Is the growing warmth in the relationship between Russia and China a threat to India in the next 10 years?

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Abstract

This paper addresses the question of whether the growing warmth in the relationship between Russia and China presents a threat to India over the next decade. It contends that the world is witnessing a dramatic transition in the balance of power, as unipolarity seems to be giving way to other, more complex alignments, which includes Russia and China increasingly supporting each other’s core interests and foreign policies on the world stage.

The paper examines the reasons for the newfound Russia-China rapprochement and analyses the real depth of their relationship. It also evaluates Indo-Russian relations and argues that India and Russia share a special friendship—not least because, in the long term, India has more to offer Russia than China. The paper concludes that the growing warmth in Sino-Russian relations is not a threat to India in the next ten years. However, it asserts that India will need to harness opportunities to progress its ties with Russia if it is to realise its aspirations in the Asia-Pacific region.
Introduction

The aspirations for power of individual nations can come into conflict with each other—and some, if not most of them, do at any particular moment in history—in two different ways … the pattern of direct opposition and the pattern of competition.

Hans Morgenthau and Kenneth Thompson, Politics of nations, 1985

Russia is resurgent, China is assertive, India is rising, and the US is uncertain. The world is witnessing a dramatic transition in the balance of power, as unipolarity seems to be giving way to other, more complex alignments. Historically, India’s relations with its neighbours, China and Pakistan, have been tumultuous. On the other hand, Russia has been a trusted friend of India and has acted as a counterbalance to possible China-Pakistan collusion.

In the last decade, India’s relations with the US have improved considerably. At the same time, keeping their baggage of historical mistrust aside, Russia and China are supporting each other’s core interests and foreign policies on the world stage. Furthermore, Russia extended Pakistan its hand for defence and trade ties. As US forces have been drawn down in Afghanistan, a Russia-China-Pakistan axis is already emerging. These shifts have caused concern in India. India’s relations with Russia have withstood 70 years of friendship. However, is Russia drifting away from India? Will the growing Sino-Russian relationship become a threat to India’s national interests in the next ten years?

This paper will initially discuss the reasons for the newfound Russia-China rapprochement and analyse the real depth of their relationship. It will then evaluate Indo-Russian relations and argue that India and Russia share a special friendship—not least because, in the long term, India has more to offer Russia than China. It will conclude that the growing warmth in Sino-Russian relations is not a threat to India in the next ten years. However, India will need to harness opportunities to progress its ties with Russia if it is to realise its aspirations in the Asia-Pacific region.

The nature of Russia-China rapprochement

The warmth in the Sino-Russian relationship is borne out of economic compulsion for Russia and a strategic opportunity for China. Relations between Russia and China have been improving since the end of the Cold War, although it was not an area of focus for either. In 2014, when Russia annexed Crimea from Ukraine, the West imposed sanctions on Russia. Politically and economically isolated, Russia had no choice but to ‘cosy up’ to China.
In this relationship, China’s motivations are strategic. Yan Xuetong asserts that in the emerging US-China competition for a bipolar order, the US has many allies but China has none. Brian Carlson contends that China will need friends to redress this imbalance—and that there is no better alternative than Russia. Therefore, national interests may drive relations between Russia and China but the push comes from the current circumstances.

Apart from circumstances, there are also shared interests at play. Russia and China detest US unilateralism and oppose alleged US-led regime change efforts through so-called ‘Color Revolutions’. Both also resist the global financial architecture based on the US dollar. And they coalesce on multilateral organisations like the Shanghai Cooperation Organization and BRICS (the loose association of emerging economies, namely Brazil, Russia, India, China and South Africa), which are free from Western domination.

At the UN Security Council, China and Russia frequently unite to block US-led resolutions, such as the one in October 2011 to punish the Syrian regime. Their relationship is thus not only an axis of convenience but may emerge as a purposeful, strategic partnership with the propensity to get even warmer with external stimuli. For instance, the US draw-down of forces from Afghanistan and the US deployment of a ballistic missile-defence system to South Korea, in response to North Korean belligerence, have only pressed them closer.

Interestingly, Russia and China are pursuing their foreign policies independent of each other. China does not endorse Russia’s actions in Crimea, perhaps seeing an analogy between its territorial disputes in the South China Sea and the situation in Crimea. At the same time, China did not join the US in condemning Russia at the UN, nor has it supported sanctions against Russia. Despite the Russian economic squeeze on Ukraine, China continues doing business with Ukraine including placing orders with its military industry.

Similarly, when it comes to the South China Sea dispute, Moscow does not support China’s claim, although when the Permanent Court of Arbitration ruled in favour of the Philippines, Russia supported China’s non-recognition of the judgment. As Samuel Charap et al note, Russia is true to its allies; hence it supports Vietnam’s position on the South China Sea dispute—and concurrently delivers six Kilo-class submarines to Vietnam—but ignores US persuasion to take a position on China’s militarisation of the disputed islands.

What seems evident is that China and Russia’s support to each other’s position is not unconditional. However, they do not publicly criticise the other, nor do they cease doing business with third parties to please the other. Some would argue this is a portent for a future clash, with Joseph Nye contending that ‘for China and Russia to succeed, they will have to match words and deeds in their policies’.
Economic salvation with Chinese characteristics

Economically, China has helped Russia to an extent. Since 2014, Chinese banks and oil corporations have made significant investments and extended big loans to Russian energy companies, many of which were under European Union sanctions. In May 2014, Russia and China signed a contract, worth an estimated US$400 billion, for Russia to supply gas to China for the next 30 years, commencing in 2020. Importantly, Russia and China also trade in euros and renminbi to reduce their dependence on the US dollar and to avoid sanction-related risks.

However, commentators argue that beyond energy and raw materials, bilateral trade between the two has not been encouraging. They point out that while Chinese foreign investments have been growing globally, investments in Russia have stalled. For example, Chinese service and high-tech sector companies find no incentive to invest in Russia, with Andrei Movchan highlighting that the Chinese economy demands modernisation, and that states rich in hydrocarbons and minerals, like Russia and African countries, can do little to save the Chinese economy. Hence, forced to look beyond Russia, China has left Russian expectations of economic salvation ‘with Chinese characteristics’ only partially fulfilled.

Russia and China—‘relations through compromise’

For its part, Russia is more enthusiastic about the relationship. For instance, Russia initially looked at China’s ‘Belt and Road Initiative’ (also known as ‘One Belt, One Road’) as largely being confined to what it referred to as its ‘near abroad’, that is, the territory beyond the Russian Federation comprising the former Soviet republics. However, in May 2015, Russia offered its support in exchange for China’s support of the Russia-led Eurasian Economic Union, an economic union of states in northern Eurasia, comprising primarily Kazakhstan, Kyrgyzstan, Armenia, Belarus and Russia.

Russia no doubt made this offer in recognition of the economic benefits of the Belt and Road Initiative, and the ensuing stability it could bring, as well as its own inability to match Chinese investment in the region. On the other hand, China accepted the proposal knowing well that Moscow would otherwise block the Belt and Road Initiative using its leverage in the region.
Defence-related deals are another example of compromises between China and Russia. China was the largest buyer of Russian arms until a decade ago but now competes with Russia as the world’s third-largest exporter of weapons. Russia has been cautious of supplying sophisticated defence technology to the Chinese, not only because it enhances China’s technological capabilities, but because the Chinese typically reverse-engineer and export the same equipment at cheaper rates. However, having based its economy on financial and technical integration with the West, the sanctions regime has forced Russia to find additional sources of income.

As a result, Russia has agreed to sell its ‘jewels’ to China, namely its highly sophisticated S-400 air-defence system and its Su-35 fourth-generation fighters. China has ostensibly gone out of its way to play its part in the relationship. It made advance payments for the S-400 and agreed to buy 24 Su-35 aircraft, even though it primarily only wanted the engines of the Su-35 for its J-20 fighter. Nevertheless, it seems probable that as China grows economically stronger, Russia will be unlikely to continue getting such favourable deals. For now, however, both countries seem focused on a positive-sum relationship.

A Sino-Russian alliance?

The obvious question then remains—what is the possibility of a Sino-Russian alliance, which by definition would involve a closer or even a coalition-type military relationship? In May 2015, Russia and China conducted a joint naval exercise in the Mediterranean Sea. However, the following month, China signed an agreement with the US to conduct joint military exercises in the future. India and China have also held joint exercises every year since 2000. So there are clear indications that no-one could consider itself to have an exclusive partnership with China or, indeed, that China has any interest in such an arrangement, which would likely generate unwelcome fears and criticism of its intentions.

Some Western commentators initially viewed the Shanghai Cooperation Organization as the prospective foundation for a Russia-China alliance. However, the Organization has four other member states, and its framework enshrines consensus-based decision making, leaving members free to veto any decision that is contrary to their interests. Russia and China also have somewhat competing agendas; while Russia wants the Organization to focus on security and energy cooperation, China wants to use it to leverage economic cooperation (which Russia fears would result in a flood of cheap Chinese goods into its markets).

Historically also, Sino-Russian relations have been characterised by mistrust. The potential influx of Chinese migrants into the sparsely populated Russian
Far East has always been a threat to Russia.32 On the other side, China fears the collapse of Soviet communism as a potentially dangerous precedent from which it needs to insulate.33 China looks at Central Asia for energy, and access to Europe; it also wants stability and good security arrangements with its Central Asian neighbours, particularly given their proximity to its Muslim-dominated Xinjiang province.34

On the contrary, Russia has long been wary of China’s influence in Central Asia, which it considers its ‘backyard’.35 China’s growing military power is also a concern for Russia. The missile silos in central China and the absence of a declared Chinese nuclear doctrine are a worry for Moscow, which—even as it pursues a closer strategic relationship with Beijing—actively prepares for a threat from China. In 2010, Russia’s largest exercise in post-Soviet history had distinct ‘anti-Chinese’ features.36 In 2016, Russia conducted an exercise in the Siberian region, ostensibly against China.37

These may seem glaring contradictions. But they also reflect the geostrategic realities of two major powers sharing a common border and large parts of the same continent, albeit their centres of power are almost 6000 kilometres apart. Russia undoubtedly seeks greater cooperation with China but to consider it an alliance would be to misunderstand Russian thinking.38 Russians would never accept being the junior partner of a coalition, even if it is increasingly lopsided in China’s favour. For now, however, both seem content with the status and benefits of the existing relationship. And it suits the purposes of both to call it a ‘strategic partnership’.

**Indo-Russian friendship**

The China-Russia partnership is obviously important in terms of Indo-Russian and Indo-Chinese relations, and the strategic space that India as a nation aspires to occupy and influence on the Asian continent. Historically, India and Russia have shared a ‘special friendship’, beginning with diplomatic relations with the then USSR in 1947. Following China’s invasion in 1962, India turned towards Moscow to build up its military capability.39

The relationship experienced its peak in 1971, when Russia thrice vetoed the UN Security Council resolution on the situation in the Indian peninsula, and supported India during its war with Pakistan which, at that time, had the support of both the US and China. The collapse of the USSR in 1991 disrupted Indo-Russian bilateral trade, and both drifted towards the West. However, this drift found a course correction in 2000, with the signing between India and Russia of the ‘Declaration on Strategic Partnership’, which Vladimir Putin hailed at the time as a ‘truly historic step’.40
Since then, and premised on shared views of a fair international order, Russia has supported India’s candidature for a permanent seat on the UN Security Council and membership of the Nuclear Suppliers Group. China is opposed to both. In 2017, Russia also played a pivotal role in India’s membership to the China-led Shanghai Cooperation Organization. Russia has also provided a number of niche technologies that have enabled India to develop a robust military, space and nuclear-energy capability. Since 2007, India has become the largest importer of Russian weapons, overtaking China, which has included the transfer of technology to enable India to manufacture Su-30 fighters, T-90 tanks and joint research and development of BrahMos cruise missiles.

In space, there is an extensive collaboration between India and Russia. Of particular importance are the Moon and Mars exploration project, the human space flight project, and integration of the Indian and Russian global navigation systems (GLONASS). Russia is also helping India achieve energy self-sufficiency through nuclear power, with two of the four nuclear reactors set up by Russia already operational. Hence, it is evident that India enjoys a special place in Russia’s foreign policy.

Nevertheless, the relationship has also experienced some rough weather in recent years. For example, Russia’s contract to provide India with an upgraded Kiev/Baku-class aircraft carrier, the former Admiral Gorchkov, was plagued by inordinate delays and cost overruns, with delivery eventually occurring in late 2013, almost six years over schedule and with the cost doubling to more than US$2 billion. Problems and delays with the supply of Akula-II submarines and the comatose state of a joint project for development of fifth-generation fighter aircraft (for several years, until recently) have similarly affected India’s military modernisation.

Russia, on the other hand, views India’s big-ticket arms and aircraft deals with the US, France and Israel as an apparent loss of its arms monopoly in India. The growing bonhomie between India and US—marked by the historic Indo-US civil nuclear deal in 2008 and, more recently, a logistics exchange agreement—has also caused concern in Moscow. Russia’s unprecedented counter-terrorism exercise with Pakistan in September 2016 was viewed by many experts as a signal that Russia disproved of India’s growing closeness with the US. However, the logistics agreement with the US, which ‘will give the militaries of both countries access to each other’s facilities for supplies and repairs’, was arguably more about heightened Indian and US concerns at growing Chinese assertiveness in the Indian Ocean region than a loss of Russian influence.
India and Russia—moving forward

Despite these glitches, relations between India and Russia are *sui generis*—they are unique and they stand on their own. During the 17th India-Russia Annual Summit in October 2016, Prime Minister Modi reiterated that Russia would remain India’s major defence and strategic partner, while President Putin reaffirmed Russia’s continued commitment to the ‘special and privileged strategic partnership’ with India.52

At the same time, Russia signed an agreement to supply India with four units of the S-400 air-defence system, as well as approval for the joint manufacture of Ka-226 light utility helicopters. Although Russia had also agreed earlier to sell S-400 systems to China,53 this deal can be construed as reassurance that Russia’s relations with China will not undermine the time-tested, Indo-Russian friendship.

However, it is evident also that India should be wary of the emerging Russia-China-Pakistan triumvirate, which is being driven partly by regional security challenges following the draw-down of NATO forces from Afghanistan and partly by Russia’s endeavour to expand its defence market.54 However, Dmitriy Frolovskiy contends that the prospect of Russian arms sales to Pakistan, in particular, is overstated and that ‘Russia will not partner with Pakistan … [but] will remain closely connected to India’.55

India is still the largest buyer of Russian weapons and, with US$250 billion set aside in its defence budget, India’s flagship ‘Make in India’ program offers substantial opportunities for new joint ventures between the two countries.56

Conclusion

While Russia’s leanings towards China may fall short of an alliance, the relationship has certainly progressed to at least a détente. At the same time, both are careful not to present an overtly anti-American axis, which could accelerate the beginning of a new Cold War for which neither Russia nor China are prepared or would want. Therefore, for the present and foreseeable future, Russia and China seem to be treading a policy path, in Dimitri Trenin’s words, of ‘never against each other, but not necessarily always with each other’.57

While US relations with Russia and China under President Trump remain the subject of speculation, if China continues to grow its economic and military power, as seems inevitable, Russia will increasingly lose strategic ‘clout’ in their already unbalanced relationship. In the long term, therefore, it is unlikely that this détente will sustain. On the other hand, realism suggests that a stable balance of power in Asia cannot emerge without Russia and India working
together, as exemplified in Russia’s push for India’s entry into the Shanghai Cooperation Organization and the promotion of a Russia-China-India trilateral initiative, aimed at promoting and facilitating regional stability and security. Sino-India relations may continue to encounter continuing ‘conflicts of interest’, not least because of China’s ongoing support for Pakistan. However, the silver lining is that both recognise the need to avoid tension and enhance trade ties. Thus, a quiet competition is more likely between India and China. It is fair to reassert that Russia and China relations will not be a threat to India in the next ten years. The way forward for India is to increase investments in Russia and pursue a liberal, multi-vector diplomacy with the key powers of Russia, China and the US. In doing so, India in 2017 will be celebrating 70 years of Russia-India friendship.

Notes


10 ‘Color revolution’ is a term that is widely used by worldwide media to describe non-violent resistance or civil resistance to protest against governments seen as corrupt and/or authoritarian or to advocate democracy. These revolutions have been seen in the former Soviet Union, the Balkans and, more recently, in the Middle East: see Elizabeth Wishnick, ‘In search of the “other” in Asia: Russia-China relations revisited’, The Pacific Review [website], 7 July 2016, pp. 116-7, abstract available at <http://dx.doi.org/10.1080/09512748.2016.1201129> accessed 1 February 2017.


12 The Shanghai Cooperation Organization, comprising the four Central Asian states, as well as Russia and China, was initially founded as a forum to coordinate security issues in the region but has now expanded its scope to include economic, cultural and humanitarian collaboration: see Ming Liu, ‘BRICS development: a long way to a powerful economic club and new international organization’, The Pacific Review [website], 9 March 2016, pp. 443-6, abstract available at <http://dx.doi.org/10.1080/09512748.2016.1154688> accessed 8 February 2017.


16 Oznobishchev, ‘Russia and China’, pp. 4-6.


18 Charap, Drennan and Noel, ‘Russia and China’, p. 28.


21 Quoted in Oznobishchev, ‘Russia and China’, p. 10.

22 The Belt and Road Initiative is a development strategy and framework, proposed by Chinese President Xi Jinping, that focuses on connectivity between the People’s Republic of China and the rest of Eurasia through land-based roads and maritime routes. The strategy underlines China’s push to take a bigger role in global affairs. For further information see <http://www.australiachinaobor.org.au/>
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26 S-400 is an advanced 400-km range anti-aircraft and missile system which can engage intermediate range intercontinental missiles in their terminal phase; for details of the deal with China, see Franz-Stefan Gady, ‘China makes advance payment for Russia’s S-400 missile defense systems’, The Diplomat [website], 22 March 2016, available at <http://thediplomat.com/2016/03/china-makes-advance-payment-for-russias-s-400-missile-defense-systems/> accessed 2 March 2017.


33 Kornberg and Faust, China in world politics, pp. 108-9.


38 Carlson, ‘China-Russia relations and the inertia of history’, p. 220.


46 See, for example, Kyle Mizokami, ‘Whatever you do, don’t buy your aircraft carrier from Russia: India learned the hard way with INS “Vikramaditya”’, Medium.com [website], 12 September 2014, available at <https://medium.com/war-is-boring/whatever-you-do-dont-buy-your-aircraft-carrier-from-russia-e0f6707cb4ee> accessed 13 June 2017.

47 Pant, ‘India-Russia ties and India’s strategic culture’, pp. 7-8.


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53 Gady, ‘China makes advance payment for Russia’s S-400 missile defense systems’.

54 Mitra, ‘Russia, China, Pakistan’.


56 ‘Make in India’ is an initiative launched by the Government of India to encourage multinational, as well as national, companies to manufacture their products in India. Launched in September 2014, India emerged as the top destination globally for foreign direct investment, surpassing the US as well as China; for more information, see <http://www.makeinindia.com>

57 Trenin, ‘Russia’s Asia strategy’.

58 Pant, ‘India-Russia ties and India’s strategic culture’, p.7.