ru/info/1960969).

<sup>28</sup> Дмитрий Григорьев, "На Балтике началось российско-китайское «Морское взаимодействие»," RG.ru. 21 июля. 2017, <https://rg.ru/2017/07/21/reg-szfo/na-baltike-nachalos-rossijsko-kitajskoe-morskoe-vzaimodejstvie.html>.

Since 2016 Russia and China have held yearly theater missile defense exercises called Aerospace Security, in the form of computer simulation.<sup>29</sup> The exercise involves establishing a joint air/missile defense area using long-range SAM systems such as the Chinese HQ-9 and the Russian S-300/400 series.

Another area of growing cooperation is the joint exercises between the two countries' internal security forces, involving the Russian National Guard and the Chinese People's Armed Police. During the early exercises, called simply "Cooperation," the SWAT units from both services trained jointly, conducting assault operations, as well as search-and-rescue, hostage-saving, and other operations.

Russia is also continuing to train Chinese military personnel—both the technical staff (who operate Russia-supplied equipment) and the commanding officers. In late 2016, Russian defense minister Sergei Shoigu said that the Russians had trained more than 3,600 Chinese officers in their military academies and training centers.<sup>30</sup>

## Trends in military technical cooperation in the recent years

By 2010, defense technology cooperation had started to rebound from the decline of the mid 2000s, with growing Chinese interest in procuring Russian helicopters and aircraft engines. China also maintained its interest in procuring Russian long-range air defense systems, and it had a growing appetite for joint R&D. About 2010, negotiations on procurement of some S-400 SAM systems and Su-35 fighters were also started. Steady growth of this cooperation has brought the bilateral arms trade to more than \$3 billion per year in deliveries in 2016, according to the Russian Ministry of Defense.<sup>31</sup> In July 2018 Russian defense minister Sergei Shoigu stated that 12 percent of Russian arms exports were going to China but did not specify what time period he was talking about.<sup>32</sup> If he was referring to 2017, that could mean that the deliveries of the Russian defense-related goods and services to China had decreased to \$1.8 billion, possibly because some of the old contracts had terminated and the new ones were not yet being implemented.

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<sup>29</sup> "Россия и Китай проводят совместные учения по отражению ракетных угроз," *РИА Новости*, 12 ноя. 2017, [https://ria.ru/defense\\_safety/20171211/1510686986.html](https://ria.ru/defense_safety/20171211/1510686986.html).

<sup>30</sup> "Россия поставит в Китай С-400."

<sup>31</sup> "Шойгу: Россич и Китай за год реализовали контракты в сфере ВТС на 3 млрд долларов," *Взгляд*, 23 ноя. 2016, <https://vz.ru/news/2016/11/23/845346.html>.

<sup>32</sup> "Шойгу заявил, что военное сотрудничество РФ и Китая укрепляет глобальную безопасность," *Интерфакс*, 11 июля 2018, <http://www.militarynews.ru/Story.asp?rid=1&nid=485641>.

That number included the deliveries of Su-35 fighters, which began at that time, as well as ongoing sales of engines, helicopters, and spare parts, etc. As of 2018, apart from the sales of aircraft engines, Russia had three known ongoing projects with China involving arms deliveries: the S-400 (two regiments, consisting of two battalions and a regimental C2 system each, total price close to \$2 billion); the Su-35 (24 fighters, limited tech transfers, a limited amount of weapons and spare parts, total price also close to \$2 billion); and a project on licensed production of some antiship missiles in China (most likely, the YJ-18). The antiship missiles deal is the least known.

Discussions on the other two deals started around 2010, and the negotiations took years: the S-400 contract was signed in November 2014; the Su-35 contract, in autumn 2015. The negotiations took a long time because of differences over the minimum number of Su-35s the Chinese were going to procure (Russia initially insisted on at least 48 planes, and the Chinese were arguing for 12 or fewer). Also, the Almaz-Antei Company lacked the production capacity for S-400 surface-to-air missiles (SAMs) and had to postpone the deliveries until late 2017–2019 (the first S-400 regiment, consisting of two battalions, had been delivered by May 2018, and the second one will be delivered by early 2019).

It is possible that the S-400 agreement will be expanded to include additional systems and 40N6 long-range missiles. Additional projects may be under discussion, and cooperation on aircraft engines continues. New significant deals will very likely be made. This likelihood was highlighted by the fact that after the meeting of the Bilateral Military Technical Cooperation Commission in Moscow in late 2017, the Chinese co-chair of the commission, General Zhang Youxia (who is also the deputy chair of the Central Military Commission of China) was received by President Putin.<sup>33</sup>

However, the arms trade, while still important from political and security points of view, is now economically insignificant compared to the overall volume of Russian-Chinese trade, which is expected to exceed \$100 billion in 2018. Russia's strategic importance to China is no longer limited to military ties and cooperation in the international arena: since 2016, Russia has overtaken Saudi Arabia and become the major supplier of oil to China.

Besides, Russia and China have a growing number of joint programs in dual-use technology spheres, such as nuclear energy, space technology, joint commercial airliners, and heavy-lift helicopter programs. They also have a growing mutual interest in cooperation in the artificial intelligence field.

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<sup>33</sup> "Встреча с замглавы военного совета Компартии Китая Чжан Юся," Президент России, 7 дек. 2017, <http://www.kremlin.ru/events/president/news/56327>.

After the Ukrainian crisis and the imposition of Western sanctions on Russia in 2014, Russia started limited procurement of Chinese components for some of the Russian-made platforms. Those included naval diesels for some of the coast guard patrol ships, Project 21631 missile corvettes, and Project 21680 anti-saboteur boats. However, that procurement is still too limited to create a strong dependency and is considered by the Russian leaders to be a temporary measure until the import substitution policy begins to bring results. More importantly, Russian industry needs to rely more on China in procuring advanced production equipment and industrial electronic components. In 2014-2015 Russia and China negotiated large-scale procurement of Chinese space-grade electronic components for the needs of the Russian space program. There were discussions about exchanging the Russian technology for the RD-180 space rocket engine for the Chinese space electronics technology; however, no agreement has been reported so far.

In spite of the ongoing progress in general political/economic relations between the two countries, the growth of their defense cooperation is limited by the extreme technological nationalism of both countries' defense establishments. In fact, the technological nationalism on both sides seems to be more rampant than it was in the Cold War era.

The USSR did readily outsource some significant parts of its defense industrial production to the Warsaw Pact countries. For example, Poland supplied the Russian Navy with some landing and auxiliary ships and was responsible for producing Mil Mi-2 helicopters and Antonov An-2 transport planes; Czechoslovakia produced L-29 and L-39 training aircraft, and provided some artillery weapons and light weapons; and East Germany built antisubmarine ships. Now, Russia tries to keep defense imports at a minimum and considers them a temporary measure until its import substitution project bring results. For China, defense import from Russia remains significant but seems to be treated as almost a matter of national shame, to be addressed urgently.

The two countries' defense establishments do not seem to be ready to create a division of labor at even the level which existed among the Warsaw Pact countries, let alone at the current level of cooperation within the U.S.-led system of alliances (in which the UK is a major contributor to the U.S. aircraft industry, and Israel and Japan are major partners in missile defense projects). Such an approach is currently a major limitation for Russia's and China's ability to compete with the United States in the field of defense innovation.

## The Issue of the Sino-Russian Alliance

The two countries officially deny that they intend to create a military alliance in the foreseeable future. Both Russia and China use similar rhetoric for criticizing the expansion of the U.S.-led alliances in Europe and the Western Pacific, calling the alliance politics “a relic of the Cold War” and “a thing of the past.” However, if we ignore their words and look only at their actions, we see a different picture:

- The two countries closely cooperate in the international arena and coordinate their policies on major issues. They hold regular and frequent consultations on regional and global security issues, both between military leaders and between politicians. They have gradually established working channels of communication between most of the major government agencies.
- The two sides have been holding military exercises at significant and ever-higher levels for 14 years. Most of the branches and services of the two militaries have become involved in those exercises, as have some of their internal security organizations.
- These exercises are focused on improving the two militaries’ interoperability in case of conflict against a state actor. They include such subjects as antimissile, anti-air, and antisubmarine defense, and other high-tech aspects of war.
- The two sides maintain high-scale military-technical cooperation, although it is somewhat hampered by their technological nationalism.
- Both sides are trying to achieve greater economic interdependence, but that effort is not progressing as quickly as they would like. The interdependence seems to be asymmetrical, in favor of the Chinese. China is already Russia’s major economic partner as an individual country and overall is second only to the EU combined. The EU share in Russian trade is gradually falling (it is currently at 41 percent of the trade volume) and the Chinese share is growing (it is currently at 14 percent).

Russia and China have already built a relationship which has all of the features of an alliance except one: a written, binding obligation to come to each other’s help in case of war. Most likely, that is missing because under the current circumstances they would have little to gain and much to lose in formalizing the relationship.

China cannot be a security provider to Russia, since Russia is a nuclear superpower. Russia considers its nuclear capability to be the only guarantee of its military security against the West. In case of a low-probability, high-risk scenario, such as war between Russia and NATO, the Chinese would not have the nuclear capabilities to affect the situation in the European theater in any significant way. China has the fewest warheads deployed on ICBMs and intercontinental-range SLBMs of any of the five recognized nuclear powers.

China does have some military and technological capabilities which are lacking in Russia and which could be extremely useful in various local war scenarios, including the ongoing Syrian war. China is one of the world's leading producers, and a major exporter, of medium-altitude, long-endurance (MALE-class) combat UAVs. Also, China's major surface combatant and amphibious warfare ships are far superior to Russian ones. The PLA Navy has an advanced logistical capability, with a fleet of large and technologically advanced supply transports, while for the Russians even the logistics of their limited force in Syria and the eastern Mediterranean remain a major challenge. China can independently produce light (Y-12, Y-7) and medium (Y-8, Y-9) military transport aircraft, while Russia is still lacking this capability; the fate of Il-112 and Il-276 transport programs remains unclear, and results cannot be expected until at least the mid 2020s.

If at some point Russia and China decide to jointly intervene in a local conflict, their militaries would act as a very strong force multiplier for each other. China's superior surface navy, and its logistical and UAV capabilities would be coupled with Russia's battle-hardened ground and air forces as well as its air defense, submarine, and long-range strike advantages. However, currently there are no observable scenarios under which the two sides might undertake such a joint action. Unlike Russia, China is careful not to align itself with one or another group of Middle Eastern states, since it has a lot of trade and investments with both Iran and the Persian Gulf Arab monarchies. Russia is trying to stay away from the dangerous security issues of the Asian Pacific politics which are important to China (South China Sea, East China Sea, Taiwan, etc.).

Russian security guarantees could be useful for China under very specific circumstances if there is ever a major possibility of a full-scale war between China and the United States. Russia can be of little assistance to China in most other scenarios of probable military conflicts in the Pacific, since the Russian blue-water navy's capability is declining and its power projection potential is quite limited. However, if there were a real possibility of a full-scale U.S. attack on China, the prompt signature of a binding Russian-Chinese alliance treaty would mean that Russia's powerful strategic nuclear deterrent would come into play—which would likely affect U.S. strategic calculations. Most likely, the alliance option is kept in reserve just for that possibility, with all of the technical and organizational preparations being made beforehand.

Even without such an alliance, Russia is already affecting the balance of power in the Pacific in a major way. Russian actions in Europe and the Middle East make it difficult or even impossible for the United States to rebalance to the Pacific in a way that could counter the growing Chinese power. While Russia is challenging the United States politically and militarily in Europe and the Middle East, China is expanding its influence in Southeast Asia and, to some extent, in South Asia, relying mostly on economic tools. Also, economically China is becoming increasingly present in the Middle East and Eastern Europe. The Chinese 16+1 initiative for partnership with formerly Communist East and Central European countries has already become a major irritant in relations between Beijing and Brussels since it affects the unity of the EU.<sup>34</sup>

In the current Russian-Chinese partnership, Russia is responsible for hard power and China for soft power, with the two countries countering the United States in a coordinated manner. At this stage, a formal alliance would reduce, not increase, the effectiveness of the partnership.

It is easy to see that in this struggle it is Russia that makes most of the sacrifices while China gets most of the political and economic spoils. China does provide a certain amount of economic support for Russia. In 2014 and 2015, during the most difficult period for the Russian economy since the beginning of the Ukrainian crisis, China was the main source of foreign loans for Russia. The loans exceeded \$32 billion, and provided some support to the Russia's major state-run and quasi-state companies.

China provided valuable technical assistance for Russia to build the so-called "energy bridge," which transmits electricity from the Russian Rostov and Krasnodar regions to Crimea and which was necessary for stabilizing Russian control over the peninsula.<sup>35</sup>

However, China's assistance is limited to supporting Russia at critical moments. The Russian government is reluctant to accept additional Chinese loans and investments which would limit Russia's choices in the future, and the Chinese are not ready to spend much more money on Russia under the conditions that the Russian government considers to be comfortable. The Chinese seem to understand that at the current point no compromise between Russia and the West is likely, so Russia has no choice but to oppose the United States anyway.

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<sup>34</sup> "Brussels rattled as China reaches out to eastern Europe," *Financial Times*, Nov. 26, 2017, <https://www.ft.com/content/16abbf2a-cf9b-11e7-9dbb-291a884dd8c6>.

<sup>35</sup> "Энергемост в Крым. Досье," *TACC*, 2 дек. 2015, <http://tass.ru/info/2467522>.

## Conclusion

Russia and China have spent almost three decades steadily improving their relations and cooperation in military, security and defense technology. Starting from mutual trust and force reduction measures, they moved to large-scale cooperation in defense technology and personnel training and established working channels of communication between military planners and security policy-makers on both sides.

The two countries already have a 14-year history of holding regular joint military exercises, and are gradually expanding this joint training into new areas. While the political leaders of both Russia and China regularly deny any intention to create a military alliance, on the technical level the two sides are preparing for just that possibility.

The big question is, What are the circumstances (if any) under which the two sides would exercise that option? Yet, even if that option is never exercised, the very fact that it exists is already strengthening both countries' positions on the international stage.

The two sides' cooperation is already affecting the global balance of power. However, it is Russia that bears the major burden in the struggle against "U.S. hegemonism," while China is getting most of the benefits from any successes the partners achieve. Still, the partnership is vital for both sides.

The two countries have achieved significant progress in enhancing the interoperability of their militaries. They have significant experience in industrial and technological cooperation in defense and dual-use technology. However, they do not appear to be ready for Western-style cooperation in defense technology, which would involve division of labor and deep integration.

Although their relationship is unbalanced in many ways, especially in the economic field, and even though both sides may complain of lack of trust, a bad investment climate, and prejudices on the other side, both Moscow and Beijing see the relationship, including the military part of it, as vital—necessary for political survival.

Over time—in spite of all the problems of the Russian economy, the two countries' investment climates, the misunderstandings between the officials, and the long tradition of paranoia in the Russian and Chinese security apparatuses, the two

countries are gradually moving towards greater integration and interdependence. Government-to-government, military-to-military, and people-to-people contacts are expanding, although sometimes not as fast as the two governments would like. The long history of military ties has led to greater understanding and greater trust. That means that, unless a major internal policy change takes place in one of the countries, the security partnership between Russia and China can be expected to grow stronger in the foreseeable future.

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