

VI. Russia's evolving role in North East Asian security

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Following Russia's de facto annexation of Crimea in early 2014 and the evolving crisis in eastern Ukraine, Russia has been placed under Western sanctions. One of Russia's strategies to compensate for this deterioration in relations with the United States, European Union and the North Atlantic Treaty Organization (NATO) has been to attempt to build strategic alliances in North East Asia. It has sought to do this through deepening its ties with China and exploring closer economic and political relations with North Korea.

The Chinese–Russian consolidated strategic partnership

With China, Russia has focused on the traditional areas of the relationship: energy, security and cooperation in international affairs. In May 2014 Russian President Vladimir Putin visited Shanghai to close a 30-year gas contract worth \$400 billion on behalf of the Russian gas company Gazprom, and the two countries expressed a commitment to reach a bilateral trade level of \$200 billion by 2020.¹ Furthermore, China has committed to several Russian investments, including a partnership between the Russian oil company Rosneft and the China National Petroleum Corporation (CNPC) in upstream projects in East Siberia, a \$10 billion upgrade of Russian railroads and a joint venture to build long-haul aircraft based on Russia's Ilyushin aircraft.²

Furthermore, CNPC will start constructing the Chinese part of the 'Power of Siberia pipeline', which is expected to begin transporting oil from Russia to China in 2015. In the wake of the Asia–Pacific Economic Cooperation (APEC) meeting in Beijing on 10–12 November 2014, Putin and Chinese President Xi Jinping signed another gas supply agreement, reportedly foreseeing the supply of 30 billion cubic metres of gas annually from Siberia to China over 30 years.³

There are increasing signs that Russia is resuming sales of advanced military technology to China. China has received advanced weapons systems

¹ 'Chinese premier to attend Europe summit, sign Russia deal', Reuters, 4 Oct. 2014.

² 'CNPC signs cooperation agreements with Gazprom and Rosneft respectively', Chinese National Petroleum Corporation (CNPC), 15 Oct. 2014, <<http://www.cnpc.com.cn/en/nr2014/201410/0807508c8fa04c46b22953a9c2363c4f.shtml>>; 'China, Russia sign deals on energy, high-speed railways', Xinhua Net, 14 Oct. 2014, <http://news.xinhuanet.com/english/china/2014-10/14/c_133713784.htm>; 'Russia and China are to challenge Boeing and Airbus as world aircraft leaders', Russia Today, 31 May 2012, <<http://rt.com/business/russia-china-aircraft-ilyushin-654/>>; and 'China cashes in on Russia's shrinking economic options', *Christian Science Monitor*, 14 Oct. 2014.

³ Paton, J., and Guo, A., 'Russia, China add to \$400 billion gas deal with accord', Bloomberg News, 10 Nov. 2014.

from Russia since the 1990s, such as Su-27 and Su-30 aircraft and SA-10, SA-15 and SA-20 surface-to-air (SAM) missiles, Kilo-class submarines, but also advanced aircraft and missile technology.⁴ China also imports Russian engines for the construction of JF-17 and J-10 combat aircraft, overcoming a major industrial bottleneck.⁵ Between 1990 and 2010, 80 per cent of China's weapons imports came from Russia. Since the mid-2000s, Chinese imports of Russian arms have fallen significantly.⁶ After peaking in 2005, they fell by over 50 per cent in just two years and have remained on a much lower level ever since. Russia's ability and willingness to deliver arms to China continues to be affected by six factors: (a) Russian technology levels; (b) competition (or lack thereof) from other suppliers; (c) the quality of Russian arms exports; (d) Russian arms transfer relations with India and other countries; (e) concerns over unauthorized Chinese reverse-engineering of Russian systems; and (f) Chinese competition on the global arms market.⁷ Alleged unauthorized Chinese copies of Russian weapon systems include the J-11B combat aircraft (Russian SU-27SK) and Russian concerns about Chinese reverse-engineering are one of the major reasons behind the stalling of negotiations on the sale of advanced Su-35 multirole combat aircraft to the Chinese military.⁸

Since 2013 there has been a visible reinforcement of political ties between China and Russia. In November 2014 following years of negotiations, Russia reportedly signed a contract to provide S-400 SAMs to China, worth approximately \$3 billion. The S-400 greatly expands China's air defence in the disputed maritime territories and has a direct impact on the capability of the Taiwanese Air Force to operate in the Taiwan Strait.⁹ The S-400 also complicates Japanese interdiction activities in the East China Sea and helps enforce China's ADIZ. Moreover, at the time of writing, speculation was high that the long-stalled sale of Su-35 fighter jets to China might at last be completed.¹⁰ Since 2012, there have also been reports that China and Russia may be getting close to an agreement regarding the sale of Amur 1650 submarines, an export version of the Lada-

⁴ Jakobson L. et al., *China's Energy and Security Relations With Russia, Hopes, Frustrations and Uncertainties*, SIPRI Policy Paper no. 29 (SIPRI: Stockholm, Oct. 2011).

⁵ Holtom, P. et al., 'Developments in arms transfers, 2012', *SIPRI Yearbook 2013*, p. 254.

⁶ Jakobson et al. (note 4), pp. 17–22.

⁷ Jakobson et al. (note 4).

⁸ Saunders, P. C. and Wiseman, J. K., 'Buy, build, or steal: china's quest for advanced military aviation technologies', INSS China Strategic Perspectives, No. 4, Dec. 2011, <<http://ndupress.ndu.edu/Portals/68/Documents/stratperspective/china/ChinaPerspectives-4.pdf>>.

⁹ Minnick, W., 'China's checkmate, S-400 looms large over Taiwan', *Defence News*, 6 Dec. 2014.

¹⁰ Novichkov N., Hardy J., 'Russia ready to supply standard SU-35s to China, says official', *IHS Jane's*, 25 Nov. 2014.

class diesel submarine operated by the Russian Navy.¹¹ The S-400, Su-35 and Amur-class are all upgrades of systems that China is already operating.

In view of Western sanctions on technology transfers to Russia, some Russian experts are starting to consider China as a potential source of weapon systems and military-relevant technology. One example is armed drones, which Russia does not produce. The Chengdu Pterodactyl I, produced by the Aviation Industry Corporation of China (AVIC) and the China Aerospace Science & Industry Corporation (CASIC), has already been exported to Saudi Arabia and is being promoted as an option for Russia.¹² China's 071 series of amphibious assault ships could also offer an alternative to the French Mistral amphibious assault ship.¹³

However, there are clear limits to the deepening of China–Russia relations. Russia's arms sales policy towards China is not designed to support China's territorial claims. Russia also exports arms to countries with which China has territorial disputes, such as India and Viet Nam. The recent agreement reached between Hindustan Aeronautics and Sukhoi to co-produce a fifth-generation stealth fighter based on Russia's T-50 combat aircraft (currently under development) is a reminder that Russia is usually willing to transfer more advanced military technology to India than to China.¹⁴

In addition, China has refrained from taking a clear stance on the crisis in Ukraine by abstaining in the vote on United Nations General Assembly Resolution 68/26 on the Russian annexation of Crimea. Although China is traditionally opposed to foreign interference in the domestic affairs of other countries as well as separatist movements, many in China viewed the Ukrainian 'Maidan' revolution as part of the Western agenda to promote regime change in authoritarian countries.¹⁵

Russia's turn to North Korea

The diplomatic activity between Russia and North Korea reached unprecedented levels during 2014, culminating in an invitation to the North Korean leader, Kim Jong-un, to attend a ceremony commemorating the end of World War II in Moscow in May 2015—an invitation that the North Korean leader turned down at the last minute. This would have been

¹¹ 'China considers buying four Russian Amur-class AIP submarines', *Want China Times* (Taiwan), 17 Aug. 2014.

¹² Kashin, V., 'Russia must expand relationship with China', *Moscow Times*, 5 Oct. 2014.

¹³ In September 2014 France halted the planned delivery of the first of 2 Mistral amphibious assault ships ordered by Russia in 2011. See the discussion on this issue in chapter 10, section I, of this volume; and Kashin (note 12).

¹⁴ 'Indo–Russian jet program finally moves forward', *Defence News*, 15 Sep. 2014.

¹⁵ For a discussion on the Ukraine crisis, see chapter 3 in this volume.

Kim Jong-un's first visit abroad as leader of North Korea.¹⁶ Like Russia, North Korea is the subject of international sanctions, and Russia has been seeking to increase economic relations with North Korea. In April 2014 the Russian Parliament agreed to write off 90 per cent of North Korea's debt (worth \$10 billion) and promised to invest the remaining 10 per cent in the country.¹⁷

In October 2014 North Korea's Foreign Minister Ri Su Yong made a 10-day visit to Russia. In addition to expressing North Korea's support for Russia in the Ukraine crisis, the focus of Ri's visit was economic cooperation and agreements were concluded on bilateral agricultural projects.¹⁸ In 2008 Russia invested in railway infrastructure between the border town of Khasan and the port of Rajin in North Korea, enabling Russia to start shipping coal to South Korea via North Korea in 2014.¹⁹ During 2014, diplomatic discussions on economic cooperation have focused on the role Russian companies could play in modernizing and expanding the currently underdeveloped network of North Korean railways and roads. Financing constitutes a problem, especially as a result of the rouble crisis. In order to generate funding Russia is considering two options: it can either involve South Korean companies, which are reluctant for political reasons, or it can rely on the exploitation of North Korean mineral resources.

Economic constraints limit the role that Russia can play in North Korea's economic recovery, but Russia nonetheless offers a possibility of diversification for North Korea's external economic strategy that in the past few years has relied heavily on ties with China. The strategic impact of this evolving relationship between Russia and North Korea will likely be limited, as Russia is in no position to convince the USA and South Korea to resume the Six-Party Talks.²⁰ Russia's ambitions to raise its strategic profile in North East Asia will have limited impact unless it agrees to major arms sales to China.

¹⁶ 'Russia invites North Korea leader for May visit', Reuters, 17 Dec. 2014.

¹⁷ 'Russia writes off 90 percent of North Korea debt, eyes gas pipeline', Reuters, 19 Apr. 2014.

¹⁸ Toloraya, G., 'Russia-North Korea ties gain traction', 38 North, 6 Nov. 2014, <<http://38north.org/2014/11/toloraya110614/>>.

¹⁹ Russian Railway, Profile: The Khasan-Rajin Project, [n.d.], <http://eng.rzd.ru/statice/public/en?STRUCTURE_ID=4088>.

²⁰ The Six-Party Talks are aimed at inducing North Korea to give up its nuclear arsenal in exchange for international assistance. See Kile, S., 'North Korea's nuclear programme', *SIPRI Yearbook 2014*.