### Russian-Chinese Relations: Keeping up the Pace

### A. Lukin

OCTOBER 2009 marked the 60th anniversary of the foundation of the PRC and establishment of relations between communist China and the Soviet Union. The first event was celebrated with great pomp in China, and many solemn and ceremonial functions were held in honor of the second. Today, now that they are over, the time has come to draw some conclusions, make a realistic assessment of the level of relations between Moscow and Beijing, identify the problems, and propose ways to resolve them.

At present, Russian-Chinese relations are at a high level of development, possibly the best they have ever been throughout their history, which spans not just sixty years, but four centuries. At the same time, during the past three or four years, their development has become somewhat stagnated: there have been no obvious breakthroughs in political relations and the world crisis has dealt a severe blow to their economies. In these circumstances, it is worth taking a look at the most problematic areas in bilateral relations, the reasons for the problems, and ways to resolve them.

### **Points of Intersection**

BOTH RUSSIA AND CHINA are extremely interested in cooperation on the international arena. China shares Russia's view of the future structure of the world, which is expressed in the concept of multi-polarity. This means in reality that both countries would like to see a world that is not dominated by one power, but in which several centers of power interact among themselves and are guided by international law and the UN

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Charter. The ideal of multi-polarity conceals a simple reality — Russia and China, just like some other countries of the world, are large enough to have their own interests and approaches to the problems of regional and world development. They are not interested in a world in which one power reigns supreme and disregards their interests. But they are entirely ready to accept the postwar structure of the world and the current system of international law, within the framework of which the UN Security Council is the highest authority. Their status as permanent members of the Security Council puts them on equal terms with the U.S., a country which in all other aspects is more powerful and which, naturally, is trying to change the appearance of this system it finds so confining.

For domestic political reasons, both Russia and China have a negative attitude toward outside advice regarding their domestic political system, calling it

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"interference in domestic affairs," and also support each other in the fight against separatism (Russia supports China in the Taiwanese, Tibetan, and Xinjiang questions, and China supports Russia in the Chechen conflict). This is why Russia and China have been in favor in recent years of preserving the principles of international law and the UN's status. They have also been coordinating voting in the UN on the main world problems and proceeding from a united position at the talks on Iran, South Korea, Kosovo, and many other hot issues of world policy.

Russia needs good relations with China for political and economic reasons. China is Russia's important strategic partner; its relations with the PRC (as with other Asian countries) help Russian policy to be less one-sided and acquire its own image, as well as help Russia to become one of the centers of world influence. Anyone who wants to see a more independent and powerful Russia should support the development of its relations with China, without, of course, taking this as far as a military alliance, which China does not want either, since it is also interested in close cooperation with other states, primarily in the West. China is one of Russia's most important economic partners; Russia needs cooperation with it in order to develop Siberia and the its Far East. China is Russia's important regional partner; within the framework of the Shanghai Cooperation Organization it, along with our country, is helping to solve common tasks in Central Asia, fight religious extremism and terrorism, support the secular regimes there, and promote the economic and social development of the region's states. So cooperation with China objectively strengthens Russia's position on the international arena as an independent power center.

China also needs Russia as a geopolitical and economic partner, although we must admit that in its current state Russia is playing a much lesser role in China's policy than China is playing in Russia's. All the same, for several reasons, China is interested in a stable and strong (although perhaps not too strong) Russia. Beijing is interested in a stable Russia capable of becoming an independent power center as a certain counterbalance in its difficult partnership-rivalry relations with the U.S. and Western Europe, as one of the guarantors of its "independent and selfsufficient" foreign policy. A stable situation on the border with Russia, as with other neighbors, is important for China's economic development, that is, for reaching the main goal set by the country's current leadership. Finally, Russia is an extremely important source of certain commodities for China, which it cannot acquire from other countries, either at all (for example, weapons), or in sufficient amounts (for example, oil, lumber, and other types of raw material). This is precisely why Beijing has been steadily and constructively trying to resolve border, migration, and bilateral trade problems in recent years. China would like to see Russia as a stable and economically developed country, it is willing to constructively promote the development of Russia's border regions, and it does not understand Russia's fears about the PRC's intentions while Russia itself is failing to resolve its own problems.

At the same time, Moscow and Beijing both have a good understanding of the importance of constructive partner relations with the West, which are extremely necessary for the two countries both for strengthening their positions on the international arena and for solving important international (for example, the non-proliferation of WMD) and economic development tasks. This is why both Moscow and Beijing are against creating an anti-Western military alliance. In this way, close constructive cooperation relations that do not reach the extremes of hostility or alliance are in full keeping with Russia's and China's interests.

### **Points of Divergence**

BOTH CHINA AND RUSSIA are building their policy based on their own interests. In this respect, some of their approaches to international problems and bilateral cooperation issues differ or do not completely coincide. Here are several examples.

China does not intend to join agreements on nuclear weapon reduction, believing that Russia and the U.S. should be the first to reduce their nuclear arsenals to a certain low level, which is not specified. This could at some stage slow down the talks on nuclear arsenal reduction.

China is not striving to restrict the number of its medium- and shortrange missiles, trying to acquire as many of them as it can in the event of hostilities against Taiwan.

China, like Russia, is interested in a non-nuclear Korean Peninsula, but it is very much against unification of the two Koreas. So, while openly expressing its discontent about the adventurous course of the North Korean regime, Beijing is still extremely hesitant to put pressure on it, fearing its collapse. At the same time, the creation of a strong united Korean state which is more independent of the U.S.'s influence and forms a certain counterbalance to China would not contradict, at least, Moscow's interests.

Although it supports Russia's course toward multi-polarity, China is unable to support recognition of Abkhazia and South Ossetia. Moreover, this question is a thorn in Beijing's side, since the problem of territorial integrity is an extremely onerous one for it personally, particularly in light of the 2008 events in Tibet and the 2009 unrest in Xinjiang.

As a major commodity producer, China is a natural supporter of market liberation and free trade, which it advocates in APEC, the SCO, and other international organizations. In this question it is sooner an ally of the West and "the North" than of the developing "South," and to some extent of Russia, where there is increasing talk about "protection of the domestic manufacturer."

China competes with Russia as a consumer of foreign investments. China and Russia are competing in the development of border regions (the Russian Far East and Northeast China). China is primarily interested in Russia as a supplier of raw materials and a sales market. At the same time, Russia is interested in using Chinese manpower, capital, and technology to develop its Far Eastern regions, as well as in exporting not only raw materials, but also machine-building products and technology to China. Today certain products of China's and Russia's machine-building industry are in direct competition in the Russian market (for example, cars).

### Ways to Overcome the Differences in Russia's Interests

THE FIRST and most obvious set of problems at present in relations with Beijing is found in *economic, trade and investment cooperation*. Since the beginning of 2009, bilateral trade turnover dropped by more than 30% compared to the previous year. China's trade turnover with most of the world's countries is falling due to the crisis, and trade with Russia is decreasing at the fastest rates (Table 1).

	Amount (bln. \$)	Growth %
U.S.	132.09	-16.6
Japan	99.72	-23.1
Hong Kong	73.47	-24.3
South Korea	67.60	-26.9
FRG	45.80	-15.4
Taiwan	43.03	-36.7
Australia	25.39	-10.0
Malaysia	20.93	-19.5
Singapore	20.09	-19.8
India	19.62	-32.3
The Netherlands	17.32	-28.8
Russia	16.99	-36.9
Great Britain	16.64	-21.1
Brazil	16.52	-23.4
Thailand	15.95	-22.0
France	15.33	-16.0

## Table 1. Trade between the Chinese Mainland and Its MainPartners (January-June 2009)

Source: http://www.customs.gov.cn/

The world economic crisis has aggravated the existing problems in bilateral economic trade relations even more, which has led to the current situation. As a result, it is obvious today that the goal set by the leaders of the two states to raise commodity turnover by 2010 to 60-80 billion dollars will not be reached. The same applies to investment plans. Russia could drop from eighth to 15-16th place among China's trade partners, yielding to such countries as Malaysia, Singapore, India, the Netherlands, and possibly also to Great Britain, Brazil, Thailand, and France (Table 2). This will lead to an even wider gap between Russia's priority for China and China's for Russia as trade partners.

Table 2. Trade between the Chinese Mainland and Its Twelve Main Trade Partners in 2008 (according to the Chinese Customs Statistics Service, bln. \$)

	Commodity turnover	Export	Import	Growth %	Export growth %	Import growth %
U.S.	333.74	252.30	81.44	10.5	8.4	17.4
Japan	266.78	116.13	150.65	13.0	13.8	38.7
Hong Kong	203.66	190.74	12.92	3.3	3.4	0.9
ROK	186.11	73.95	112.16	16.2	31.0	8.1
Taiwan	129.22	25.88	103.34	3.8	10.3	2.3
FRG	115.00	59.17	55.83	22.2	21.5	23.0
Australia	59.66	22.24	37.42	36.1	23.6	44.8
Russia	56.83	33.00	23.83	18.0	15.9	21.0
Malaysia	53.47	21.37	32.10	15.2	20.8	11.8
Singapore	52.44	32.30	20.14	10.5	7.9	14.9
India	51.78	31.50	20.28	34.0	31.2	38.7
The Netherlands	51.21	45.91	5.30	10.05	10.08	7.6

Source: http://www.customs.gov.cn/

In addition to the abruptly decreasing commodity turnover, two other trends are characteristic of Russian-Chinese trade: 1) the large Russian trade deficit that arose in 2007; 2) the abrupt drop in the share of machinery and equipment in Russian exports. In the crisis conditions, the Russian trade deficit dropped slightly due to the greater decrease in Russian imports over exports (-48.2% and -24.1%, respectively, during the first half of 2009). However, it stands to reason that this cannot be a long-term solution.

So the crisis only highlighted the main problems of Russian-Chinese economic trade cooperation, which were well-known previously and which specialists have long pointed out. They include:

1. Systemic corruption of the entire reciprocal trade mechanism, a large part of which is managed by organized criminal groups, including businessmen from both sides and representatives mainly of Russian state structures, the regional administrations, and so on. This system operates on the fact that most reciprocal trade is carried out by means of smuggling, which results in its official volume being much lower and less revenue from customs duties going into the Russian budget.

2. The unfavorable investment climate in Russia (Chinese businessmen complain about the complicated legislation and corrupt administrations and law-enforcement structures).

3. The low level of Russian machine-building products, which makes it very difficult for them to compete in the Chinese market with the products of other states.

4. Russian businessmen's poor knowledge of the Chinese market and Chinese business culture.

5. The underdeveloped infrastructure in Russia, especially in its Asian part.

6. The underdeveloped tourist service market and high service cost, due to which the flow of Chinese tourists into Russia has been constantly on the decline since 2004, while the flow of Russian tourists to China is increasing.<sup>1</sup>

If these problems are not resolved, further consistent development of bilateral economic trade relations will be impossible even after the crisis ends. In this event, it will only be possible to increase commodity turnover by sharply increasing the import of Chinese commodities, but this will merely aggravate other problems. The main obstacle interfering with the development of economic trade cooperation at the current stage is the state of the Russian economy and Russian society as a whole. If corruption is not dealt with, it will hardly be possible to develop an innovative economy, make a leap in infrastructure development, or promote a further increase in bilateral trade. Most of these problems are ultimately political, since their resolution, which requires Russia's political will, is well past its prime and is necessary not only for the well-being of our relations with China, but also for development of the country as a whole. At the same time, it is the general Russian nature of most of the mentioned problems that is making it very difficult to resolve them. The failure to do it is making Russia more dependent on the Chinese market than China on the Russian (in 2008, China became Russia's third most important trade partner, which accounts for 7.6% of Russia's foreign trade turnover [Table 3]). At the same time, Russia, as China's eighth trade partner (2.2% of the total foreign trade turnover [Table 2]), will become no more than China's raw material supplier, just as it has already become for Europe.

On 13 October, 2009, Prime Minister Vladimir Putin held talks with his Chinese colleague Wen Qiabao in Beijing. During this visit, more than 20 agreements were signed on specific bilateral cooperation projects, including a joint communiqué, intergovernmental agreements on mutual notification about launches of ballistic missiles and rocket carriers and on establishing cultural center, memorandums on cooperation in improving customs control procedures, on mutual understanding in the organization and development of fast and high-speed railroad communication in the Russian Federation, agreements on cooperation between corresponding special economic zones of the Russian Federation and zones of China's technical and economic development, and several agreements between financial organizations on the financing of various projects in Russia.

Adoption of the Cooperation Program for 2009-2018 between the regions of Russia's Far East and Eastern Siberia and China's Northeast, which envisages large mutual investments in several projects in both countries, caused a kind of an uproar in the Russian mass media. There was talk that such investments would turn Russia into China's raw material appendage.

It goes without saying that a certain number of the facilities in the Russian Far East and Siberia are mineral deposits. However, the danger is not at all in the fact that these deposits will be developed using Chinese investments, but in the fact that the revenue obtained might be squandered again and not used to create an innovative economy in Russia, the need for which is being frequently discussed today. But this will in no way be China's fault.

In bln. \$	FRG	The Netherlands	PRC	Italy	Ukraine	Belarus
Amount in 2006	43.0	38.6	28.7	30.8	24.2	19.9
Export in 2006	24.5	35.9	15.8	25.1	15.0	13.1
Import in 2006	18.5	2.7	12.9	5.7	9.2	6.8
Share in the total commodity turnover in 2006 (in %)	9.8	8.8	6.5	7.0	5.5	4.5
Growth in 2006. Export/import. (%)	30.1 (24.1/38.9)	45.1 (45.7/38.0)	41.0 (20.7/77.4)	31.4 (31.8/29.5)	19.7 (20.8/17.9)	25.9 (29.3/19.8)
Amountin 2007 (bln. \$)	52.9	46.6	40.3	36.0	29.6	26.1
Export 2007	26.3	42.8	15.9	27.5	16.3	17.2
Import 2007	26.6	3.8	24.4	8.5	13.3	8.9
Share in the total commodity turnover in 2007 (in %)	9.6	8.4	7.3	6.5	5.4	4.7
Growth in 2008. Export/import. %	23.0 (7.3/43.9)	20.0 (19.2/43.5)	40.6 (0.9/89.0)	17.0 (9.7/49.1)	22.4 (8.9/44.2)	30.7 (31.2/29.8)
Amount in 2008 (bln. \$)	67.3	61.8	55.9	52.9	39.8	34.2
Export 2008	33.2	57.0	21.1	41.9	23.6	23.6
Import 2008	34.1	4.8	34.8	11.0	16.2	10.6
Share in total commodity turnover in 2008. %	9.2	8.4	7.6	7.2	5.4	4.7
Growth in 2008. Export/import %	27.2 (25.9/28.4)	32.9 (32.9/24.8)	38.6 (33.1/42.3)	46.7 (52.3/28.8)	33.7 (43.4/21.8)	31.1 (37.2/19.2)

# Table 3. Trade between Russia and Its Main Trade Partners (according to the Federal Customs Service)

Source: http://www.rusimpex.ru/

The second set of problems is associated with insufficient *mutual trust and mutual understanding*. The current warming trend in relations between Moscow and Washington, for example, could give rise to certain fears in Beijing about the possibility of Russia's rapprochement with the West at the expense of China's interests.

So when developing new relations with the U.S., Russia should be particularly sensitive to any feelings Beijing may have and reassure its Chinese friends that Russia is not only fighting for its own interests here, but for the ideal of a multipolar world, which Beijing also upholds.

For example, refusing to deploy elements of America's ABM system in Eastern Europe correlates to China's desires and interests, since it stops America's enlargement to the East, including toward China's borders.

As for Russia's tougher position regarding Iran's nuclear program, China, as a country with a small number of nuclear weapons, should be even more interested than Russia in their non-proliferation, since the appearance of new nuclear states severely devalues its nuclear power and, consequently, influence in the world.

At present, as public opinion polls show, both Russia and China have widespread stereotypical ideas about their neighboring country, poor knowledge of each other, and in certain circles there are fears about the true objectives of their partner's policy. For example, according to the polls conducted by ROMIR in 2004-2005, at the mention of China Russians most often think of clothing made in China, the size of the population, and rice, while essentially no one recalls the current achievements of this country. On the other hand, at the mention of Russia, the Chinese think of terrorism, various outstanding political and literary figures, the collapse of the Soviet Union, and about a powerful military state that rejected communism. <sup>2</sup> All of these ideas have little in common with contemporary life in the two states or reflect it in an extremely biased way.

Holding the Year of China in Russia in 2006 and the Year of Russia in China in 2007 greatly improved the situation in this area (Table 4).

For comparison, according to a poll conducted by the same institute in 1997, only 27.03% of the respondents said they had a good attitude toward Russia, while 13.25% said that they felt negatively toward our country, and 59.46% did not express any opinion at all. <sup>3</sup> Table 4. Change in Attitude toward Russia Before and After Holding the Year of Russia in China in % (*Source*: Dong Min and Wang Jie. "Zhonggo Eluoxie niang" dui Zhongguo shehuide yingxiang [Influence of the Year in Russia in China on Chinese Society]. Manuscript. Chinese Public Opinion Poll Center. 2006. Manuscript, p. 1.)

Change in attitude	Very good	Good	Average	Unfriendly	Extremely unfriendly	Don't know
Before the Year was held	20.6	33.1	24.6	9.1	4.9	7.7
After the Year was held	40.5	35.0	16.5	4.1	2.5	1.5

However, problems remain. Recently China has been focusing attention on improving its image in Russia. The Chinese authorities are financing the publication and dissemination of three illustrated Russian-language magazines in Russia (one is issued in Beijing while the other two are financed by the local governments of the province of Heilongjiang and the Xinjiang-Uighur Autonomous Republic). In September 2009, a channel of Chinese Central Television began broadcasting in Russian. With the assistance of the government chancellery for spreading the Chinese language, seven Confucian schools engaged in teaching and promulgating the Chinese language and culture have been opened at Russian universities. The government is allotting large amounts of funds for all of this.

While this high activity by the Chinese government is welcomed, it is worth noting that if Russia is unable to show similar activity in improving its image and popularizing its own culture in China, public conscience will soon acquire a certain non-objective bias toward China, and official Chinese information and propaganda will predominate. Until now, the Russian side has been unable to adequately respond to the Chinese information challenge. Unsuccessful attempts were made to publish magazines about China in Russian using private funds. The most successful magazine "Russia—China: The 21st Century," which has been published for more than two years by the Russian-Chinese Center of Economic Trade Cooperation Open Joint-Stock Company and which enjoyed great prestige in Russia and China, ceased to exist because the founder lost interest in it. The same thing also happened to the widely advertised private television channel "China." At the same time, the Russian World

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Foundation, which is engaged in popularizing the Russian language, enjoys the greatest success in China. It has already opened a Russian center in China and plans to open several more. An agreement is to be signed on opening a Russian center of science and culture in Beijing along the lines of the Federal Agency for CIS Affairs, Compatriots Abroad and International Humanitarian Cooperation. These examples show that without significant government financing and support, it is essentially impossible to improve Russia's image in China at the level China is exerting efforts to do this in Russia. However private projects are unlikely to be effective here due to the insufficient interest shown by large Russian business structures. Moreover, state financing, for example through the Russian World Foundation, has been cut back due to the economic crisis.

In the current situation it would be wise to *continue carrying out the* set of measures begun within the framework of the National Years and Years of National Languages on a permanent basis. (2009 was declared the Year of the Russian Language in China, and in 2010, the Year of the Chinese Language in Russia will be held) and to continue efforts to protect the monuments to Russian and Soviet soldiers, as well as Russian (Soviet) cemeteries, and to restore and protect churches and other monuments of Russian architecture in the PRC.

It is also important to adopt a *state information program on the PRC* consisting of two parts: 1) highlighting events in the life and history of China from the Russian viewpoint; 2) improving Russia's image in China. Several measures could be carried out under this program. It is important to support the creation of television and radio programs, documentary films, websites, and other media activity to cover events in the history and contemporary life of China, Russian-Chinese relations representing the Russian viewpoint, and make active use of Russian experts on China in these efforts. This program should be aimed at moving away from the moods that induce panic, such as the "Chinese threat," and from the overly pro-Chinese stance characteristic of the Chinese state information.

In addition, a Russian state television channel in Chinese should be created which could also be broadcast to China. Keeping in mind that there are a large number of Chinese citizens in Russia on a one-time basis, and that in China, according to a public opinion poll conducted in April 2008 by the Chinese Public Opinion Poll Center, 81.4% of the residents of large cities would like to know more about Russia, and approximately 50% follow its political life to one extent or another, such a channel could

also be very successful in the political respect (at any rate no less successful than the Arabic channel that is already functioning). Russian radio in Chinese, which has a large amount of work experience and decent personnel, could become more active, and an illustrated magazine about China published in Russian, with the possibility of its distribution in the PRC. The experience of the magazine *Russia—China: The 21st Century* could be used and one of the large Russian companies working in the Chinese market could be encouraged to finance this project.

The creation of Russian websites in Chinese could be supported, including websites of state information agencies and newspapers (for example, Rossiiskava gazeta), as well as of certain ministries and departments (for example, the Federal Migration Service, the Ministry of Internal Affairs, the Ministry of Economics and Commerce, and so on). It would be worth raising the question of legal distribution in China (including by means of subscription and via kiosks) of the Russian journal in Chinese that is currently published by the Russian embassy in the PRC. As we know, while actively distributing their publications in Russia, the Chinese side is blocking the distribution of foreign publications on its territory. The question must be insistently raised about parity distribution conditions. In addition, it would be expedient to adopt a program for supporting Chinese students studying in Russia and Chinese research studies on Russian topics (for example, through the British Council and similar organizations), to hold competitions for the best knowledge of the Russian language, for the best research study on Russia, and so on.

According to a poll conducted by the Chinese Public Opinion Poll Center in April 2008, in ten large Chinese cities, 55.7% of the polled had heard about the Year of Russia in China, whereby 41.5% of them expressed the opinion that holding the Year "increased their knowledge about Russia," while 18.6% "became acquainted with the situation" in our country thanks to the Year. At the same time, 81.4% of the polled expressed the desire to find out more about Russia, while 46.7% said that they follow the political events in their neighboring country to one extent or another. <sup>4</sup> These data clearly show that, first, the functions held during the Year of Russia significantly improved our country's image in China and, second, that even greater efforts to inform Chinese citizens about life in Russia will be extremely productive and fall on fertile ground.

### **Historical Question**

PROBLEMS OF HIGHLIGHTING HISTORY and nongovernmental radical views on Russian-Chinese relations are also related to mutual trust. They boil down to the following. The position of the official Chinese historians is expressed in the fact that in the 19th century Russia seized large amounts of Chinese territory. This is written about in textbooks, and geographical maps are drawn up correspondingly. Some Russian experts and especially journalists conclude from this that China is claiming or may claim return of this territory in the future. And this is despite the fact that China has never, even during the years when there was a severe deterioration in bilateral relations, made any official claims on any parts of Soviet or Russian territory.

As of today, the two countries have settled all their border demarcation issues. So this historical question is politically moot. Here it would be expedient to take the following stance: "No matter who took what from whom in the past, it should not have anything to do with the current border line recognized by both sides. Historical questions, on the other hand, should be left to the historians to figure out." At the same time, it could be proposed that a Russian-Chinese expert *commission* be created (for example, along the lines of the Russian Academy of Sciences and the Chinese Academy of Social Sciences) *for carrying out joint research of controversial problems of history in bilateral relations*.

### **Geographical Question**

DESPITE THE FRIENDLY RELATIONS, on some Chinese maps the Kuril Islands are shown as part of the territory of Japan "occupied by the U.S.S.R." At the same time, China is very sensitive about Japan's attempts to re-examine the history of World War II. This contradiction should be pointed out to our Chinese partners. In addition, we could propose carrying out *joint Russian-Chinese-Korean research of the history of World War II in the Pacific Ocean*. Such research would help to bring the Russian and Chinese viewpoints on a number of contemporary problems much closer together.

### The Problem of Radical Views

PUBLICATIONS HAVE FREQUENTLY been appearing recently in

China which present a vision of the country's development which many in the world, including in Russia, believe to be dangerous. For example, the book "China Is Not Happy," which came out in 2009 and became a best seller, claims without a shadow of the doubt that the Chinese are supposedly the best in the world at managing natural resources, which the country does not have enough of, so in the future China should take control over world resources in order to manage them for the benefit of mankind. The Chinese army, according to the authors, should actively support China's fight to acquire resources beyond its borders. <sup>5</sup> Earlier one of the book's authors, Wang Xiaodong, wrote that China's main problem was shortage of "living space." <sup>6</sup> In contrast to various blogs and websites, on which anything can be found in any country, all publications in China are subjected to strict preliminary censorship. So it can be confidently said, without necessarily reflecting the official viewpoint, that such views at least are supported by certain influential groups capable of sanctioning their publication. Chinese experts usually say that the ideas promoted by the authors of the book "China Is Not Happy" are merely the private thoughts of citizens, but in frank conversations they admit that such nationalistic theories are supported by certain circles in the security and defense structures.

The question of publishing such material and its negative influence on the climate of Russian-Chinese relations and on Russian society's attitude toward China must be raised, including at the official level. But it should be kept in mind that nationalistic, including openly anti-Chinese, publications are much more widespread in Russia, and China is also concerned about this. In reality, the Chinese leadership curbs the flow of negative publications (which the Chinese Internet abounds in) about Russia, although, according to expert observations, this control has recently slipped somewhat.

In addition to the listed problems of bilateral relations, there is one more general issue. For long years, although not always, but at least throughout the 19th and most of the 20th centuries, Russia (the Soviet Union) was a more powerful state than China. And we are used to this which explains why many Russians still look down on China. But today a geopolitical turn toward China is happening before our eyes. Russia is not the first state in history whose influence is faltering. The same thing happened to the British Empire, France, Holland, and Portugal, and all the residents of those countries gradually learned how to live in the new conditions. But we have still not become accustomed to this. Russia is still a large and influential country, but it is gradually becoming less influential than China. We can endlessly scold the leadership and ourselves for the fact that Russia did not develop in the same way as China at the end of the 20th century, but such is reality, and we are unlikely to be able to change it in the near future. We have to live with it, and Russian diplomacy must resolve problems based on its real strength.

What can be done here? By pragmatically keeping in mind our different opportunities and differences in interests, we should take advantage of the Chinese objectives and possibilities, primarily for our own development. In foreign policy, China likes to provoke Russia to carry out anti-Western activities it would never undertake itself. This is a striving to act vicariously, and it is not worth doing everything that China wants. On the contrary, Beijing should be asked to come up with bilateral initiatives on international issues.

In addition, in order to create a balance to China's growing influence in Eastern Asia, we must actively develop relations with other Russian partners, primarily Japan, South Korea, and the ASEAN states. These relations should preferably be raised to the same level as our relations with the PRC. This policy would promote economic development of the Asian part of Russia and create healthy competition among our partners for participation in Russia's large economic projects.

The dialogue with China on the North Korean nuclear program and the problems of the Korean Peninsula are a very important vector of cooperation in international issues. Several steps could be taken here. First, China should continue expedient and joint efforts with its North Korean partners to return them to the six-way talk format. Second, joint efforts should be exerted to create conditions for gradually canceling the sanctions introduced against the DPRK. Third, we need to think about the possibility of providing Russian-Chinese guarantees of the DPRK's security, including this country's nuclear security. Fourth, the possibility could be studied of creating an atomic power station in the DPRK or close to the border of the DPRK in Russia or China using the efforts and resources of all the participants in the six-way talks. Fifth, it would be expedient to activate consultations between Russia and China and the U.S. on the subject of ensuring American guarantees of the DPRK's security. Sixth, we could suggest carrying out joint consultations and contacts with Japanese partners aimed at establishing a stable North Korean-Japanese dialogue on political settlement of the problems existing between them.

In economic relations, a series of measures should be carried out to

replace raw material deliveries with Chinese investments and transfer processing and other production units to Russian territory. This is already being done in the lumber industry, but so far is not yielding the desirable results. It might also be beneficial to promote broader economic cooperation within the SCO.

#### NOTES

<sup>3</sup> Li Dongmin and Liu Wei. Panwang zengjing liaojie, guanzhu shuangbian guanxi. "Zhongguo gongzhong yanzhongde Eluoxie" diaocha baogao. Chinese Public Opinion Poll Center. 15.03.1997. Manuscript, p. 3.

<sup>6</sup> Wang Xiaodong. *Dandai Zhongguo minzuzhuyi lun* [Theory of Contemporary Chinese Nationalism]. Zhanglue yu guangli, 2000, No.5.

*Key words*: The PRC, Russia, economic partner, bilateral cooperation, commodity turnover, Far East, Eastern Siberia, Year of China in Russia.

<sup>&</sup>lt;sup>1</sup> According to the data of the Russian Central Statistics Board, in 2008, Chinese citizens came to Russia 815,496 times (in 2007, 765,120 times), 127,155 of them for tourist purposes (in 2007, 129,749 times). In 2009, the number of Chinese tourists dropped even more (http://www.russiatourism.ru/section\_23/).

<sup>&</sup>lt;sup>2</sup> A.V. Milekhin. "Rossia i Kitai v meniayushchemsia mire." *Rossia-Kitai. XXI vek.* November 2005, p. 25.

<sup>&</sup>lt;sup>4</sup> *Zhongguozheng yangzhongde Eluoxie diaocha* ("Russia through the Eyes of the Chinese" Poll). Beijing. Chinese Public Opinion Poll Center (SSIC), 2008. Manuscript, pp. 5-7.

<sup>&</sup>lt;sup>5</sup> Song Xiaojun. Wang Xiaodong, Huang Jixie, Song Qiang, and Liu Yang. *Zhongguo bu gaoxing: da shidai, da mubiao ji womende neiuwaihuan* [China is Displeased. Great Era, Great Goals, and Our Internal and External Difficulties]. Nanking. Jiangsu renmin chubanshe 2009, pp. 80-81, 98-99, 106-108.