NATO Democratic Institutions Fellowships 1997-1999

FINAL REPORT

Russia's Response to the NATO Expansion: China Factor

By Dr. SERGEI TROUSH (Russia)

MOSCOW

1999

CONTENTS

introduction	1
1.Dynamics of the Russian-Chinese security dialogue in 1996-1998.	5
2.Arms sales to China: motives and risks	11
3.China's approach to the NATO expansion: compatibility with the Russian interests	16
4. NATO's involvement in Kosovo and its impact on the Russian-Chinese ties	24
Conclusion	32

Introduction

The problem of the NATO enlargement, that Russia faced in full complexity in the middle of the 1990-s, posed a serious challenge to the Russian foreign policy thinking and practice. Moscow faced the necessity to find a new role as the actor of world politics after the "cold war", to draw the distinction between its real and imaginary foreign policy capabilities, to re-consider the motivation and political values of the key players of the international system. This process was taking place in the context of violent domestic struggle, with the variety of ideologically biased perceptions of the world scene. Given such conditions, the practical recommendations of various political factions were contradicting to each other.

With the heat of discussions on the NATO enlargement becoming higher, the proponents of the "the China card" became more and more active. In the opinion of the pro-China pundits, this "card" was the "irresistible" anti-NATO measure of Russia. With different nuances in understanding, in general, the notion of the "China card" was perceived as the close military and strategic ties with Beijing, close to, or even "beyond" the distinction line of the military alliance. Such sentiments in Moscow grew stronger since 1996 as the result of the two groups of factors. First of them was directly related to the new Minister of Foreign Affairs of Russia E. Primakov. He was known as the tough negotiator, with the "centrist approach" in understanding and upholding of national interests of Russia, having personal experience in "oriental" countries. The second group of factors was related to the positive by that time dynamics of the Russian-Chinese relations, which created the perception - adequate or imaginary - about the big future of ties between Russia and China. Many analysts viewed considerably big volume of Russia's arms sales to China, progress in settling the territorial problem, progress in achieving the military detente between Moscow and Beijing grounds for such optimism. The results of the Russian-Chinese summits, with the formulas of "confidential strategic partnership, facing the OOI century" were fueling such optimism.

This project is focused on the evolution of the Russian-Chinese ties since 1996, that took place in the context of the difficult dialogue, interaction and counteraction of Russia with NATO. Our goal was to figure out the benchmarks and the key events of this evolution, to analyze the level of compatibility and conflict of the Russian and Chinese interests regarding NATO, to lay out our point of view on the interests of Russia in the most delicate sphere of the Russian-Chinese relations - in the sphere of arms trade. Since the dramatic events in Kosovo in the

spring and summer of 1999 had a profound impact on the dynamics and future ties of Russia and China, this issues are specially addressed in the report.

The author alone is responsible for all the views, conclusions and recommendations of this report. It doesn't reflect position of any official bodies or institutions of the Russian Federation.

Since our report is focused on the interests and motivations of Russia in its relations with China and NATO, the main bulk of the research literature, analyzed by the author, were the publications of the Russian political analysts on the related issues.

One can distinguish three basic trends in Russian political science in analyzing the foreign policy problems of Russia in general, and relations between Russia and China in particular. 1. "Leftist" or "propatriotic". 2. "Rightist" or "pro-western" 3. "Centrist". The essence of political and intellectual disagreements among these three trends ascends to different systems of political-ideological beliefs, to different understanding of the basic problems and contradictions of the modern international relations. In compliance with this, the political analysts differently understand the balance of power in the modern world, disagree on the question: who are the basic international allies and contenders of Russia.

At the level of practical policy, the key moment, in which the proponents of the different views disagree, is the orientation of Russia either towards the US or towards China.

The "leftist" analysts view the modern international relations through the concept of the contradictions of the "poor" and "rich" states of the world, as the demonstration of aspiration of NATO, led by the US, to fix and to cement their victory in the cold war. Those analysts view NATO and the US as trying to transform the international relations in order to guarantee their prevailing and dominant role and to control natural, financial and human resources of other world. According to the "leftist" views, China, as the growing Asian power, which has not abandoned the communist ideology, is the only country capable to constrain "hegemonist" ambitions of the US. Hence, China is perceived as the obvious ally of Russia, and their "confidential strategic partnership" is recommended as the long-term Russia's policy, aimed to limit the domination of the Western powers in the world. ¹

The apologetic, noncritical approach to China's domestic political reality, to the practice and results of Chinese economic reforms, questionable comparisons of political and economic transformations in Russia and China, are the characteristics of this trend.

The policy recommendations of the proponents of the "leftist" trend are based on strong anti-American sentiments. They stress the

symptoms of growing domination of the USA and NATO in the world, that was clearly visible during the Kosovo events. These analysts argue for broad military cooperation with China for the sake of curbing the "hegemonism" of the US and NATO. They give recommendations of the similar type to the Russian policy in other directions - in Asia, in relations with Japan, on the Korean peninsular.

Accessing the reality of the modern world, political analysts, belonging to the second – "rightist" or "pro-western" – trend, are building their recommendations on the other rather disputable premise. According to this premise, both global and regional foreign policy interests of Russia could be most successfully realized in close cooperation with the United States. The publications of this trend being pretty visible in Russian media three – four years ago, are very rare now.

The alarmist attitude to China's policy, both foreign and domestic, strong criticism of Chinese authoritarism, focusing on the traditional issues of the Western media – human rights, Tibet – are the characteristics of this approach. Consequently, the authors of this trend are critical to the long-term strategic partnership of Russia with China. They consider close military ties and the arms sales to China as detrimental to the Russian interests in Asia. ²

The analysts of the "centrist" trend in the similar negative way though not in such strong formulations, as the "leftists" - assess an offensive pressure of the US in building the monopolar world. The centrists also pay the due tribute to successes of the Chinese modernization and point out the obvious parallelism of foreign policy interests of China and Russia. This parallelism, in their opinion, stems from the fact, that both populous societies are now being in the process of large-scale pro-market reforms. Notwithstanding the obvious difference of starting conditions, strategy and tactics of socio-economic transformations, Russia and China share the same future in the sense, that both are transforming itself into market societies with the "non-western" structure of ideological, social and political values. Facing the competitive pressure of the outside market world, China and Russia are inevitably bound to interact with each other, including the cooperation in security sphere.

At the same time, the "centrists" do not exclude the probability, that in the process of increasing of its economic power, the military and geopolitical ambitions of China will grow too. These ambitions could be visible not only in the southern and southeast geopolitical direction – whence the basic financial, transport and economic flows to China are coming from now - but also in the northern direction, in the direction of Russia. Taking into account the demographic problem in China, geopolitical projection of densely populated northeast provinces of China

on the poorly managed and deserted territories of Russia's East Siberia and The Far East, weakened connections of these regions with the central part of Russia, the "centrists" are sober in seeing the obvious risks of development of the Russian-Chinese relations in the mid-term and long-term future. ³

The "centrists" argue, that in parallel with development of comprehensive economic and limited military-political cooperation with China, Russia should fix a line of "soft restraint" of China. Russia's strategy, both regional and global, according to the "centrists", should avoid excessive pro-Chinese tilt.

Some Russian analysts, belonging to the centrist trend, believe, that the interests of Russia in the long-term perspective would be mostly favored, if being related to the "US-centered" security structure in Asia Pacific. It is necessary for Russia to be insured from a quite probable aggravation of the geopolitical contradictions with China in the future and to have an opportunity to counterbalance this threat.⁴

1.Dynamics of the Russian-Chinese security dialogue in 1996-1998.

Political and security relations between Russia and China has been steadily progressing from 1992 - the actual starting point of Russian independent diplomacy. The main stimuli of this progress were the relevant similarity of the phases of pro-market social and economic reforming of the two countries, shared security interests and the benefits of close economic cooperation. However, till 1996 China was, obviously, a supplementary, than dominant foreign policy priority for Russia. The inadequate understanding of the Russian status and interests in the post-cold war international relations together with ideologically biased domestic motivations resulted in obviously "pro-western" orientation of Moscow's diplomacy. This diplomacy was closely associated to the name of Russia's then Foreign Minister Andrei Kozyrev.

Primakov's coming to the Foreign Ministry, was the result of the growing frictions, that Russia was experiencing in its relations with the West, as well as the obvious evolution of the Russian political elite from the "anticommunist" towards more "centrist" values. Increasing importance of China in Russia's foreign policy became the benchmark of Moscow's new course.

In 1996 China and Russia reached an agreement to arrange summit talks on the regular basis: once a year on the level of Presidents and twice a year on the level of Premiers. The same year the "hotline" telephone channel between two Presidents was arranged to demonstrate the growing need for policy coordination. Noteworthy that the Chinese Premier Li Peng was the first foreign visitor that was, received by B.Yeltsin in December 1996 after the Russian President started his second term and recovered from illness.

Almost simultaneously the contacts of the Russian and Chinese Defense Ministers has been intensified. These contacts now were arranged on the regular basis. Such meetings were mainly focused on the demilitarization and confidence building measures on the border, the growing arms transfers and security situation in Asia Pacific.

The exchanges between the Heads of the Parliaments, as well as the key economic, financial and "power" ministries (internal affairs, intelligence, border guards troops, etc.) took place in 1996-1997. Many bilateral agreements were signed during this period, thus laying the legal basis for cooperation in different spheres. These were the agreements on peaceful use of nuclear energy and nuclear security, energy, intellectual property rights, antitrust legislation, space research, foreign currency control, control of the quality of exported goods.⁵

The third Russian-Chinese summit (since 1992) - the first one after Primakov held the office of the Foreign Ministry - took place in April 1996. This summit was held in the situation of the growing strain of bilateral relations of both – Russia and China – with the United States.

In Russia's case this deterioration was caused by the evolution in the issue of NATO expansion. Moscow considered this evolution as jeopardizing its previous accords with the US. At the US-Russian summit in October 1995 in New York, Presidents Clinton and Yeltsin reportedly agreed that Russian cooperation in Bosnia with the NATO forces would delay NATO enlargement decisions. However in January 1996 the US Congress passed Public Law 104-107 endorsing the principle of NATO enlargement, though not identifying candidates and deadlines for admission. Reacting to these developments, Russia demonstrated the growing toughness in Moscow's approach. In February 29 Primakov declared: "We are not against speedy NATO expansion, we are against expansion". ⁶

In China's case, the deterioration of relations with the US were related to the growing tension at the Taiwan strait and the chronic frictions between Beijing and Washington on Tibet and the human rights issues. These difficulties were exacerbated by the visible internal struggle in Beijing on the eve of Deng's passing away. The imperatives of this struggle was orienting Jiang Zeming, as Deng's successor to firmness and "ideological purity" in his relations with the West.

This Russian - Chinese summit of 1996 took place shortly after the G - 7 meeting in Vancouver with Russia's participation in this

meeting as an associated guest. For the first time in Russian-Chinese official dialogue, Moscow claimed for mutual firm stand against "one dominating power" – code word for the United States. The inclination of the both parties to start the new phase of "equal and confidential partnership aimed at the strategic cooperation in the XXI century" - the expression initiated by President Yeltsin - was included in the Joint Declaration of this summit. However the direct naming of any states as the sources of domination were avoided in the text of the Declaration. The NATO expansion issue was also omitted from the text of the Declaration, but was mentioned in the final Communiqué. "China understands Russia's position aimed against the expanding of NATO eastward", Communiqué said. At the same time Russia confirmed its solidarity with the Chinese stand on Tibet and Taiwan problem. ⁷

Agreement on the confidence building measures (CBM-1) among China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan - the one that was signed by the leaders of the five states in Shanghai - was another practical result of the 1996 summit. However, that time these five states failed to agree on the key item of negotiations - on the reduction of troops and armaments in the regions along the borderline of the former Soviet Union with China. In 1996 this reduction was being negotiated already for six years. Moscow and Beijing hasn't reached the compromise on the limits for deployment of the troops in the border areas.

At this summit the Chinese side confirmed its decision to join the Treaty on Complete Banning of the Nuclear Tests (CBNT) till the end of 1996. Russian President B.Yeltsin acted as a broker in this issue between China and the West after he suggested to take this role during the G - 7 meeting in Vancouver. China – the only nuclear state that abstained from the Treaty at that moment - kept his promise to Russia and the world community.

The next summit meeting between Russia and China took place in the April 1997 in Moscow. The deepening of the contradictions between Russia and NATO - notwithstanding the formally compromising the Russia-NATO Founding Act, prepared for signing in May – formed the background for the new summit on the Russian side. The Chinese position was strongly influenced by the death of Deng Xiaoping in February 1997. His successor Jiang Zemin entered the critical period of consolidation of power. His diplomacy towards Russia was considered domestically as one of the strong points of his leadership and statecraft. The new wave of hostilities on the Taiwan strait made the Chinese-American relations even more tense.

Given this background, it was not a surprise that the Russians during this summit were more actively and rather successfully exploiting

the "antihegemonist" sentiments of Moscow and Beijing. The military and security component of their relations has become more vivid.

The central document of the 1997 summit was the "Declaration on the Multipolar World and the Formatting of the New International Order". This document stressed that nobody should seek hegemony, pursue the policy based on force and trying to monopolize the international relations. Both sides showed their

firm support of the UN; they stressed that nobody should curb the authority of the UN Security Council UNSC, including the rights of the UNSC Constant Members for "veto". 8

Notwithstanding the agreed text its noteworthy, how differently both leaders assessed the signing of the Declaration. B.Yeltsin praised the document highly, saying that "for the first time in thirty years Russia and China make a joint assessment of the world affairs...We have not signed the similar document with anyone else." ⁹

Jiang Zemin was more cautious in his comments. Speaking at the State Duma, he only stressed the "necessity to establish the relations of confidential partnership in different spheres as the basis of the strategic cooperation in the XXI century." Iå hasn't made the slightest reference to NATO in his public speeches in Moscow, though he is reported to criticize the NATO expansion behind the closed doors.¹⁰

The Chinese leader probably was closer to reality in assessing the practical importance of this Declaration than its Russian counterparts. This document couldn't be even compared to the Russian-Chinese Treaty on Friendship, Alliance and Mutual Assistance signed at 1950. However the Declaration manifested the visible intention of both parties to transform the "equal partnership" in their relations to the model of "strategic partnership" in the XXI century. ¹¹

During this summit of 1997 the multilateral agreement among China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan 'On Confidence Building in the military field in the Border Area' (CBM-2) was eventually reached. The agreement set the limits for ground troops, air force and air defense planes in the 100 km zone on the both sides of the border line between the former USSR and China.

Notwithstanding the fact that the specifications of the agreement were kept close to public, Russian analysts were discussing it and they were not unanimous in their comments.

The analysts of the pro-western orientation argued that this agreement is weakening Russia's military posture at the Far East since Russian ground troops should be reduced on the greater scale than the Chinese ground troops. The main bulk of the Chinese ground forces deployed on the Chinese-Russian border, were deployed beyond the 100-km zone, in the depth of the Chinese territory. ¹²

The analysts of the "leftist" orientation were not sharing this view. According to CBM-2 agreement, they argue, strategic missiles, air defense missiles, long range air force and fleet were not scheduled for reduction. Therefore, the overall military balance between Russia and China at the Far East remained favorable to the Russians. ¹³

The evolution of the negotiations on the CBM-2 agreement shows that Russia, evidently, paid the higher price for it, than the Chinese. The breakthrough in the negotiations, that was being held for more than 7 years, was done only in December 1996 during Li Peng's visit to Moscow. Russia's effort to speed up the process and gain this important security commitment from China was evidently related to the mounting pressure that Moscow was facing from NATO. On September the 6th 1996, the US Secretary of State W.Christopher stated at Stutgart, that a 1997 NATO summit "should" invite "several" partners to begin accession negotiations. Later this year on October 22, President Clinton proposed 1999 as a deadline for admitting the first group of new NATO members.¹⁴

In parallel with development of security dialogue the settlement of territorial problems between Russia and China was equally important element of detente.

Given the complexity of territorial delineation between Russia and China starting from the end of the XYII century, China was always reluctant to acknowledge the full legitimacy of Russia's rights for vast territories of Siberia and Far East Region. The scale of this claims has reached its peak during Sino-Soviet rift, especially in the mid-60-ies, when the Nhinese side actually claimed territories up to 1,5 million square kilometers. Border negotiations, started in 1964, and being held for nearly three decades, were fruitless during the period of confrontation.

Only at the Gorbachev era, in the situation of political detente between two countries, the breakthroughs at the border negotiations became possible. At 1991 and 1994 Moscow and Beijing signed two border agreements fixing the border line on the two main parts of the Russian-Chinese border: eastern part, from Korea to Mongolia (4200 km) and western part (55 km).

However almost all the governors in the Russian Far East (governors of Primorski and Khabarovski krai, Amurskaya and Chitinskaya oblast) have expressed their dissatisfaction with the agreements. They argue that this agreements were not reflecting the interests of their regions and making too much concessions to the Chinese side. The process of demarcation of the border according to the Agreements of 1991 and 1994 was slowed down and partially blocked by the region authorities regulations.

Only after 1996, due to the effort of the central government, the demarcation process was resumed. For the first time in bilateral history the territorial belonging of a plenty of islands on the frontier rivers was defined. 1163 islands was defined to belong to Russia, 1281 - to China. Besides that, Russia and China, still have two sites, negotiation on which, was postponed "up to the future generations". One of them is located in the region of Khabarovsk, another - on the river Argun. At the present moment the status quo is kept: the disputed islands remain with Russia.

On November 1998 Presidents Yeltsin and Jiang Zemin stated during their first informal meeting that the demarcation process on the border according to the Agreements of 1991 and 1994 is completed. At the press conference Yeltsin stated that the border problem between Russia and China is "solved forever". ¹⁵

* * *

In the process of evolution of the Russian-Chinese relations in the 1990-s the policy-makers were facing the necessity to formulate Russian interests in the various spheres of these relations. One of these spheres appeared to be the most delicate and controversial - arms sales to China. Realizing this necessity, we would like to set up our vision of the Russian interests in this issue.

2. Arms sales to China: motives and risks

The negotiations on the arms sales to China has started as early as 1990 under Gorbachev government. Arms sales, the concrete parameters of military cooperation between any countries, for obvious reasons, are confidential topics. The details of the arms purchases for the several past years - types of weapons, and amount - are little-known to the public. Inevitably, there are distortions and "phantom" fears in Russian and world press, relating to the deals, that the military and political leaders has really made behind the closed doors.

China's military modernization requires substantial improvements in its air force, command control and communications, naval power projection, and space technology capabilities. Russia has accommodated or appears willing to accommodate China in all these areas. It has sold China a range of electronics, air-to-air and surface to

air missiles and air defense systems, armored fighting vehicles and T-72 tanks, and SU-27 fighters (including the license to manufacture this aircraft, provided in 1996). China is reported to place the orders for several "Kilo" class submarines. There are also reports that China is trying to acquire other types of advanced technology, such as the TU-22m bomber ("Backfire") cruise missile technology, missile guidance and satellite systems, and nuclear weapons related technology. ¹⁶

According to existing Russian estimates, the total volume of China's arms purchase from Russia by 1997 was \$ 3,5 bn.¹⁷

The arms sales between the states is the sign of the certain trust between them, especially if they are close neighbors. Russia has obvious grounds for such trustful reasoning, taking into consideration the visible rapprochement between the two countries during the last decade and the absence of any serious contradictions at the present moment. Such situation is stemming from close interdependence of security interests of Russia and China. Maintaining, as the minimum, the non-confrontational atmosphere on the demilitarized border and, as the maximum, the high level of economic interdependence and the goodneighborly ties along more than 4200 km-long Russian-Chinese border – is the sign of political wisdom for any government, whether it be in Moscow or in Beijing.

Speaking about Russia, without the stable and deep partnership relations with China, including partnership in the military area, it is impossible to guarantee necessary stability on Russia's eastern borders. This is especially true in the situation of mounting pressure on her western borders and direct contiguity of the NATO borders to Russia as the result of the enlargement of the block.

Without decent relations with China it is impossible to solve such a critical problem for Russia as reverting the backwardness and preventing the centrifugal tendencies of the regions of Siberia and Russian Far East.

However, it is necessary to distinguish several possible levels or stages of military interaction: 1) arms trade; 2) military cooperation; 3) political-military partnership; 4) military alliance. Speaking about the Russian-Chinese military ties, we believe, that only the first stage of such interaction (arms sales) with some elements of the second stage (military cooperation) could be favoring Russia's interest at present.

The logic – both strategic and commercial – suggests, that at observance of the certain obvious criteria – rational limits, proper bureaucratic control (both done both within the related governmental agencies and on the inter-agency level) control on the part of the legislative branch (with strict observance of the state secrets) - such cooperation with China is reasonable. The selective and portioned arms

export to China is undoubtedly favorable to Russia and does non jeopardize the interests of her security.

Firstly, the technological superiority of the Russian army in comparison with the PLA creates a situation, in which delivery of separate types of the Russian weapon - , in particular, fighters, anti-aircraft missile systems, submarines – at the scale that are taking place now, could not undermine this superiority.

Secondly, most part of the world arms market now are being controlled by the West. China - one of the of few segments of this market, that are accessible by Russia.

Thirdly, the Chinese orders are very profitable for Russian defense industry. Many Russian plants are standing idle because of the ill rationalized policy of conversion. At the same time the market price of one Russian fighter varies between \$ 30 - 50 million.

At last, fourthly, any deliveries of high technology arms and, furthermore,—licensing of its production, leads to the certain "binding" of the exporting country to the importer. This can be useful in the context of long-term development of the Russian-Chinese relations.

However the rational limits - how many, what type of weapon and on what conditions to sell to China - remain the main problem. The optimum choices could be made while analyzing the three sets of criteria – related to military, commercial and foreign policy. This is the only possible way to arrive to the decision, that is dictated not by the corporate motives but by long-term interests of Russian security.

In the military sense, the decision-makers, should, at minimum, know the answers on the following set of questions:

- how big is the qualitative, technological gap between Russian and Chinese military capabilities, especially, with relation to the types of weapon, that Russia delivers to China; how this gap changes after the acquisition of the Russian arms;
- what is the evolution of the military balance between Russia and China at the frontier zone, in particular as a result of the CBM agreements of 1996 and 1997;
- offensive weapon are being compensated by the superiority of the Chinese army in manpower, by quantitative superiority in the certain types of armaments (in particular, in military aircraft), in the situation of remoteness of the Russian Far East theater from the core part of Russia and vulnerability of the long stretched line of the Russian communications;

Also Russia should be sure that its arms deliveries to China will not violate the general military balance between China and its regional neighbors, including Japan, otherwise leading to the new wave of arms race at the Asia Pacific and striking with a boomerang on Russia. Similarly important to take into account the opinion of Russia's CIS partners - Kazakhstan, Kyrgyzstan and Tajikistan, other Central Asian countries, whose interests are indirectly involved in the Russian arms sales to China.

Speaking about commercial issues, the competent marketing of the Russian military technology, reasonable price policy, optimum schemes of payments are necessary. Last but not least, in view of uniqueness and high profitability of the arms deals, Russia needs strict control over Chinese re-export of Russian-made Russian-licensed weapon. The Russian public and legislative branch has all the rights to be informed, who, how legitimately and how competently is dealing with the export of such delicate production to such a delicate buyer. The corruption and shadow lobbying in this matter can bring unprecedented damage to Russia's security interests.

The foreign policy problems, related to export of arms to China, can be even more difficult, than military and commercial considerations. It's difficult to forecast medium and long-term international consequences of Russian arms sales to China.

Among risk factors in this sense – the uncertainty of political future of China. This uncertainty stems from two main reasons.

First of them relates to the character of the political regime of China. Due to the weakness of the representative power and the dominance of the military high command, the role of the individual leader or the narrow group of leaders in China's foreign and domestic policy is extremely high. The process of formulation, coordination and implementation of China's foreign policy is not well institutionalized. It is not grounded upon wide social base.

The other source of instability - complexity of a present stage of economic reforms related to conversion of the large state-owned enterprises. The problems of the huge manpower surplus, economic frictions between center and the provinces, uneven development of the rich maritime provinces and considerably poor internal regions remain to be serious.

Taking into account this knot of political and economic problems, one cannot exclude the possibility of the crisis of a present regime in China. If such crisis occur, drastic shifts of the basic vectors of China's military strategy and foreign policy are highly probable.

The development of military cooperation between Russia and China, undoubtedly, relate to the relations of Russia with the USA and the West as a whole. Russia being unilaterally oriented on increasing of its arms sales to China, is facing the risk of eventual confrontation with the United States, Japan, Taiwan, South Korea and the ASEAN countries, which are feeling anxious about Chinese military might. It is also a foreign policy risk factor, which Russia should take into consideration while developing military ties with China.

It is noteworthy, that the USA, having an extensive foreign market for US-made weapon, has never delivered this weapon to the states even hypothetically capable to pose a threat to the US. On this background, Russia's policy is contrasting. The key buyer of Russia's military production is the state that both, historically and potentially, could not be excluded from the list Russia's military competitors.

To be fair, it is necessary to note, that presently known volumes of contracted deliveries of the American weapon, for example, to Taiwan essentially surpass present Russian sales to China. In this sense it is unfair, to blame Russia as a state, that is destabilizing the military balance in Northeast Asia.

But, first, Taiwan at any circumstances can not pose danger directly to the US. Secondly, it is necessary to take into account psychological anxiety with which Washington perceives the current trends of the Russian-Chinese ties.

China is considered by the US as its basic global competitor in the next century. The fears concerning the Russian fighter aircraft at the Chinese airfields raise the probability of inadequate reaction of the US on the Russian-Chinese arms deals.

There is a reasonable question: should the psychological complexes of the US be considered as the factor limiting Russia's military deliveries to China? The answer, to this, we believe, should be "yes", but qualified "yes". This qualification pertains to the argument, that the fact that matters is not the ephemeral and unsteady "psychological complexes" of the third side (i.e. US) but quite firm and pragmatic reasoning of Russian interest.

This reasoning should be based on her solid national priorities - socially balanced pro-market reform, openness to the external world, constructive co-operation both with the West, and with the East, including to the East the non-Chinese part it too.(Japan, Korea, ASEAN). The one-sided bias in Russia's military-commercial policy, exceeding the rational limits of arms sales to China could damage and even ruin all these priorities.

Thus, we are not speaking about the extremist and, as a matter of fact, a "deadlock" scenario, sometimes offered by Russian analysts. In

this script the present sale of the weapon is considered as an intermediate phase towards to closer political-military partnership or even to military alliance with China. This is considered to be a "strong" Russian counterplay against the West. ¹⁹ Such scenario is an obvious foreign policy trap for Russia, leading to the new global confrontation and, besides that, the confrontation on the "etnical-civilizational" basis.

It is not necessary to idealize the West and to neglect its contradictions with Russia on many points, that resulted, first of all, in NATO enlargement, in crisis around Kosovo, in the US policy within the the CIS. It is necessary to bargain with the West and to press back Russian interests everywhere, where it is possible. Nevertheless, in conditions of present deteriorating relations with the West after Kosovo, Russia should use positive foreign policy experience of China itself. During recent two decades China, on the one side, managed to cooperate rather efficiently with the USA ,within the framework of the "open door" policy, and, on the other side, to keep independence and evenhandedness of its external strategy, thus being not overwhelmed by the nationalist ambitions and confrontational mentality.

3. China's approach to the NATO expansion: compatibility with the Russian interests.

Up to the middle1980-s Europe and NATO was the peripheral sphere of China's foreign policy interests. China was not linked to Europe neither through its own security interests, nor through active trade and large investments. The volume of China's trade with the countries of EU in mid 1980-s did not exceed 15 % of China's total trade. Consequently, China's approaches to the military balance and the problems of security of this region were bearing the imprint of secondary priorities: Beijing was viewing Europe only as a sphere of rivalry between China's key competitors - USSR and USA - and was interested in Europe only from the point of view how the balance of power between Moscow and Washington was changing.

Approximately since the first half of the 1990-s China's approach to the European realities started to change, China's European diplomacy became more active and "nuanced". This evolution was stimulated by the obvious globalization of foreign policy interests of China, the rapid growth of its external economic activity as the outcome of the successful course of economic reforms inside the country. The drastic reshuffle of the entire system of international relations was the other incentive for such change:

with the dissolving of the Soviet Union the status of China, as the potential contender to the United States has raised considerably.

Almost simultaneously, with the news on NATO enlargement became public, the negative attitude of China to this process became explicit. The NATO enlargement was unequivocally assessed by Beijing as strengthening of the American control over Europe. The alternative scenario, leading to the "«Europesation" of NATO, strengthening of Europe as the independent «center of power», was considered in China as less probable. The main argument of the Chinese analysts, supporting this view, was that only US was capable to provide the overwhelming security to the European allies and to face any military challenges, including those coming from Russia. Only Washington, they argued, is capable to carry the basic financial and technological burden of admitting the new member-states to NATO. (Rearming of the new members, standardization of military arms equipment, reorganization of the structure of management). According to Beijing's view, such developments in Europe actually would block the tendency to global "multipolarity", that is more beneficial to Chinese interests than the monopolar international system under the control of the US.21

To add to this strongest anxiety, the Chinese were also concerned, that the US could extrapolate the European mode of behavior to the Asia Pacific. While the European members of NATO consider the fear of Russia and destabilization of this country as the basic reason for the block's enlargement, China was afraid of being treated in the same capacity as Russia in Asia, by Beijing's regional neighbors – Japan, Korea and the ASEAN member-states. The Chinese were not excluding the developing of its relations with the regional neighbors according to the worst possible scenario: deteriorating of Beijing's security and economical relations with Washington and consolidating the latter's strategic and political links with Japan and Korea for the purposes of containment of China.

Therefore China was seriously anxious about the "new guidelines" on military cooperation between Tokyo and Washington, that was signed in the autumn of 1997 on the basis of the existing US-Japanese Security Treaty. The new arrangements, which in 1999 were approved by the Japanese parliament, actually provide the further enlargement of the military role of Tokyo in vaguely defined "surrounding zone" of the northeast part of the Pacific ocean, that was considered to be the "zone of responsibility" of Japan.²²

One more factor relating to the NATO enlargement and to the strengthening of the American influence in this block, also irritated the Chinese. The NATO enlargement was posing the additional political obstacles to Chinese penetration to the trade markets of Europe. Such

prospects were even more painful for China, given the permanent trade frictions with the US, difficulties of China's admission to the WTO and deteriorated situation of the global trade market as the result of the world financial crisis of 1997. Under these negative circumstances, expanding trade with the countries of EU would be rather desirable compensating factor for China. Its notable that, starting from 1992, the volume of trade of the EU countries with the Asian countries of Asia Pacific has exceeded volume of trade of the Europeans with the USA (\$ 249 and \$ 206 bn.) And the volume of direct investments of the countries of the EU in Asia Pacific has reached the level of the US investments in the region. The volume of trade of the majority of the countries of the Asia Pacific now in comparable parts are distributed on three equally important parts - trade with the US, with Europe and within the Asia Pacific region. ²³

Therefore, such political development in Europe could have a negative effect on the Chinese external economic interests.

One more quite probable consequence of NATO enlargement that could have a far-reaching negative impact on China. With consolidation of this block under the leading military role of the USA, Beijing practically loses hope for the alternative to Russia donors of modern weapon. Previously, under certain circumstances, China could have expected to acquire considerably sophisticated weapon, for example from Czech Republic or Poland or even, possibly, France. Under current tendency of the growing of the US role in NATO, and facing the high probability of developing of the Chinese-American relations according to the worst – "deteriorating" scenario (that has proved to be true recently) - such prospects for China actually disappear. The outcome of this - becoming the "hostage" of Russia in delivery of modern arms, with all the inevitable political linkages, is very unfavorable to Beijing.

At last, one more essential motive of China's negative perception of the NATO enlargement. The situation when the military structure of NATO will eventually move close to the borders of Russia, (especially if the Baltic states are, eventually, admitted), will inevitably stimulate Moscow's effort for the utmost political-military consolidation of the CIS countries under Russia's leading role. Notwithstanding all the obstacles for such consolidation, Moscow still possesses a set of political-military levers to invigorate this process. To name first, the threats from Islamic fundamentalism to the southern states of CIS (Tajikistan, Uzbekistan), "detonating" role of Russian community in Kazakhstan, ethnic conflicts inside the Transcaucasian states (Azerbaijan, Armenia) are giving such levers to Moscow's hands.

China has little interest in consolidation of the CIS under Moscow leadership. The more friable and unconsolidated CIS

will be, the less problems for Chinese security in the future. Besides, China itself is willing to penetrate into the economic space of the CIS, especially in Kazakhstan and some Central Asian states. Beijing is very interested in raw, and energy resources of these countries, while facing the necessity to expand the resource base of its actively growing economy.

Thus, it is possible to see the whole array of negative consequences that China is facing as the result of the NATO enlargement.

These were the reasons that caused growing solidarity of Beijing with Moscow during the summits of the 1996-1997. It reached its peak in first half of 1997, when the clauses about "understanding" of the Moscow's concerns of NATO enlargement began to appear in the text of joint statements.

At the same time it was clear, that the approach of China and Russia to the NATO enlargement, though obviously parallel in many principal characteristics, was not identical or coinciding. More than that, many facets of Russia's behavior towards NATO, especially in 1997-1998, in the period before events in Kosovo, was viewed with suspicion by the Chinese counterparts.

For Russia the most important problem is the growing proximity of the military infrastructure of NATO to its borders, the dramatic decreasing of "buffer" geopolitical space between Russia and the West. For China, to whom this infrastructure directly does not threaten, the main problem is the development of cooperation and interaction between Russia and the Western alliance. In opinion of China's analysts, if this cooperation will be unfairly close and leading to Moscow's loosing its independence in military planning and security strategy, the Chinese interests will be seriously damaged.

From the very beginning of the bargaining process between Russia and NATO on the problem of enlargement, Beijing was watching very attentively the evolution of negotiations, being mainly focused on evaluation of the tendencies "of struggle and cooperation" between Moscow and NATO.

The signing of the Russia – NATO Founding Act in May 1997 was met in Beijing with obvious coolness. Judging by the tone of the some Chinese published commentaries, it was possible to make conclusion, that Beijing was mainly disappointed by a complaisance of Moscow, which has signed the Founding Act on such unfavorable terms.

Official Chinese press was pretty ambivalent in assessing the Founding Act. On the one hand, it was stressing the historic importance of this agreement, comparing it with the Versailles and Yalta Treaties and noting, that Russia and NATO opened the "critically new phase" in

bilateral ties. On the other hand, Chinese official media pointedly stressed the fact that Russia failed to sign the really effective and legally solid document with NATO. Thus, it was argued, the Founding Act could not prevent the serious contradictions and frictions of the partners in the future. "Time alone could evaluate the political effectiveness of this Document" - was the dominating tune of the official comments.²⁴

Many Chinese political analysts shared the evaluation of the Founding Act as the amorphous document, unable to prevent the future pressure of NATO on Moscow's vital military interests. According to the view of the expert from the Chinese Institute of Modern International Relations Feng Yujun, this pressure will be especially detrimental for Moscow in three basic directions: 1) In the problems of the intra-European security, where the Joint Committee of Russia - NATO doomed to only decorative, and not a meaningful role. 2) In the problems within CIS, where Russia will most probably be separated from its traditional allies. 3) In negotiations on arms control on both global and regional levels. Moscow's inability to achieve the firm promise on the side of NATO not to place the nuclear weapons on the territory of Poland, Hungary and Czech Republic was considered to be the weakest point in the Russian position. ²⁵

Shortly after signing of the Founding Act in 1997 President of China Jiang Zemin paid his first official visit to the US. (October, 1997) During this visit the Chinese and American presidents have stated the mutual inclination to develop "constructive strategic partnership". 26 Both in essence and in phrasing, this inclination resembled the similar approach to "confidential strategic partnership" with Russia and indirectly devaluated the importance of the latter formula. Such devaluation could possibly be linked to the Chinese dissatisfaction with the Russian arrangements with NATO.

In June 1998 the next summit between Jiang Zemin and Clinton took place in Beijing and the Chinese-American dialogue has advanced further. During this summit the new agreements were achieved, some of them being similar in essence to those in the Russian-Chinese relations. The US and China have agreed not to orient their nuclear weapons on each other (the similar agreement between China and Russia was concluded in 1994.) Clinton made important statement on Taiwan (three "no" statement) which was evaluated as the compromising step towards Beijing.²⁷

Noting the obvious elements of parallelism and concurrence in the approach of Russia and China to the NATO enlargement, it is quite reasonable to raise the question: does this parallelism mean Beijing's readiness and ability to take the definite practical actions of "strategic partnership" with Moscow?

The forms of "strategic partnership" vary. Such partnership can exist in the form of the full-fledged political-military agreements with the distinct clauses on mutual defense guarantees. Or in the form of tight military cooperation, including coordination of the military procurement and training policy and "unification" of the military doctrines. It could take the forms of deliveries of sophisticated types of weapon and close diplomatic interaction, including, as the example, the "diplomatic bloc" in the UN Security Council.

From our point of view, real "strategic partnership" between Russia and China, especially those in the tight military forms mentioned above, are unlikely. Such type of partnership would contradict the basic priorities of Chinese foreign policy.

China's central political priority at the present stage is to maintain open, flexible, evenhanded foreign policy, that is not binded by any obligations of alliance and thus not leading to any international confrontation. Such strategy provides the maximum possibilities for China's foreign economic ties - active trade and inflow of the foreign investments into the country. At present China's security is not facing any challenges that could justify Beijing's closer strategic tilt to Moscow, though this should not be interpreted as Beijing complete satisfaction over its strategic position now.

The obvious parallelism of the Chinese interests with the interests of Moscow towards NATO is not sufficient to be the basis of real political-military bloc of the two countries. This bloc could be destructive to Chinese interests in several ways.

Firstly, such bloc unequivocally would put China in confrontational, unfavorable or extremely burdened relations with all the Western world and, first of all, with the US, thus excluding active economic interaction with the group of countries that China needs most.

Secondly, the alliance with Moscow, almost for certain, would result in the scenario of the international relations in Asia Pacific that was mentioned above: consolidation of political-military ties of the US with Japan, Republic of Korea with, most probably, supportive approach of the ASEAN countries towards such consolidation. It is exactly the situation that would create serious problems to China's security – the problems that Beijing is not experiencing now.

Thirdly, any forms of close partnership with Moscow and, consequently, developing confrontation with the US, would freeze the solution of the problem of Taiwan, since this solution is impossible without Washington role as a broker.

The close partnership of Moscow and Beijing oriented against NATO or US is also inhibited by the set of both - explicit and hidden - "conflict zones" that are existing in bilateral Russian-Chinese relations.

To name such zones it is necessary to start from the geopolitical friction between the two countries. The striking contrast between deserted, ill-managed, and rich with mineral resources territories of Russia's Siberia and the Far East on the one side, and overpopulated, physically exhausted and highly polluted territories of China's north - east provinces is the obvious ground for such frictions.

Notwithstanding the rapprochement of the last years, arms sales and serious breakthrough agreements in security, the friction zones based on the geopolitical contrasts has not vanished. Moreover, due to the different pace and results of the economic reforming in China and Russia, strengthening of the centrifugal tendencies at the Russian Far East, exacerbated by the financial decay of the Russia's center, these contrasts became more visible.

Such view is not contradicting to significant progress in settlement of border disputes, that was mentioned earlier. The fact of the bilateral legal registration of the line of border in the recent border agreements, though confirm the present status-quo in territorial control, is not drawing the final line in the geopolitical competition of the two neighboring states for "living space". China repeatedly claimed its rights for extensive territories of Siberia and Far East in the past. Symptomatically, that in 1991, already after the main basic border agreement between Russia and China was signed, the Chinese official press, nevertheless, declared again, that "imperial Russia teared away almost 1,55 million square kilometers of China's territory". ²⁸

The forms of competition for concrete geopolitical space are definitely not limited to negotiating the border delimitation. Such competition includes various methods of penetration — legal and illegal emigration, economic projection, support of the separatist movements. Thus, the territorial delimitation, though important, should be viewed only as a phase, but not the last phase, in geopolitical competition.

Besides, even within the framework of the present border agreements of 1991 and 1994, Moscow and Beijing failed to reach an agreement in two dispute areas, having left the decision of these disputes "to the future generations" and having accepted the compromising formula of "joint economic usage" of these areas. Despite the insignificant size, such "blank spots" can be the pretext for the future arguments of "incompleteness" of border delimitation between the two countries.

Another friction zone of the bilateral relations could be designated as the factor of "immanent threat". At any present level of cordiality of the bilateral relations and demilitarization of the border, the fact of physical proximity of military machines of Russia and China, different in capabilities, but posing potential danger to each other, hasn't

ceased to play a role in the calculus of both governments. The decision makers of both capitals has always been closely watching the evolution of the military possibilities of their counterpart. Very often in the past military and strategic orientation of both Moscow and Beijing was assessed with bias and suspicion. Prevailing nuclear capabilities of Russia, including all components of its nuclear triad, potential ability of the Russian armored troops pose a threat of the brisk offensive operation aimed directly at Beijing, on the one side, no less than obvious superiority of the Chinese PLA in manpower, exacerbated by strategic vulnerability and remoteness of the Russian Far East from the center, on the other side, continue to be taken in full consideration in military planning of Moscow and Beijing.

Naming the conflict zones, existing between Russia and China, it is necessary to point out, that during the 1990-s these negative factors exerted incomparably smaller influence on dynamics of the bilateral relations, than the motives of mutual gravitation and détente. The relative influence of these latter factors could be explained, besides all other things, by high economic cost of geopolitical confrontation, obvious benefits of economic interaction, similar processes of pro-market reforms obviously inducing many shared values of both political elites.

By virtue of these motives, the recent period was marked by the obvious evolution from irrational and ideology biased confrontation to normal good-neighborly state of relations. During this evolution the motivation for political rapprochement and military detente prevailed over all other motives.

4. NATO's involvement in Kosovo and its impact on the Russian-Chinese ties

The crisis over Kosovo marked by itself a critical stage in the international development after the end of the cold war. It has the visible impact not only on the foreign policy motivation of the countries, directly involved in it, but also on all participants of international relations. Since the main events of the Kosovo crisis are well-known, bearing in mind the topic of our research, we would mainly focus on the impact of these events on the development of bilateral partnership of Russia and China, on analyzing these two countries' motives of conduct in this crisis, the new developments in Russian-Chinese tandem in the aftermath of the crisis.

The main conclusion, which the two capitals - Moscow and Beijing - have arrived to in the course of this crisis is the following: the events that they were fearing most and were trying to prevent, eventually happened. The global "superpower" – United States - has used the powerful military machine of NATO for resolving the urgent international problem according to its own consideration, without the sanction of the world community, represented by the United Nations, using almost exclusively the methods of military force, having achieved rather doubtful results. While doing this, NATO actually violated the sovereignty of the independent state of Yugoslavia and created the extremely dangerous precedent in jeopardizing basic values and principles of the international stability - the national sovereignty, non-interference in internal affairs, international legal regulation of the conflicts, prerogative of the United Nations and its Security Council.

This is against such type of events both sides - Russia and China have joint their forces earlier, while signing the Declaration on the multipolar world and formation of the new international order (1997), that became the important codification of principles for bilateral relations. As a result of events in Kosovo, it became explicit, that the world is far from moving towards multipolarity, it is actually moving towards dictate of one most powerful power - USA. To counteract this tendency, Russia and China appear to be "doomed" on the further rapprochement and coordination of their policies. Moscow and Beijing arrived to the obvious conclusion, that for the sake of higher priorities of opposing the unilateral dictate in international relations, both countries have to increase effort at all directions of Russian-Chinese cooperation, including the military sphere, and to downgrade the priority of the existing or potential frictions on the bilateral level.

The positions held by Russia and China during the Kosovo crisis were similar in many respects. Both sides claimed for resolving the crises through political and diplomatic effort, both were opposing the use of the military force without the approval of the UN Security Council, both were striving for the immediate ceasing of NATO bombings as the necessary precondition for political settlement.

The differences between their positions were as follows. Till the end of hostilities China was constantly supporting the prerogatives of the UN Security Council, claiming that only UNSC, and not NATO has the legitimate right for regulating and using the military instruments in Kosovo crisis.²⁹ Russia while supporting China's activity in Security Council, eventually joined the NATO peacekeeping forces but on its own conditions.

To make it clear, the positions that Russia and China held

during the crisis did not mean that Moscow as well as Beijing, were showing full support and understanding of the policy of the President of Yugoslavia Milosevic. Both Moscow and Beijing disagree with many of his actions, though they didn't qualify them as the "ethnic cleansing". Russia and China never doubted the legitimacy of Milosevic as the President of Yugoslavia and were against interference in internal affairs of this country.³⁰

Moscow and Beijing's approach to the conflict in Kosovo was motivated by the set of various circumstances.

First, not sharing completely the policy and actions of Milosevic, they considered methods of the USA and NATO for resolving this international crisis more dangerous to the maintenance of international peace.

Secondly, being multi-national states, and having ethnic problems, similar or resembling those of Yugoslavia, Russia and China were gravely concerned, that the precedent for "resolving" such a crisis, demonstrated by the actions of the USA and NATO, will pose it direct threat to their own sovereignty and security in future.

Thirdly, Russia and China had no other choice, but to insist on respect of a role and prerogatives of the United Nations. The opposite would mean moving of the international relations to "superpower oligarchy", but not to "multipolarity".

As the result of the Kosovo crisis both China and Russia arrived to one more important conclusion. Their worst fears of the new role of the expanded NATO as the key element of the European security after the cold war have come true. During Kosovo events, the NATO acted not as the structure, that was synthesizing multipartite interests and oriented on evolutionary, political resolving of complex problems of Europe, sometimes deep rooted in history. NATO actually acted as the military machine, obviously dominated by the interests and perceptions of the US, and thus trying to resolve this European problems mainly in a unilateral and biased manner ³¹

It's pretty clear, that besides the obvious humanitarian motives for the USA and NATO actions in Kosovo, the pragmatic and power interests of the NATO allies in this operation was very visible.

With all the possible criticism of the Yugoslavian leader's actions, Yugoslavia is the sovereign state and Milosevic is the legitimate president of this state. In contemporary Europe, to the west of borders of the former USSR, Yugoslavia remains the only state that is not oriented on the NATO – centered structure of military security of the continent. All other NATO non-members, either, being neutral, actually are still oriented and protected by the NATO security "umbrella" (Austria,

Switzerland, Sweden, Finland), or aspiring to enter this block (Bulgaria, Romania, Baltic states).

Speaking about the "policy message" which Russia and China has received as the result of the Kosovo crisis, let us quote how President Clinton himself formulated this message in one of his interviews in June 1999:

"We can't stop every fight like the fight between Eritrea and Ethiopia and the struggles in Chechnya. But where we can, at an acceptable cost; that is without risking nuclear war or some other terrible thing, we ought to prevent the slaughter of innocent civilians and the wholesale uprooting of them because of their race, their ethnic background or the way they worship God." ³²

What message Moscow or Beijing could get from this? Speaking logically, the implications of such a formula for them could be pretty obvious: since these two countries cannot be guaranteed, that one of its internal ethnical "problem zones", either Chechnya or Tibet or Xinjiang, could at one point, using the very biased, politicized criteria and the double standards approach, be qualified as the "humanitarian disaster", the only way to avoid the humiliation for Moscow and Beijing is to increase the price tag for NATO to do that.

The obvious reaction of the Russians and the Chinese on that was the visible intensification of effort in defense, creation of the new systems of weapons, including "smart weapons", which has played a special role during the bombing of Yugoslavia. This is the effort, that is being undertaken individually by each country as well as within the framework of military-technical cooperation between them.

As to the individual effort. Russia in a course of the Kosovo conflict has announced putting into operation of the new missile system "Topol-M". Its successful tests were conducted earlier of this year. In June - September, 1999 a series of sessions of the Security Council of the Russian Federation were held. The sessions that were presided by the President Yeltsin were focused on the broad range of questions relating the reform of armed forces, revision of the concept of national security of Russia in the aftermath of the Yugoslavian crisis, additional financial allocations to the defense ministry for the state funded contracts on new military procurement. The Council made the decision to raise defense expenditures in the budget of 2000 by substantial margin (the specific figure to be fixed in accordance with government financial situation). These last decision is unanimously supported by all factions of the State Duma, despite of serious differences among them practically on all other parameters of the budget of Russia 33

Speaking about China, Beijing in July 1999 has announced that China has the "know-how" of a neutron bomb and miniaturization of nuclear explosives. It for the first time was stated by the Director of Information Department of the State Council Zhao Qizheng. This Chinese official resolutely denied allegations of China's stealing of nuclear secrets from the USA.³⁴

In the short aftermath of the events in Kosovo, the Russian and Chinese representatives has repeatedly stated their inclination to progress to the new, more advanced stage "of strategic partnership" between the two countries. This advance should take place both in political, and military-technical sphere. The Russian foreign minister I.Ivanov, while communicating with his Chinese counterpart Tan Jiaqiuan (they met thrice within June and August 1999), has stated, that the importance of interaction of Russia and China in Asia Pacific" is growing in the wake of potential danger of downgrading of regional stability. According to I.Ivanov, " the further extending of military-technical cooperation and gradually increasing coordination in the field of conversion of the enterprises of a defense industry is the vivid sign of confidentiality of the relations of the strategic partnership". ³⁵

From his side, the vice-premier of China's State Council Qian Qichen while characterizing the state of bilateral relations in the period after Kosovo has stated, that now they experience " the best times in a history ".³⁶

Discussing the consequences of the Kosovo events, it is necessary to stress, that internal political climate and the correlation of forces in discussion about "pluses" and "minuses" of bilateral strategic partnership has changed strikingly in both countries. If earlier, foreign policy elites in both Russia and China had serious reservations to the thesis «of strategic partnership» and different understanding of this partnership, now, the necessity to develop such partnership for countering "hegemonism" and "military dictate" of NATO outweighs all other arguments. To illustrate this the recent decision of the State Duma to ratify the CBM-2 Agreement between Russia, Kyrgyzstan, Tajikistan and China should be mentioned. The results of the ballot are indicative: "yes" - 321 vote, "no" - 1, abstained - "1". As we mentioned earlier in this report, the assessment of this agreement was far more critical, especially, among the right-wing oriented politicians shortly after the signing of this agreement in April 1997. Now, notwithstanding its party or faction affiliations, the members of Duma unanimously supported the document, that is strengthening the level of military trust with China. The Chinese side Parliament has ratified this agreement earlier. 37

As the obvious consequence of the Kosovo events one should consider China's evidently growing anxiety over the potential advance of the NATO to Chinese borders in Central Asian direction.

It is known, that majority of the Central Asian countries (those being the former republics USSR) are the participants of the NATO's Partnership For Peace program (PFP), and some of them, Azerbaijan in particular, have already shown its strong desire to become the full member of the block. China is seriously concerned over the possibility, in addition to deteriorating military relations with the USA, eventually, to deal with the element of the military mechanism of NATO in close proximity to its western borders.

To counteract such tendency, China recently demonstrated its stressed interest to developing relations with the members of the so-called "Shanghai five states" - participants of the CBM agreements of 1996 and 1997, the first of which was signed in Shanghai. Three Central Asian members of this group - Kazakhstan, and Tajikistan - by virtue of their individual political circumstances do not gravitate to the NATO and keep close comprehensive ties with Russia.

In August, 1999 in Bishkek (Kyrgyzstan) the summit of the leaders of the "Shanghai five", was held, with both Russian and Chinese Presidents taking part in it. Both of them stressed their presence at this meeting. In the process of the meeting, Russia showed it's inclination to institutionalize the interaction of these five countries. The Russian president has offered to conduct regular separate meetings of ministers of foreign affairs and ministers of defense, to create working groups of experts, and by 2000 to conduct the meeting of the Premiers of the "Shanghai five" countries.

During bilateral meeting of Yeltsin and Jiang Zemin the Chinese President was briefed on the recent Russian-American consultations on START and ABM Treaty. "We consider the ABM Agreement to be the basis of strategic stability and we have complete mutual understanding with our Chinese counterparts on this issue" – the Russians has stated.³⁸

During their private meeting Yeltsin and Jiang Zemin highly evaluated the negotiation on military-technical cooperation between Russia and China, which were in parallel conducted in Beijing. The head of the Russian delegation at this negotiation, vice-premier I.Klebanov confirmed Russia's intention to sell the Su-30 fighters to China. ³⁹

It is necessary to note that the events in Kosovo, took place on the background of gradually deteriorating of the Chinese-American bilateral ties in the first half of 1999. Such deterioration was related to the charges of espionage in the field of military technology, put forward against China, failure of negotiation on the China's admission to WTO during the visit of the Chinese Premier Zhu Rongji in the USA in April, 1999. The culmination of this negative development was the bombing of the Chinese embassy in Belgrade, which despite of explanations of the American side, was qualified in Beijing as the deliberately planned "action of intimidation ».⁴⁰ Responding to it, China took several countermeasures concerning the USA and countries of NATO. The American-Chinese consultations on human rights and nonproliferation of military technologies were suspended. The visit of American military ships to Hongkong was cancelled. The visits of the US Minister of Defense to Beijing and the Commander of China's Navy to London were postponed.⁴¹

In July, 1999 the President of Taiwan Lee Deng-hui has stated that the relations between Taiwan and China should be treated as "the special relations between two peoples". This statement of the Taiwan leader was qualified in Beijing as the deviation from the principle "of one China" and the policy aimed at stimulation of separatism and tension. The relations between China and Taiwan was deteriorated seriously.

It looks like the timing of this Taiwan President's statement was not occasional. President Lee most obviously take an opportunity of the present international situation. Due to events of Kosovo and other reasons - the relations of Beijing with the USA and NATO were at the lowest point for the last few years. Thus, for China the Kosovo events and deterioration of the situation in the Taiwan strait was obviously linked to each other.

The deterioration of the situation in the Taiwan strait indirectly increases the importance of Beijing's ties with Moscow. During the whole history of its ties with China, Moscow consistently kept loyal to the principle of "one China" and never hesitated in its support of China's sovereignty over Taiwan. Under current circumstances, in conditions of the strained relations with the US, such support is extremely valuable in Beijing's eyes. Its value has both diplomatic, and military-strategic dimension. The latter is based on the Russia's ability to render reliable military and strategic "rear" in the north of China in case of an unpredictable aggravation of a situation in the Taiwan strait and possible military conflict.

In August 1999, reacting to the new stage of tension in the Taiwan strait, Russian foreign minister once again confirmed Russian firm standing on this issue.⁴²

The crisis in Kosovo stimulated the new round of Moscow's effort to initiate the coordination of foreign policy actions and joint counteraction to "hegemonism" on the part of three large states - Russia, China and India. This idea for the first time was stated in January 1999 by E.Primakov during his visit to India. That time it had not received the

active response on the part of the Chinese and Indian colleagues. This theme was raised again, now on the military level, after events in Yugoslavia. In June 1999 in Vladivostok the working meeting of the military delegations of China and Russia was held. The delegations were leaded by Russian deputy minister of defense N.Mikhailov and deputy chairman of the Central military council of China Zhang Wangyan. At this meeting the Russian counterpart has stated, that "the strategic cooperation of Russia with China and India in a near future will ascend on a qualitatively new level". ⁴³ It is also notable, that the idea, that in the aftermath of Kosovo, China have to reconsider its criticism of India's and Pakistan's acquisition of the nuclear weapon, is being actively discussed in China's influential academic circles.⁴⁴

CONCLUSION

To conclude, let us lay out several tendencies of the future of the Russian-Chinese relations.

The current state of relations between Russia and China reflects their basic foreign policy interests and perceptions, with the shared distrust of NATO strategy, especially after Kosovo, being the vital part of this perceptions. Therefore no big negative changes in the Russian-Chinese bilateral ties are likely in the nearest future. The opposite trend is possible in case of drastic internal shifts in the elites of the both countries, leading to the cardinal reassessments of the basic orientations of foreign and domestic politics. The probability of such internal changes is very low in the short-term future.

Both sides have achieved quite a stable level of security in relations with each other. That is extremely vital for Russia with her situation of protracted socio-economic crises, deficit of financial resources for the defense needs and the deterioration of its strategic posture on the western borders after the expansion of NATO. It is also beneficial for China given her priority of active economic growth and considerably vulnerable situation at the East, South-East and South geopolitical directions (US-Japanese axis, Taiwan, Korea, South China Sea).

Military détente between Russia and China, settling the territory disputes and the demilitarization of the border were achieved without any serious jeopardizing of interests of any one of the parties. The compromises are quite reasonable and stable. All these interim results of

the progress of bilateral relations of the recent years are obviously valuable to both Moscow and Beijing and none of them would put at risk this status-quo.

The same tendency to preserve status-quo would be most probably manifested by both capitals in economic sphere and trade. During last years both partners occupied the natural niches in each other's necessities and capabilities. Both sides are interested to keep this niches for the future.

It's difficult to foresee in details how the military co-operation and arms sales between Russia and China will develop in the coming years. Though stimuli of the international origin – like Kosovo syndrome – will continue to have effect on the flow of weapons through the Russian-Chinese border, the volume of the arms trade will depend more on the financial limitations of the buyer and security considerations of the seller.

The most reasonable forecast will be that the volumes of arms trade will grow, but not very substantial. The nomenclature of arms export will not change substantially and not many new sophisticated types of weapon will be sold. It looks like Russia and China has neared the rational threshold in arms trade. Russia has no reason to sell to China new types of weapons that would substantially expand the range of Beijing's military capabilities, and it will not be reasonable for the Chinese to purchase the types of weapon that would not increase greatly that range of capabilities.

From the point of view of Russia's internal political scene it's hard to foresee any drastic shifts that could destabilize the current flow of Russian-Chinese relations. During the coming presidential election in Russia, Moscow's China policy will hardly be the object of discussion and dispute. It would be risky and unreasonable for any presidential candidate, notwithstanding his political affiliation, to put into question the key milestones of Russia's China policy, including the CBM agreements, border treaties and bilateral cooperation vis-a-vis the US and NATO.

The arms sales and military co-operation issues could be, within certain limits, be variable of the outcome of the Presidential election. The left-oriented candidate, being ideologically more sympathetic to China, will probably be more inclined to closer military ties with China. More active military ties, however, could be seriously inhibited by the left-wing candidate's special sensivity to the electorate in Siberia and Russia's Far East with strong anti-China sentiments. In general, notwithstanding his possible sympathies to China's ideology, the left-wing candidate, if being elected, will hardly exceed the limits of rationality and wise sufficiency in military ties with China.

The other sound factor in Russia's future China policy is the growing interest of the Russian business community, especially the energy companies (like "Gasprom" or "Yukos") to the long-term projects with China. The ability of these companies to lobby successfully the necessary decisions of Russia's China policy, including the basic geopolitical orientations of their partnership vis-a-vis the West, will be visible in the nearest future.

NOTES

¹ See B. Zanegin. Russia in the geopolitic orientations (Relations with the USA and China). *SSHA; economica, politica, ideologiya* (*USA:economy, politics, ideology*) Moscow, 1997 # 7. A.Yakovlev. The lessons of the Soviet-Chinese confrontation and the tendencies of contemporary international development. In: *Perspectives of cooperation of Russia, China and the other North East Asian states in the end of the XX – beginning of the XXI century.* Institute of the Far East Studies. Moscow, 1997 p.136-137.

² This trend is mostly visible in publications on China by A. Chudodeev in *Segodnya*, 1997-1998.

³ See. A. Bogaturov. The Great Powers at the Pacific Ocean. (Moscow: Suita publishers, 1997) A Voskresenskii. The third way: Russia facing the challenge. *Svobodnaya Mysl*, Moscow, 1999 # 5, p. 40-55. A.Sveshnikov. The Problem of formatting of the new world order: Chinese view. *Institute of the Far East Studies Bulletin*. Moscow, 1997. # 13 p.48-76.

⁴ A. Bogaturov The Great Powers at the Pacific Ocean. (Moscow: Suita publishers, 1997) p.272-281

 $^{^{\}rm 5}$ O. Rakhmanin. History of relations of RSFSR, USSR , RF with China. (Moscow: Institute of the Far East Studies.1999) p.166 -173

⁶ G. Solomon. The NATO Enlargement debate, 1990-1997. (Washington:Praegar,1998) p.156

⁷ The Joint Russian-Chinese Declaration of the 25 of April 1996. *Problemy Dalnego Vostoka* (Far East Studies) Moscow, 1996, # 3, p. 7

⁸ The Joint Russian-Chinese Declaration on the Multipolar World and the Formating of the New International Order of the 23 of April 1997. *Problemy Dalnego Vostoka* (*Far East Studies*), Moscow, 1997, # 3, p.5-7

⁹ Sovetskaya Rossiya 25.04.1997

¹⁰ lbid.

The Joint Russian-Chinese Declaration on the Multipolar World and the Formating of the New International Order of the 23 of Apri 1997. Far East Studies, Moscow, 1997, # 3, p.6

¹² Segodnya 25.04 1997

¹³ Sovetskaya Rossiya 26.04 1997

¹⁴ G. Solomon. The NATO Enlargement debate, 1990-1997. (Washington:Praegar,1998)

p.157

- ¹⁵ Nezavisimaya gaseta, 25.11.1998.
- On different assessments of arms sales to China see: "Limited Partnership". Report of the Study Group on Russia-China Relations. Prepared by Sherman W.Garnet (Washington DC: Carnegie Endowment for International Peace) 1998; S.Blank, "The Dynamics of Russian Weapons Sales to China", Prepared for the conference on Chinese Naval Power, Leesburg, Va., July 11-12, 1996; P.Felgengauer, "An Uneasy Partnership: Sino-Russian Defense Cooperation and Arms Sales" in Russia in the World Arms Trade, A. Pierre and D.Trenin,eds (Washington Carnegie Endowment for International Peace) 1997; C.Makienko, "Assessing Russian Chinese Military-Technological Cooperation" PIR-Center, Moscow , 1997, # 10-11(October-November), p.19-20
- P.Vlasov, "Characteristics of Russian export of conventional weapon to China and India". *PIR Center*, Moscow, 1997 # 10-11 (October-November) p.16
- ¹⁸ See H.Jencks Wild Speculations on the Military Balance in the Taiwan Straits. In: *Crisis in the Taiwan Strait*. J.Lilley and C.Downs ed.(Washington DC) 1997. p.132.
- ¹⁹ Segodnya, 20.03.1997
- ²⁰ China in 1987:Politics, Economy, Culture. (Moscow: Nauka Publishers, 1989) p.128.
- ²¹ Xiandai Guoji Guanxi (Contemporary International Relations), Beijing, 1996 # 11, p.27.
- ²² ITAR-TASS 24.08.99
- ²³ E.Lincoln. Exploring the Asian Financial Crisis. *Brookings Review*. Summer 1998, vol.16, # 3, p.5
- ²⁴ Renmin Ribao, 28 May 1997.
- ²⁵ Xiandai Guoji Guanxi (Contemporary International Relations), Beijing, 1997 # 5, p.15-16
- ²⁶ Renmin Ribao, 29 October 1997.
- ²⁷ Washington Post, 01.07.1998, p.A15
- ²⁸ Nezavisimaya gazeta . 8.11.1997.
- ²⁹ Renmin Ribao 13.05.99; China Daily 14.05.99
- ³⁰ China Daily, 10.05.99
- 31 China Daily, 15.05.99; 11.05.99
- ³² B.Clinton interview to ABC network, 12 June 1999.
- ³³ Rossiiskaya gazeta, Moscow 17.09.99
- ³⁴ ITAR TASS 15.07.1999
- ³⁵ ITAR TASS 26.07.1999
- ³⁶ ITAR TASS 30.07.1999
- ³⁷ ITAR TASS 25.06.1999
- ³⁸ ITAR TASS 24.08.1999

³⁹ ITAR – TASS 25.08 1999

⁴⁰ Renmin Ribao, 13.05.99

⁴¹ Zavtra , # 40, 1999

⁴² ITAR – TASS 22.08 1999

⁴³ ITAR-TASS 14.06.1999

⁴⁴ Zavtra , # 40 1999