

Comparative Connections

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China-Russia Relations: Medvedev's Ostpolitik and Sino-Russian Relations

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May 2008 was a hectic month for both Russia and China. The inauguration of Dmitry Medvedev as Russian president marked the least eventful, albeit the most speculated about, power transition in the history of the Russian Federation. Medvedev's visit to China in late May, his first foreign visit outside the Commonwealth of Independent States (CIS) as president, ran into the devastating earthquake (May 12) in China's Sichuan Province. Medvedev's appearance in China and the largest international rescue mission in Russian history were both symbolic and substantial for the Russian-China strategic partnership, regardless of who controls the Kremlin.

Medvedev in China

Despite the Sichuan earthquake, the Beijing summit went ahead with the normal and predictable outcomes: formal and informal talks among top leaders, meetings with Chinese dignitaries, a joint declaration to reaffirm agreement on various global issues, a Medvedev speech at Beijing University, and the signing of several commercial agreements. Among them was a \$1 billion contract for a gas centrifuge uranium enrichment plant.

China apparently took the initiative to invite Medvedev long before the official invitation was extended on May 8. Policy continuity was very much on the minds of Chinese leaders. China's Foreign Ministry publicly stated its four expectations for the visit were to: establish personal working relations with the new Russian leader; explore possible directions and parameters of China-Russia relations; ensure that Medvedev would continue to support China on major issues related to state sovereignty, security, territorial integrity, and development; and look for more pragmatic approaches to resolving issues between the two nations.

These expectations indicated considerable anxiety in China regarding the quality and substance of the Sino-Russian strategic partnership. The frequent high-level meetings during former President Vladimir Putin's time have yet to be translated into specific progress in various areas of bilateral relations. Despite a great increase of bilateral trade in the past few years (\$48.1 billion for 2007, up from \$8 billion in 2000 at the beginning of Putin's presidency), neither side seems happy with its "quality," although Beijing and Moscow define "quality" in different ways. China wants more oil and gas from its northern neighbor without too much administrative interference. Russia, however, has shown an unwillingness to become a raw material supplier to China. China's efforts to make separate energy deals with some former Soviet Republics in Central Asia (Kazakhstan and Turkmenistan) are also an irritant for Moscow. Beijing's

competition in Central Asia, according to *Itar-Tass*, was the real reason Gazprom sharply raised the purchase price of Turkmen gas from \$150 to about \$300 per 1,000 cubic meters.

The transfer of military technology is another area of stagnation. After a total of more than \$25 billion in 15 years, Russian arms transfers to China have yet to move beyond the 2005 *IL-76* “bottleneck” (a \$1.5 billion contract for 34 *Ilyushin-76MD* military transport aircraft, four *IL-78* aerial refueling tankers and 88 additional *D-30KP-2* engines). Three years after the contract, not only has Russia been unable to deliver a single plane to China, Moscow is also strongly contesting the contracted price as too low. At a deeper level, but Moscow and Beijing need to find a way out of the current impasse in which China has essentially purchased almost all major Russian weapon systems that Russia is willing to sell, while Russia is unwilling to move China into India’s category and become eligible for more advanced weapons and technology. For Russia, there is a deep concern over intellectual property rights.

Regardless of who is making Kremlin policies, these issues need fresh thinking, pragmatic approaches, and partial, if not complete solutions. Medvedev’s visit was such an opportunity and during their May 23 meeting in Beijing, President Hu Jintao made four specific suggestions for developing bilateral relations:

- Further strengthen political mutual trust and support in line with the principles of the 2001 Sino-Russian Friendship Treaty, making full use of high-level meetings and consultations, exchange views on bilateral ties and other key issues of common concern, and continuously support each other on crucial issues such as sovereignty and the integrity of territory, state security, stability, and development.
- Deepen substantial cooperation by steadily expanding trade, optimizing trade structures, increasing mutual investment, strengthening technical and environmental protection cooperation between localities, protecting cross-border water resources, and promoting the development of border areas.
- Strengthen cultural cooperation to enhance friendship between the two peoples with both sides giving full play to the cultural cooperation committees in the two governments and institutionalizing the mechanism of the Year of Russia and the Year of China.
- Make closer strategic coordination in international and regional affairs, such as in the multilateral frameworks including the UN and the Shanghai Cooperation Organization (SCO), jointly meeting global challenges, and promoting a harmonious world with long-lasting peace and universal prosperity.

Hu appeared to cover the full gamut of issues regarding Sino-Russian relations during the visit. His focus on the real issues seemed to be reciprocated by Medvedev, whose mission in Beijing according to Russian media, “is to focus on problems.” This was reflected in the composition of his delegation, which included those in charge of major sectors of bilateral ties from both government and business circles. This included Deputy Prime Minister Aleksandr Zhukov, Foreign Minister Sergey Lavrov, Industry and Trade Minister Viktor Khristenko, Energy Minister Sergey Shmatko, Rosatom head Sergey Kiriyenko, Chairman of the Supervisory Council of the Basic Element Company Oleg Deripaska, Chairman of the Board of the Sistema Financial Corporation Vladimir Yevtushenkov, Aeroflot Director General Valeriy Okulov, VTB Bank CEO Andrey Kostin, President of the United Aircraft Manufacturing Corporation Aleksey

Fedorov, Interfax Group's Board Chairman Mikhail Komissar, Sukhoi Director General Mikhail Pogosyan, and others.

The Beijing summit did inject new energy to improve bilateral relations. Immediately following Medvedev's visit, Chinese Premier Wen Jiabao and his Russian counterpart Vladimir Putin reached an agreement to set up a joint energy commission at the vice prime ministerial level. In mid-June, Col. Gen. Nikolai Frolov, the head of Russia's armed forces' troops air defense, visited China to study the combat application, operation, technical maintenance, and repair of the Russian-made surface-to-air missile systems. Reportedly part of his mission was to explore the possibility of China's purchase of more advanced anti-aircraft batteries from Russia. Even the "cold case" of the *Ilyushin*-series military cargo planes is said to be reopening. Medvedev's visit, therefore, was both symbolic and substantial for Moscow and Beijing.

Eyes on the world stage

In contrast to the obstacles in bilateral ties, Medvedev may have found more common ground in Beijing regarding international affairs. Indeed, the second quarter witnessed frequent and close coordination between Moscow and Beijing in areas of world politics, particularly the Korean and Iranian nuclear issues. This quarter saw the two nuclear cases begin to head in opposite directions. North Korea finally provided documentation of its nuclear programs and publicly destroyed a nuclear cooling tower. Iran, meanwhile, was preparing for the worst as talk of possible military actions against its nuclear facilities by Israel and the U.S. persisted. Moscow and Beijing would have to prepare for that eventuality not only because Iran is part of the SCO as an observer state, but also because of Iran's huge geo-strategic and economic importance for both nations.

Close to home, the SCO was in full swing in the quarter: defense ministers met in Dushanbe, Tajikistan and discussed ways to broaden military cooperation; chiefs of SCO supreme courts met in Astana, Kazakhstan to discuss ecological and migration legislation issues; the SCO Forum, a "think tank" for the SCO Secretariat and Council of National Coordinators, met in Beijing to discuss the SCO's stability and long-term development; and the 5th meeting of SCO's culture ministers was held in Bishkek, Kyrgyzstan. Beyond Central Asia, Moscow and Beijing expanded their newly institutionalized Russia-China-Indian trilateral foreign ministerial meeting – the 8th session was held in Yekaterinburg, Russia – into the so-called BRIC quartet with the addition of Brazil.

Partly because of these common efforts, the "Joint Statement of the Peoples Republic of China and the Russian Federation on Major International Issues" signed by the two heads of states was one of the most visible documents in Beijing. In brief, the 11-point declaration stresses that the UN is crucial for peace, development, security, and anti-terror for a more equal, fair and multipolar world (articles 1-4); that international security and arms control need to be enhanced for common, not separate, interests and the sides expressed concern over missile defense and oppose space weaponization (article 5); that the international community cooperate in environmental protection and energy (articles 6-7); that negotiations and dialogues are needed for regional issues such as Korean nuclear crisis, Iran, Sudan, etc. (article 8); that inter-civilization dialogue is essential (article 9); that respect for human rights and state sovereignty

need to be balanced with one another (article 10); and that multilateral forums such as the G8, SCO, BRIC, etc., are needed for regional and global affairs (article 11).

Moscow and Beijing do not perceive every international issue through the same lens. China, for example, may not share the same urgency as Russia to considerably enlarge and enhance the SCO as a counter force to the U.S. and NATO. Part of the reason is that China is uncertain how confrontational Russia would like to be in its relations with the West and the U.S., including issues such as NATO expansion and missile defense. Few, if any, Chinese analysts believe that it is in Russia's interests to have a new Cold War with the West. China's own interests would be served in a more harmonious relationship with the West. The most frequently used phrase by the Russians in this regard is "identical" interests and actions. Policy coordination, therefore, is perhaps what the two sides should try to achieve, particularly in areas of common vital interests such as Korea, Iran, missile defense, and space weaponization. The joint statement, some elements of which were drafted long before the visit, reflects that bilateral policy coordination.

A presidential kiss at Beijing University

Russian leaders always fascinate the Chinese: the Czars, communist leaders, the post-Soviet leaders Yeltsin and Putin. None, however, matched Medvedev's record. After his Beijing University speech, the young Russian president continued his informal chat with students by the side of the Weiming Lake at the campus center. Apparently pleasantly surprised by a rather emotional statement from a graduate student with the Russian name Zoya – which happens to be a household name in China for a Soviet heroine during World War II – that she loved Russia as her own country and wished Russia every success, Medvedev reciprocated with a surprise of his own by planting a kiss on her cheek.

Zoya's emotional statement and Medvedev's response were perhaps spontaneous and appropriate for the current state of bilateral relations. By no means did this suggest a return to the Sino-Soviet honeymoon. Rather, the timing of Medvedev's visit after the devastating quake, the massive Russian relief effort, and the cumulative effect of the "national years" (China's "Russia Year" in 2006 and Russia's "China Year" in 2007) led to the Beijing University "chemistry." Indeed, the visit by the young Russian president recorded many "firsts:" he was the first foreign head of state to visit China following the massive earthquake; Russia's military mounted the largest international relief effort in its history; a Russian rescue team was among the first to arrive in the quake area; and was the only foreign search team to have found any survivors. The "ordinariness" of Medvedev's first official visit to China as Russian president – meaning its expected symbolic and substantial implications – assumed some degree of extraordinariness.

In the five days after the earthquake, Russia's Emergency Situations Ministry sent four aircraft loads of emergency aid to the quake devastated areas in Sichuan. Once in China, Medvedev authorized additional assistance (8 cargo planes with 250 tons of goods). Russia continued to airlift humanitarian assistance to China as late as June 20. Russian rescue and medical teams were in operation in China four days after the quake. Two *Mi-26* helicopters (20-ton lift capacity) and their crews were also dispatched to the quake-stricken area. They made 60 flights to hard-to-reach areas of the province and delivered 550 tons of cargos, including 13 pieces of heavy machinery and a heavy drilling rig. After two weeks, the 65-member Russian medical

team had treated 1,516 patients and performed 102 operations. Before leaving China, Medvedev also suggested that Russia would host summer camps for Chinese children who suffered from the devastating earthquake.

Beyond the earthquake, the two “national years” have facilitated mutual understanding between ordinary Chinese and Russians. A national survey by the Russian Public Opinion Study Center in April 2008 showed that 23 percent of the respondents named China as the country with which Russia had the best relations. This was followed by 17 percent for Germany; 14 percent for Belarus; 6-9 percent for Kazakhstan, the U.S., India and France; 4 percent for the European Union; and 3 percent for Bulgaria and Japan. Separately, a poll in several major Chinese cities conducted by the Chinese Public Opinion Study Institute in Beijing for the same period indicated that more than 80 percent of Chinese believe relations between Russia and China are very good.

Thanks to his co-chairmanship for China’s “Russia Year” (2006) and Russia’s “China Year” (2007), Medvedev became popular in China long before his Beijing summit. The Russian president is described as China’s “old friend,” despite his young age (only in relative terms) and youthful face. As part of the “China Year” activities, Medvedev, then vice prime minister, even had an hour and a half with Chinese netizens (internet surfers) from Moscow in February 2007. In the eyes of many Chinese, the young Russian president is indeed quite different from his predecessor in his “taste” for Chinese culture. Many times during the visit, including his talk at Beijing University, Medvedev demonstrated knowledge and appreciation of Chinese culture and philosophy. Putin, by comparison, is more “obsessed” with Chinese Kung Fu.

Between Medvedev and Putin: substance and style

Regardless of their personal idiosyncrasies and different tastes, Medvedev’s choice of China as the destination of his first foreign visit was significant by itself. In contrast, Putin chose Britain for his first foreign visit despite the Kremlin’s announcement shortly after Yeltsin’s resignation that Beijing would be the first trip abroad for Putin after China’s repeated invitations in early 2000. Over time, however, Putin became increasingly “Euro-Asian,” which was quite different from the first few months of his presidency when Putin toyed with the “hypothetical” idea of Russia joining NATO and “confessed” to the visiting U.S. secretary of state of his “European essence” and his Asian superficiality (practicing judo and eating Chinese food). Regardless of the style and substance of Putin’s foreign policy, he reversed Russia’s historical decline, and revived and restructured Russia in eight years.

It remains to be seen how Medvedev will match his predecessor. His Beijing trip may have additional value because after China the new Russian president headed westward to Germany in early June to debut his “common Euro-Atlantic space” with a span “from Vancouver to Vladivostok.” Russia, for Medvedev as well as Putin, is part of this Western civilization zone. Moreover, Medvedev has long and widely been regarded as liberal and presumably pro-West. Even Putin, who presided over the recovery of Russia from Soviet ashes, has yet to have been perceived as friendly by both the West and East – a dream of any Russian leader. Medvedev has at least the next four years to substantiate such an image. His Chinese host did not miss this broader picture of Medvedev’s *ostpolitik*. The day Medvedev arrived in Beijing, a commentary

in China's official news service *Xinhua* quoted him as saying, "Russia is sometimes closer to the East and sometimes closer to the West. Russia, nonetheless, is Russia."

Chronology of China-Russia Relations April-June 2008

April 4, 2008: Chinese Defense Minister Liang Guanglie meets Russian State Duma Defense Committee Chairman Viktor Zavarzin in Beijing.

April 19, 2008: President Hu Jintao sends a congratulatory message to Russia's outgoing President Putin upon his election as chairman of the ruling United Russia Party. Hu says the Chinese Communist Party is willing to further consolidate and deepen friendly ties with the United Russia Party.

April 28, 2008: President Putin sends a letter of condolences to President Hu after a train crash in China's Shandong Province, in which at least 70 people were killed and over 400 were injured.

May 7, 2008: President Hu sends a congratulatory message to Dmitry Medvedev on his inauguration as Russian president. The message states that China and Russia share responsibility to ensure the steady and healthy development of their strategic partnership and that he is ready to work with Medvedev to deepen mutual political trust between the two countries, deepen pragmatic cooperation, and strengthen coordination in international and regional affairs.

May 8, 2008: Premier Wen Jiabao sends a congratulatory message to Putin on his election as Russia's prime minister. Wen says that he is ready to work with Putin to expand and deepen pragmatic cooperation between the two countries in various fields.

May 12, 2008: President Medvedev sends a message of condolences and offers Russian assistance to President Hu following the powerful earthquake that struck China's southwestern Sichuan Province.

May 14-16, 2008: The 8th Russia-China-Indian foreign ministerial meeting is held in Yekaterinburg, Russia. The trilateral meeting is followed by a four-party meeting, adding Brazil's foreign minister on May 16, to review areas of four-party interaction.

May 15-16, 2008: SCO defense ministers meet in Dushanbe and discuss ways to broaden military cooperation. They sign an agreement to regulate defense and security cooperation.

May 19, 2008: Chiefs of SCO supreme courts meet for the third time in Astana, Kazakhstan to discuss ecological and migration issues. An agreement is signed to exchange legal information between courts of the SCO member states.

May 19-20, 2008: The SCO Forum, a research arm for the SCO Secretariat and Council of National Coordinators, meets in Beijing to discuss ways to create an “objective and friendly media and academic environment” for the stable and long-term development of the SCO.

May 23, 2008: State Councilor Liu Yandong meets Deputy Prime Minister Alexander Zhukov in Beijing. They co-chair the China-Russian Joint Committee on Cultural and Humanities Cooperation.

May 23, 2008: The 3rd meeting of the Russo-Chinese Business Council is held in Beijing. The Council’s main purpose is to help businessmen of the two countries establish direct contacts.

May 23-24, 2008: President Medvedev visits China on his first trip outside the country since being inaugurated and meets President Hu.

May 27, 2008: Premier Wen Jiabao and Russian PM Putin in a telephone conversation discuss rescue and relief work for the Sichuan earthquake including rehabilitation in Russia of Chinese children from quake-stricken provinces. They also decide to set up a joint energy commission at the level of deputy prime minister.

June 16-19, 2008: Head of the Russian armed forces’ troops air defense Col. Gen. Nikolai Frolov visits China to study the combat application, operation, technical maintenance, and repair of Russian-made surface-to-air missile systems. Frolov meets PLA General Staff Chief Col. Gen. Chen Bingde on May 18.

June 20, 2008: Foreign Minister Yang Jechi initiates a phone call to Foreign Minister Sergey Lavrov to discuss coordination in the international arena.

June 24-5, 2008: The 5th meeting of SCO’s culture ministers is held in Bishkek, Kyrgyzstan. They approve a plan for cultural cooperation for the years 2009-2011.

June 26, 2008: The 3rd meeting of the Sino-Russian environmental cooperation sub-commission is held in Moscow and co-chaired by Natural Resources and Ecology Minister Yuri Trutnev and Environmental Protection Minister Zhou Shengxian.