

TWO AGAINST ALL

Comparative analysis of tools
used by Russia and China
to influence Asian and European countries





Author of the idea, Alyona Getmanchuk,

Reviewer-in-Chief: Director, New Europe Center

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Discussion Paper

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Comparative analysis of tools used by Russia and China to influence Asian and European countries

Authors:



Sergiy SOLODKYY, First Deputy Director, New Europe Center



Nataliya BUTYRSKA, Expert on East Asia

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EXECUTIVE SUMMARY

China and Russia act differently in different parts of the world in Europe and Asia. However, China's foreign policy is becoming increasingly reminiscent of Russia's. The tone of China's diplomatic statements has been compounded by recognizable Russian assertiveness, manipulation and aggression. Lessons in the field of hybrid special operations — information provocations and the spread of fakes — have proved to be the most useful for Beijing. China is seeking to deepen cooperation with Moscow only to the extent and in areas where it can reinforce its position. The asymmetry of relations between China and Russia gives Moscow the modest role of a junior partner, since China has outcompeted it in military might, financial resources and technological advancement. Russia is not protesting against China's growing presence in countries that the Kremlin has traditionally considered its sphere of influence. Both countries find common ground in a twofold objective: to fight democratic governments and bolster their own authoritarian regimes. Asia is anxiously watching Russia's aggression against Ukraine, fearing lest a new phase of the war should provoke China to take similar steps against Taiwan or the Japanese Senkaku Islands. Cooperation between Beijing and Moscow is based on a cold-blooded and probably temporary premeditation, which in all likelihood makes talks on forging an alliance of the two powers exaggerated. The main effect of Russia's lessons for China is deplorable, as evidenced by the declining trust to Beijing among Asian and European countries in recent years.

1. INTRODUCTION

The first forum on Ukraine-Japan cooperation held by the New Europe Center in February 2021 threw into stark relief the significant and mutual interest of Japanese researchers and diplomats in Ukrainian issues and that of their colleagues from Kyiv in security trends around Japan. Ukrainians were interested in how Tokyo cooperates with Washington on security (and whether this model could be at least partially projected on Ukraine). The Japanese were interested in how, despite external aggression and extraordinary obstacles, Ukraine continues to reform and consolidate its democracy. Kyiv tried to draw parallels with the Russian-occupied Crimea and the similarly Russian-occupied Northern Territories. At the same time, Tokyo drew attention to a more acute problem of its own — China's possible aggression against the Japanese Senkaku Islands, modeled after the Russian scenario.

The word "security" was probably key in each of the discussions, whether they concerned political cooperation, strengthening soft power or trade. But just as often, participants of the forum mentioned two countries that had aroused special interest because of their intensive and even aggressive international policies — China and Russia.

The choice of the topic for the second forum was quite logical — "Ukraine and Japan in a regional and global context." No less logical was the topic for the new discussion paper of the New Europe Center, which we decided to prepare for consideration during the event, namely to compare the approaches and behavior of China and Russia towards Asia and Europe to find out commonalities,

differences and developments that Ukraine, Japan and the whole world should brace themselves for. After all, the results of the first forum gave grounds to believe that China and Russia behave differently in Europe and Asia: whereas China is more aggressive in Asia and more sophisticated in Europe, Russia is working the other way around.

It will be recalled that the first forum featured the presentation of an analytical document by Alyona Getmanchuk, Director of the New Europe Center, entitled *Ukraine-Japan: how to secure an effective global partnership?*The study you are now holding in your hands is another attempt to look at Ukraine in a broader political and security context amid growing international tensions due to closer cooperation between Russia and China in various fields.

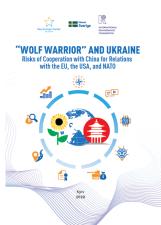
The New Europe Center has previously presented quite a few documents that are relevant to the subject of this discussion paper. For instance, in 2020, our analysts prepared a study called "Wolf Warrior" and Ukraine. Risks of cooperation with China for relations with the EU, the USA and NATO.² In this way, our think tank made its modest contribution to the discussion in the framework of preparing the Asian Strategy

Alyona Getmanchuk, "Ukraine-Japan: how to secure an effective global partnership?," 2021, http://neweurope.org. ua/wp-content/uploads/2021/02/Dyskusiy-na-zapyska-Ukraina-YAponiya.pdf

New Europe Center, "Wolf Warrior" and Ukraine. Risks of cooperation with China for relations with the EU, the USA and NATO," 2020, http://neweurope.org.ua/wp-content/ uploads/2017/10/Shina-ES-USA_ukr_web.pdf









of Ukraine by the Ministry of Foreign Affairs. In 2018, the New Europe Center wrote an equally unique study based on the research into Russia's instruments to influence European countries. The paper Atrophy of Trophies. How Can Ukraine Take Advantage of the Vulnerabilities of Russian Policies in the EU? examined lessons learned from countering Moscow's intervention policy in Germany, Italy, France, Greece, Poland and Hungary.³ In October 2021, during the 4th Association Exchange Forum, the New Europe Center held the first discussion on the Russian-Chinese influence on the European integration of Ukraine, Moldova and Georgia. ⁴ Apposite observations on this topic were made by Iulian Chifu (Romania), Paata Gaprindashvili (Georgia) and Stefan Meister

(Germany). All our previous groundwork was used in the preparation of this document.

The novelty of our study lies in a comparative analysis of the approaches of Russia and China in two regions — Asia and Europe: what is common, what is different and whether we are really witnessing the formation of a new alliance. We have analyzed Russia's and China's behavior in Europe and Asia in the following areas: political, economic, security, cultural and educational (with the last two tentatively titled "soft power"). Our task was to analyze the most typical approaches, methods of the two countries and exceptional situations that, albeit not fitting into the general behavior pattern, might indicate the launch of new initiatives and operations that are worth paying attention to.

This topic — the comparison of China's and Russia's behavior — has become particularly sensitive in recent years (especially last year). For example, in the autumn of 2021, the IRSEM think tank of the French Ministry of Defense released an extensive report Chinese influence operations — a Machiavelli

New Europe Center, "Atrophy of Trophies. How Can Ukraine Take Advantage of the Vulnerabilities of Russian Policies in the EU?," http://neweurope.org.ua/analytics/ atrofiya-trofeyiv-yak-ukrayina-mozhe-skorystatys-vrazlyvymystoronamy-rosijskoyi-polityky-u-yes/

^{4 4}th Association Exchange Forum, October, 2021, http://neweurope.org.ua/en/ en-4th-association-exchange-forum-21-22-of-october/



moment, which states that the world is currently witnessing "russianisation" of Chinese operations aimed at influencing other countries.⁵

In April 2021, CEPA (USA) prepared an important document Partnership Without Substance, which analyzed the behavior of China and Russia in Central and Eastern Europe. 6 Of particular value to us was an interview with one of the authors of this study, Edward Lucas, a former editor of the influential magazine The Economist. What also merits attention is the analysis of Japanese researcher Sanshiro Hosaka entitled China-Russia Alliance — Lessons from Japan's Failed "Detachment" Strategy, echoing our topic (the author of this study has also been interviewed).7 Ian Storey, a researcher from Singapore, whose comments we also had an opportunity to hear during the conversation, prepared an analysis focused on the study of Russian-Chinese influence in Southeast Asia.8

We are aware that a number of other well-known think tanks in the EU are currently preparing similar studies. Therefore, we hope that these research contributions will allow partners to take into account some of our groundwork. We also believe that the analysis

will contribute to a better understanding of global processes by Ukrainian government officials with decision-making powers (especially with regard to China).



Paul Charon, Jean-Baptiste Jeangène Vilmer, "Chinese influence operations — a Machiavelli moment," IRSEM, 2021, https://drive.google.com/file/d/1WgJ6WXkzwmUjzVs4Dj6 OOh4jg0TK6Rr1/view

Bobo Lo, Edward Lucas, "Partnership Without Substance," CEPA, 2021, https://cepa.org/partnership-without-substance/

⁷ Sanshiro Hosaka, "China-Russia Alliance — Lessons from Japan's Failed "Detachment" Strategy," ICDS, 2021, https:// icds.ee/en/china-russia-alliance-lessons/

⁸ Ian Storey, "The Russia-China Strategic Partnership and Southeast Asia: Alignments and Divergences," ISEAS, 2021, https://www.iseas.edu.sg/articles-commentaries/iseasperspective/2021-117-the-russia-china-strategic-partnershipand-southeast-asia-alignments-and-divergences-by-ian-storey/



2. KEY FINDINGS

Phobias unite. Russia and China have developed the closest rapport on the mission of their cooperation, which is reducing US global influence. The two authoritarian states are pursuing a dual goal: to weaken other democracies, on the one hand, and strengthen and prolong their regimes, on the other. China and Russia are equally interested in blurring the consensus among associations and organizations that champion human rights and promote democratic values (under the "divide and rule" principle).

Buying loyalty. Thanks to sizable investments, China is effective in winning the favor of third countries. Russia has long applied a similar approach by involving powerful companies, which in turn are expected to influence their own governments to conduct a more lenient policy towards Moscow.

Blackmailers of a global scale. China and Russia exercise blackmail and pressure to achieve political goals. An acute reaction and threats from Beijing or Moscow sometimes make other countries more accommodating. Thanks to the efforts of China and Russia, the vocabulary of world diplomacy has

been enriched with the phrases "gas war", "vaccine diplomacy", "migration blackmail."

A disservice to the "wolf warrior." The foreign policies of Russia and China share many common features in their implementation. Previously reliant on soft power and trade, Beijing has now opted for offensive tactics to advance its interests (primarily in Europe). China's recent assertiveness and aggressive tone is reminiscent of Russia's long-standing approaches. The Sino-Russian march against Western democracies has failed to muster support and understanding in most Asian and European countries. Russia and China are gradually losing trust in the eyes of ordinary citizens of many countries in Asia and Europe. Aggressive diplomacy, even if it brings some dividends, is tactical.

When Moscow is silent... Public tensions between Russia and China seldom arise (especially with regard to countries that Beijing considers its own sphere of influence). Moscow, on the other hand, accepts China's mounting presence in countries that Russia has traditionally considered its sphere of influence. Russia is inferior to China: the incommensurability of military and financial resources coupled with technological backwardness prevent Moscow from talking to Beijing on an equal footing. China is naturally gaining the upper hand over Russia in its influence on Asia. Its lesser impact on European affairs is more indicative of China's lower interest in Europe than of Russia's strength. In its tandem with China, Russia is obviously a junior partner who does not argue with the stronger one.



Fear means respect? In the West, the idea that further punishment of Russia for its aggressive policies will push Moscow into China's embrace is increasingly gaining currency. Russia is interested in exploiting this assumption in order to achieve a review of the sanctions policy and possibly launch a dialogue on a new security framework for coexistence in the Euro-Atlantic area. At the same time, China is making it clear that it has no interest in any alliances, including with Russia (this does not deny the fact that Beijing is using Moscow to its advantage).

Differences that do not change the essence.

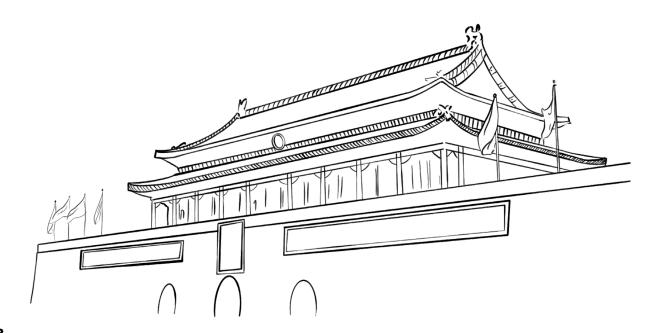
Russia's and China's tools in Asia and Europe differ. China is more focused on promoting economic influence, through which it also achieves political goals. Russia is focused on military and diplomatic influence due to limited financial resources. In Europe, Moscow is resorting to energy blackmail, which has long been another weapon of Russia.

Hybrid influences. One of the main lessons that China has learned is the use

of hybrid methods of conducting certain types of operations, particularly the use of manipulative technologies in information and diplomatic practices. China and Russia are regarded as the main sources of cyberattacks against Western institutions. Both countries deny the allegations.

"From Russia with love." Russia has more tools at its disposal for a hard-line approach to third countries, such as real military action, threat of war, sting operations for plotting coup d'états, sabotage, assassinations, etc. Spreading misinformation and using troll factories is a basic minimum that has been quickly mastered in China.

Dangerous parallels. Asian countries are keeping a close watch on Russia's aggression in Ukraine. The precedent of annexing Crimea is raising fears that Russia's scenario could be used by Beijing against Taiwan and the Japanese Senkaku Islands. In turn, if successful, the seizure of Taiwan by force may be a signal to Russia about the possibility of more aggressive actions in Ukraine.





3. POLITICS

3.1. POLITICAL TOOLS OF RUSSIAN AND CHINESE INFLUENCE IN ASIA

Russia's toolkit for influencing political processes in the region is rather limited.

It is a secondary player in geopolitical processes in the Asia-Pacific and is forced to follow China's lead. However, there is a demand among Asian countries to involve a wider range of players in regional processes, especially given the intensification of US-China rivalry. Countries of the region are pursuing the policy of balancing the economic benefits of relations with China and the US security umbrella. They are not interested in choosing one of the parties in the US-China confrontation, trying to involve other countries such as Japan, Australia and India to play more active role in the region. In this regard, they would welcome Russia's independent position, which would demonstrate a balanced approach and build independent relations of bilateral cooperation in Asia. For Moscow, this would be a chance to avoid the fate of Beijing's "junior partner." Russia-China relations are further compounded by conflicts in the Asian region itself. Skirmishes at the Sino-Indian border and the deepening competition between the two regional players have led to an awkward situation for Moscow, which seeks to develop friendly relations with India.9

- Neutrality in territorial disputes. Moscow remains neutral in China's territorial disputes with neighboring countries in the South China and East China Seas. In turn, Beijing maintains neutrality with regard to the Northern Territories, which are the subject of a territorial dispute between Japan and Russia. Moscow recognizes the one-China principle and considers Taiwan an integral part of PRC.
- Contempt for the norms of international law. Russian President Vladimir Putin was one of the few world leaders to openly support China's position not to recognize the 2016 ruling of the Permanent Court of Arbitration in The Hague on the dispute brought by the Philippines, denying China's claim of historic rights in the South China Sea based on its "nine-dash line."10 Through such policy is goes against the positions of Vietnam, the Philippines, Malaysia, Brunei and Taiwan, whose interests are directly affected, and leads to the violations of international law. In addition to the traditional "game in unison" with China, Moscow's position is in line with its desire to legitimize its own international crimes related to the illegal annexation of Crimea, military aggression against Ukraine and reluctance to take

The political influence of Russia and China in Asia is currently determined by several common factors:

⁹ Nandan Unnikrishnan, Nivedita Kapoor, "The cost of rift between India and Russia," Valdai Club, March 3, 2021, https://www.nkibrics.ru/posts/ show/6041edf36272697eb4390000

Nine-dash line is a term used by China to define 'historical rights' to the major part of the South China Sea, relying on Chinese maps of the 1940s.



responsibility for the downing of Malaysia's MH-17 passenger jet.

- Anti-American orientation. Russia, like China, has a negative attitude towards the regional architecture embodied by the United States and its allies. The US withdrawal from Afghanistan creates opportunities for growing Chinese and Russian influence in Central and South Asia.
- Regional inclusiveness. Moscow and Beijing are actively involved in inclusive regional institutions in the Asia-Pacific (East Asia Summit, APEC, ASEAN Dialogue Partners, through which they advance their agenda in the region). China has a major influence on decision-making in these regional platforms.

Beijing's foreign policy towards neighboring countries is characterized by the use of the "carrot and stick" method: a firm defense of national interests, which in recent years has been implemented through the "wolf warriors" diplomacy, and soft power, aimed at illustrating China's growing global capabilities. Beijing is becoming more assertive in its behavior, which is why many countries are seeing its development as a threat to their own national interests.

East Asian countries, particularly Japan and South Korea, play an important role in China's foreign policy and have close economic relations with it. That said, they have significant differences over the regional security architecture, relying on allied relations with the United States. Tokyo is trying to reduce the region's dependence on China through smart strategic cooperation within the Indo-Pacific Initiative and the investment program Partnership for Quality Infrastructure. This comes at a time when

South Korea is showing caution in its actions due to the unresolved nuclear issue around the DPRK, in which China's position is crucial. Russia is an active participant in East Asia's key diplomatic processes, including the North Korean issue.

Meanwhile, relations between Japan and South Korea, on the one hand, and Russia, on the other, show a tendency to build political and diplomatic cooperation outside the US-China confrontation. Japan's political relations with Russia are burdened by the pending dispute over the Northern Territories, but even in these circumstances, Japan is seeking to maintain a dialogue to prevent a deep Russian-Chinese rapprochement.

Beijing and Moscow are showing a tendency towards deepening their relations, while also trying to avoid contradictions where they might arise.

Beijing and Moscow are showing a tendency towards deepening their relations, while also trying to avoid contradictions where they might arise. Central Asia was expected to be the site of a possible Sino-Russian confrontation, but Russia consented to China's growing influence in key areas. In Beijing's strategic calculations, Central Asia is one of the pivotal regions due to several essential factors: it is a kind of a buffer zone for neighboring countries between the troubled Afghanistan and the Xinjiang Uyghur Autonomous Region; it has rich energy and natural resources that China needs; the Chinese flagship Belt and Road Initiative passes through its territory.

Russia remains an influential force in the region. This is facilitated not only by institutional cooperation through the Eurasian Economic Union (EAEU), the Collective



Security Treaty Organization (CSTO) and the Shanghai Cooperation Organization (SCO) but also by a common political culture and interconnectedness with Central Asian political circles. Coercive diplomacy and blackmail, commonly practiced by the Russian authorities in relations with post-Soviet countries, also have an important role to play. This has been repeatedly manifested, for example, in territorial claims against Kazakhstan or the desire to influence the resolution of political issues in the region for fear of destabilizing the situation.

Coercive diplomacy and blackmail, commonly practiced by the Russian authorities in relations with post-Soviet countries, also have an important role to play.

Despite the coordination of activities within the UN on the Afghan issue and the strengthening of security cooperation with Central Asia, the interests of the two countries in regional policies are not identical. China seeks to prevent possible security threats to the Xinjiang Uyghur Autonomous Region from terrorist and radical groups in Afghanistan, promote the integration of South and Central Asia into the Belt and Road initiative and reduce India's influence as a regional player. Russia's goal is to retain its role as the main security guarantor in the Eurasian space and balance its long-term friendly relations with India and the new approach to Pakistan with which it is actively building relations.11

3.2. POLITICAL TOOLS OF RUSSIAN AND CHINESE INFLUENCE IN EUROPE

The behavior of Russia and China on the political map of Europe has some common goals, but the tools to achieve them do not always coincide. Russia looks like an actor who feels more confident in this regard, both in terms of geographical proximity and historical circumstances. However, Moscow's aggressive policy towards Ukraine and interference in the internal affairs of many European countries reduce Russia's political influence on the European continent year by year; therefore, Moscow is forced to resort more often and openly to aggressive methods of achieving its goals. The following features are unifying for China and Russia politically:



Divide and rule. The EU seeks to pursue a coherent foreign policy by speaking in a "strong, clear and unified voice."

China's and Russia's policies are aimed at making this voice more fragmented. This will allow Beijing and Moscow not to become the target of tough EU policies in general.



Human rights vs rights of force. While the EU is a normative power, an actor seeking to promote human rights in

international relations, China and Russia are strongly opposed to such approaches. Muscleflexing, military posturing and bellicose foreign policy statements have become an integral part of Chinese and Russian diplomacy.

Economic dependence. Russia and China are exploiting the weaknesses of market economies, notably the fact that Western countries are configured to benefit from international trade. Economic dependence partly creates additional

¹¹ War on the Rocks, Elisabeth Wishnick, "Prospects for Sino-Russian Coordination in Afghanistan," November 8, 2021, https://warontherocks.com/2021/11/ prospects-for-sino-russian-coordination-in-afghanistan/



constraints for politicians in European countries. Russia and China are actively and often effectively taking advantage of this factor. This does not always assume the form of legal economic activity and may include corruption as its component.

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China's political ambitions in Europe are much more modest than Russia's. While Beijing is more focused on preventing the EU from interfering in China's human rights situation, Moscow is nurturing larger geopolitical plans, including signing a new security pact with Western governments to restore Russia's influence and control over some post-Soviet countries.

Accordingly, Russia's behavior in Europe is characterized by a wider range of levers of influence. Naturally, these tools are not equally effective: for instance, Poland, once a member of the Warsaw Pact and, for some time, part of the Russian Empire, offers a stronger social and political resistance. At the same time, Russia's former dominance has provided Moscow with a huge number of dossiers containing compromising information, thus enabling it to blackmail and influence certain politicians.

Russia's instruments of influence on European countries in the political sphere have been primarily employed in two directions:

High-level contacts. It was important for Vladimir Putin to maintain a trusting relationship with

Europe's key leaders. Friendship of this level facilitated the achievement of his goals. In recent years, however, the numbers of European politicians ready to befriend the Kremlin have drastically dwindled, since the reputational damage from close contact with the Russian president is too high. That said, in the past, he managed to bond with Italian Prime Minister Silvio Berlusconi, German Chancellor Gerhard Schroeder and French President Nicolas Sarkozy. In the end, these politicians remained advocates for Russia's interests even after they left senior positions (partly on a fee basis). Putin is also trying to make the dialogue with post-Soviet leaders less formal and politicized, as evidenced by cooperation with Belarusian leader Alexander Lukashenko. Here is another example: in 2003, during an informal conversation on the occasion of "Defender of the Fatherland Day" on February 23, Vladimir Putin persuaded the leaders of Ukraine, Belarus and Kazakhstan to establish a Single Economic Space. Leonid Kuchma, the then President of Ukraine, was berated at home for his spontaneous consent in Moscow; for the Ukrainian government, the decision of the head of state came as a scandalous surprise.12 At such "friendly meetings," Ukrainian policy-makers were forced to agree with decisions that ran counter to Ukraine's interests. This was also the case with the agreement on gas supplies between the prime ministers of the two countries, Vladimir Putin and Yuliia

BBC Ukraine, "Official year of Russia in Ukraine is over," January 23, 2004, https://www.bbc.com/ukrainian/domestic/ story/2004/01/040123_ukr_rus_year



Tymoshenko, in 2009 (the price of gas for Ukrainians turned out to be record high and unfavorable). That is why lots of diplomats, politicians, and analysts in Ukraine are still skeptical about bilateral talks with Russia without international mediators.

Support for pro-Russian politicians.

Russia has consistently worked with various political forces in Europe.

Recently, this has mostly concerned movements and parties with extreme outlooks, far-left or far-right. Russia is equally cooperating with the German Die Linke and the far-right Alternative for Germany. In 2014, France's National Front received a €11 million loan from the First Czech Russian Bank, registered in Moscow. One of the most flagrant recent cases is the accusation against Hungarian politician Bela Kovacs, a former member of the European Parliament, who allegedly spied for Russia. The latter has its favorites in Eastern Europe as well: in Ukraine, for instance, Vladimir Putin has made no secret of his affinity to Viktor Medvedchuk and his party Opposition Platform — For Life.

For a variety of reasons, China cannot be effective in these areas. Russia often uses historical and cultural contexts to advance its political agenda. For example, during the first meeting with President of France Emmanuel Macron, an exhibition was organized at the Castle of Versailles called Peter the Great. A Tsar in France. 1717 (dedicated to the 300th anniversary of diplomatic relations between Paris and Moscow). China's efforts to step up political contacts in Europe are virtually in their nascency and take place primarily through the development of trade and economic cooperation. Mounting concerns about China's influence could be an additional factor that will hamper the formation of

a trusting political relationship between Beijing and European capitals.

China's efforts to step up political contacts in Europe are virtually in their nascency and take place primarily through the development of trade and economic cooperation.

Moreover, Russia may have some interest in spreading fears about China: some Western politicians are promoting a resumption of dialogue with Moscow and a revision of the sanctions regime so as to prevent Russia from a rapprochement Beijing, which could pose a serious threat to international security.¹³ This idea is increasingly gaining ground and will likely be mulled by both strategists who believe in the possibility of a dangerous Russia-China alliance and the stakeholders who would like to restore past relations with Russia without any preconditions. "[...] You should be completely aware of what this would lead to in geostrategic terms. You would thereby be driving Russia and China into each other's arms, and thereby also be creating the largest economic and military alliance in the world. And I do not think this should be the West's strategy... So in this matter I am against burning all bridges with Russia," said German Foreign Minister Heiko Maas during his speech in the Bundestag.14

Alexander Gabuev, "As Russia and China Draw Closer, Europe Watches With Foreboding," Carnegie Moscow Center, March 19, 2021, https://carnegie.ru/2021/03/19/ ru-pub-84128

Federal Foreign Office, Speech by Foreign Minister Heiko Maas to the German Bundestag, February 10, 2021, https://www.auswaertiges-amt.de/en/newsroom/news/ maas-russia/2441452



4. ECONOMY

4.1. ECONOMIC TOOLS OF RUSSIAN AND CHINESE INFLUENCE IN ASIA

The initiative to revive the ancient Silk Road Economic Belt, announced by Xi Jinping in Kazakhstan in 2013, and the concept of the 21st Century Maritime Silk Road in Indonesia, laid the foundation for the revival of trade routes connecting China with Eurasia and the Middle East. The new Silk Roads were also aimed at building land and sea corridors from China to Europe. These initiatives quickly transformed into one of the main components of China's foreign policy and foreign economic strategy, known today as the Belt and Road.

The emergence of economic interdependence, which has developed during the implementation of the initiative, contributes to strengthening China's clout in Asian countries. Over time, it has become increasingly apparent that the economic nature of the Belt and Road Initiative is gradually being transformed into the Chinese government's aspiration to secure political and strategic leadership in Asia. China is accused of promoting "debt-trap diplomacy," not complying with labor laws in other countries, bribing local officials, polluting the environment, making inefficient investments and failing to use local labor. An important factor in China's relations with other countries is trade ties: in 2021, China has become a leading trade partner for more than 120 countries and associations, including the United States, the European Union, Japan and ASEAN.¹⁵

China is accused of promoting "debttrap diplomacy," not complying with labor laws in other countries, bribing local officials, polluting the environment, making inefficient investments and failing to use local labor.

Unlike China, Russia has failed to make significant strides in advancing the Eurasian Economic Union (EAEU) in the Asia-Pacific.

Thus far, the organization's achievements include a free trade area with Vietnam and Singapore and ongoing negotiations on Cambodia's accession. The choice of Vietnam's as the region's main FTA partner stems from its deep historical ties with the USSR in the past. The interaction between the two countries is a irritant for China and this is exactly the case when Moscow touches on areas that are sensitive for Beijing and is forced to act so as not to harm its relations with it. Vietnam is a major importer of Russian weapons in Southeast Asia (about 61 percent of total exports). It should be noted that arms sales are a key economic interest of Russia in Southeast Asia.

China International Import Expo, "China's booming foreign trade brings benefits to the world," March 24, 2021, https://www.ciie.org/zbh/en/news/exhibition/ news/20210324/27370.html



China seeks to increase its arms exports, but Russia has several advantages in Southeast Asia: Russian defense companies have a better reputation in the region for the reliability and quality of their weapons compared to the Chinese; Russia provides after-sales service; countries that have territorial disputes with China avoid purchasing weapons from it.¹⁶ At the same time, in Myanmar, Pakistan and some other countries in South Asia, China is competing strongly with Russia. China accounts for half of Myanmar's arms imports, while Russia's share is 15 percent.¹⁷

In addition to arms sales, Russian stateowned energy companies and private companies with a public share are involved in the development of oil and gas fields off the coast of Vietnam in the South China Sea (a zone of a territorial dispute between Vietnam and China). China's coast guard regularly opposes drilling, and Beijing is putting pressure on Vietnamese companies and authorities.18 Russia's Rosneft, Zarubezhneft and Gazprom have a stake in offshore oil and gas development projects and continue to operate in Vietnam, despite warnings from Beijing. However, Rosneft Vietnam was forced to cancel a contract with London-based Noble Corporation for an exploration rig at the Red Orchid field

due to the resentment of the Chinese government. Close bilateral relations with Russia do not preclude China from being principled on issues that are of strategic interest to it.

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India is another important strategic partner that Moscow relies on in its Asian strategy. Military-technical cooperation is the flagship area of collaboration between the two countries. However, New Delhi's intention to diversify its markets (largely under the influence of deepening cooperation with the US), as well as to develop and manufacture some weapons systems on its own, has led to a significant reduction in Russia's share of the Indian arms market.

Russian-Japanese economic relations are complicated by the political aspect of the territorial dispute over the Northern Territories. The reluctance of the Russian authorities to seek a compromise limits the opportunities for cooperation with Japan, which is the world's third largest economy with large financial reserves and cutting-edge technologies necessary for Russia's development. However, it should be noted that even in these circumstances the Japanese side leaves the door open for cooperation.

In general, Moscow does not have many economic tools in its arsenal to strengthen its position in the Asia-Pacific. The availability of significant energy deposits and their supply to European markets

Ian Storey, "The Russia-China Strategic Partnership and Southeast Asia: Alignments and Divergences," ISEAS, 2021, https://www.iseas.edu.sg/articles-commentaries/ iseas-perspective/2021-117-the-russia-china-strategicpartnership-and-southeast-asia-alignments-and-divergencesby-ian-storey/

SIPRI, "Trends in International Arms Transfers," March, 2021, https://sipri.org/sites/default/files/2021-03/fs_2103_at_2020_v2.pdf

The Diplomat, "China's Pressure Costs Vietnam \$1 Billion in the South China Sea," July 22, 2020, https:// thediplomat.com/2020/07/chinas-pressure-costs-vietnam-1billion-in-the-south-china-sea/



are advantages that have helped Russia for many years to maintain its economic leverage and use energy blackmail to achieve political goals. And this is the tool that the Russian government plans to build on in Asia. Russia's Energy Strategy 2035, approved in 2020, sets forth ambitious goals to increase energy exports to Asia to half of all Russian energy exports.¹⁹

The availability of significant energy deposits and their supply to European markets are advantages that have helped Russia for many years to maintain its economic leverage and use energy blackmail to achieve political goals. And this is the tool that the Russian government plans to build on in the Asia.

The resource-abundant Arctic is one of the areas of controversy between Moscow and Beijing. Russia, along with five other countries, claims part of the territory as its own exclusive economic zone. Moscow also argues that navigation along the Northern Sea Route, which it plans to build with China, should be governed by its national legislation.²⁰ China maintains that the Arctic is a global asset and thus seeks the right to freely explore its resources, navigate through these waters and so on. In the absence of access to Western investments, Russia is currently trying to involve China

in joint Arctic projects and build pragmatic cooperation but does not want to give up its rights to the Arctic.²¹

The Arctic is not the only place where Russia is particularly sensitive to the Chinese presence. Due to its strategic location, Central Asia is a region of paramount importance to both Russia and China. While the Russian government was devising an advantageous strategy in the European market, concentrating in its hands the exclusive right to export Central Asian resources, Beijing offered financial assistance to countries of the region to build gas pipelines directed to China. As a result, the PRC has become an alternative to Russia in the Central Asian carbohydrate market and an importer of almost all gas produced in Turkmenistan. However, the implementation of largescale projects in Central Asia is leading to an increase in government debt owed to Beijing. Given high interest rates, technological and human dependence on China, the economic benefits of Chinese projects in the region are increasingly being questioned. Although Moscow has acknowledged the PRC's economic dominance in Central Asia, it remains an influential economic player in the region. In addition, Russia is an important source of remittances from migrant workers. Two countries in the region — Kyrgyzstan and Tajikistan — are among the world's

[&]quot;Russia's Energy Strategy 2035," https://ac.gov.ru/files/ content/1578/11-02-14-energostrategy-2035-pdf.pdf

^{20 &}quot;Strategy for the Development of the Arctic Zone of the Russian Federation and Provision of National Security for the Period to 2020," http://static.government.ru/media/files/ 2RpSA3sctElhAGn4RN9dHrtzk0A3wZm8.pdf

²¹ The State Council Information Office of the People's Republic of China, "China's Arctic Policy," 2018, http://english.www.gov.cn/archive/white_paper/2018/01/26/content_281476026660336.htm



ten countries that receive the largest remittances relative to GDP. In 2019, the number of migrant workers from Central Asia was 6 million, with total remittance flows of \$9.4 billion.²² Migrant workers are becoming an important instrument of Russia to exert pressure on Central Asian governments, as illustrated by threats against Tajikistan and Uzbekistan that are not members of the Eurasian Economic Union to launch stricter migration policies for their citizens.

Faced with China's pressure, Russia is losing its economic clout in the region, but the two countries are working to avoid open competition. For a long time, they managed to maintain a conditional balance through the division of responsibilities: China occupied an economic niche, while Russia concentrated on security issues. However, Beijing's expanding role in regional security processes is blurring this balance and may eventually lead to contradictions in relations between the two countries.

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4.2. ECONOMIC TOOLS OF RUSSIAN AND CHINESE INFLUENCE IN EUROPE

Trade and investments are an area where Russia's and China's influence tools are most pronounced. Beijing is using an investment leverage to further resort to political blackmail. Moscow, in turn, prefers energy coercion: energy dependence forces European states to be more amenable to compromise on policy issues.

Business and economic ties are a powerful tool that turns European companies cooperating with Russia into lobbyists for continued bilateral cooperation.

Business and economic ties are a powerful tool that turns European companies cooperating with Russia into lobbyists for continued bilateral cooperation. This model works best with the countries whose trade turnover with Russia is relatively high, notably France, Germany and Italy. In these countries, Russia is by no means a leading market for merchandise exports: for example, its share in Italian exports is below 2 percent.23 In absolute terms, however, the figure reaches almost \$9 billion. In the case of Germany, the export share is only 2 percent, but in absolute terms it is about \$27 billion.24 This amount is enough for Russia to use trade

²² IOM, "World Migration Report 2020," https://publications.iom.int/system/files/pdf/final-wmr_2020-ru.pdf

^{23 &}quot;Italy: Trade Statistics," https://globaledge.msu.edu/ countries/italy/tradestats

[&]quot;Germany Exports By Country," 2020, https:// tradingeconomics.com/germany/exports-by-country



as a means of pressure and blackmail (as happened in the case of counter-sanctions on food imports from the EU). In this case, Moscow does not have to act directly this is often done by powerful lobbyists in leading European countries.²⁵ In recent years, less and less information about this kind of activity has appeared in the public domain, making it seem that the parties have become accustomed to a "sanctioned life" or suggesting that Russia has switched from indirect means to overt methods (for example, intimidation by military aggression, which is supposed to compel Western countries to come to the negotiating table).

The energy lever is a special aspect of business and economic influence that Russia uses to put effective pressure on EU member states. This approach comprises two dimensions: cooperation and dependence. Examples of cooperation include investments in Gazprom's Nord Stream II, an LNG joint venture with Italy's Saipem, Italy-based Eni's cooperation with Rosneft or a loan to Hungary for the construction of two power units at the Paks nuclear power plant, etc. Cooperation opens up opportunities for Moscow to promote its political agenda more effectively. EU countries, whose businesses are actively cooperating with Russian partners, are blocking the tightening of sanctions against Russia, advocating the resumption of dialogue and so on. If a dependent country tries to pursue a more pro-Western policy, it becomes subjected to increased pressure from Moscow. For instance, post-Soviet countries (Ukraine,

If a dependent country tries to pursue a more pro-Western policy, it becomes subjected to increased pressure from Moscow.

Similar methods are characteristic of China's economic policy. Catching countries on the investment hook coupled with the inability of the countries to repay their debts to Beijing opens up opportunities for political blackmail. It is easier for less affluent European countries to be tempted by Chinese funding: China offers loans for bilateral infrastructure projects and initiatives under the Belt and Road Initiative and promotes its businesses through the 16+1 platform, created for China's cooperation with Central and Eastern Europe. The participation of 11 EU member states in this initiative makes it more difficult to reach a consensus in the European Union on China. Recently, however, a new trend has emerged, when countries declare their rejection of Chinese pressure: for instance, Lithuania has not only withdrawn from the aforementioned infrastructure platform but has actually put itself at the forefront together with other European countries opposing blackmail policies of both China and Russia.

At the same time, one of the European regions most vulnerable to Chinese

Moldova) faced Russia's energy blackmail as soon as they set out to deepen relations with Western partners.²⁶

²⁵ Dmitri Trenin, "Russia and Europe: the Current Impasse and the Way Out," Carnegie Moscow Center, 2021, https:// carnegiemoscow.org/commentary/83905

European Parliament's Committee on Foreign Affairs, "Energy as a tool of foreign policy of authoritarian states, in particular Russia," 2018, https://www. europarl.europa.eu/RegData/etudes/STUD/2018/603868/ EXPO_STU(2018)603868_EN.pdf



influence is the Western Balkans. According to the Center for Strategic and International Studies, China has launched 102 projects in the region over the past ten years (worth \$17.9 billion).²⁷ Serbia accounts for most of these funds, which is one of the clearest examples of dependence on China. Belgrade supports Beijing in territorial disputes, and Serbia has signed a declaration in support of China's policies in Xinjiang against the Uighur ethnic minority. Serbia is considered the site of a kind of a new struggle for influence between China and Russia, with the latter often appealing to historical and religious kinship and China relying on billions in investments.

Catching countries on the investment hook coupled with the inability of the countries to repay their debts to Beijing opens up opportunities for political blackmail.

China is sometimes prone to aggressive ingenuity: it can resort to blackmail not only in such traditional areas as trade but also, for example, in pressure due to delays in the supply of critical goods (as was the case with the suspension of vaccine supplies to Ukraine, which had to withdraw its signature from an international statement on human rights violations in China). Kyiv's refusal to privatize the strategically important *Motor Sich* has led to a lawsuit by a Chinese stateowned company against Ukraine, demanding \$4.5 billion in compensation, which could in the long run affect the political dialogue

As a rule, China exerts pressure on countries that have received its loans and investments; unable to repay, they become vulnerable to political pressure. Ukraine has become the object of Chinese demands because of *Motor Sich*, without so much as receiving any particular benefit from Beijing.

The European Union and China are the two largest trading partners in the world. China is the EU's second biggest trade partner (trailing only the US), and the EU is China's largest trading partner. Not only poorer countries but also key Western European countries cannot resist the temptation of trade and investment cooperation. The EU's major exporter to the Chinese market is Germany (€96.4 billion in 2020).29 When a heated debate erupted in Berlin over the exclusion of Huawei from Germany's 5G development plans, Beijing threatened that the move would have consequences for the Germans (German legislation does not currently prohibit a Chinese company from participating in the 5G; only certain barriers

between the two countries.²⁸ In recent years, China has taken a premier position in terms of trade turnover with Ukraine (in general, the EU continues holding the lead in trade). This trend may continue in future. Foreign investment screening should be one of the options to respond to the possible risks of dependence on the growing Chinese presence in Ukraine.

²⁷ CSIS, "China's "Hub-and-Spoke" Strategy in the Balkans," 2020, https://csis-website-prod.s3.amazonaws.com/s3fspublic/publication/200427_ChinaStrategy.pdf

Radio Liberty, "Ministry of Justice sued by Chinese side for Motor Sich, considers claims unjustified," November 30, 2021, https://www.radiosvoboda.org/a/news-minjustpozovna-zayava-kytaiska-storona-motor-sich/31586769.html

[&]quot;China-EU — international trade in goods statistics," 2021, https://ec.europa.eu/eurostat/statistics-explained/ index.php?title=China-EU_-_international_trade_in_goods_ statistics#Trade_with_China_by_Member_State



are in place).³⁰ From time to time, tensions can be observed in China's relations with France. For instance, Beijing reacted sharply to French MPs' visits to Taiwan.

In general, Russia and China complement each other on the European continent rather than compete for economic influence. Whereas Russia is strong in the field of energy blackmail, China is more efficient in using the financial dependence of European countries. Both Beijing and Moscow are using leverage to gain political preferences, whether it is for Europeans not to criticize China for human rights abuses or for Russia to seek a relaxation of the sanctions regime. In both cases, China and Russia more often alienate Europeans than gain significant benefits. In the long run, the EU does not abandon harsh declarations and sanctions. However, it should be acknowledged that there are some countries in Europe, including EU members, that actually act as Trojan — or Sino-Russian — horses, hampering consensus in decision-making.

China and Russia more often alienate Europeans than gain significant benefits.



³⁰ DW, "Germany-China relationship status: It's complicated," 2021, https://www.dw.com/en/ germany-china-relationship-status-its-complicated/a-57362540



5. SECURITY

5.1. SECURITY TOOLS OF RUSSIAN AND CHINESE INFLUENCE IN ASIA

The partnership between Russia and China is based upon their political, economic, and geopolitical complementarities and their perception of the United States as the arch-rival to their interests. Moscow's main approach to security in Asia includes maintaining and strengthening geopolitical relations with China, while the latter is actively asserting and solidifying its position in the region, in particular Central Asia, which is strategically important for Russia's national security.

Importantly, Sino-Russian rapprochement is effected through military cooperation. By and large, it has assumed the features of a military alliance, although the parties will eschew the term. The reluctance to form an alliance is in line with China's concept of regional security, which denies the alliance system as a whole. The current state of Sino-Russian strategic relations produces effective unpredictability and regional threats from the two countries. For instance, joint patrols and violations of the South Korean and Japanese airspaces, which have become regular in recent years, are adding to the pressure on American allies against the backdrop of overall tensions.

The Asian countries have been taking note of Russia's aggression in Ukraine. Russia's annexation of Crimea has raised concerns of China following suit with regards to Taiwan and the contested Japanese Senkaku Islands. In addition, China's actions in the South China

Sea and around Taiwan do resonate with those of Russia's in the Black Sea and the Sea of Azov and near the border of Ukraine. Both Russia and China pose military threats and hinder freedom of maritime navigation. A successful takeover of Taiwan by force could send Russia the message that similar actions against Ukraine are possible, and vice versa.³¹

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Relying upon divergences between the USA's regional allies and its own economic attractiveness, China seeks to establish a new security network. It could enlist the support of the countries resenting American influence (e.g., Russia); those that are economically dependent on, and politically influenced by China (such as Cambodia or Laos); and some of the countries that lack a clear vision of regional governance or economic means to support it (including in South and Central Asia).

In Central Asia, China has long sought to rely on strategic security cooperation with Russia not going beyond its traditional spheres of influence, i.e. the economy and trade. Over the past decade, Beijing has expanded military cooperation with

Carl Bildt, 'The Drums of War in Taiwan and Ukraine', Project Syndicate, November, 2021, https://www.project-syndicate.org/commentary/strategic-threats-china-taiwan-russia-ukraine-by-carl-bildt-2021-11



the countries in the region, although Kazakhstan, Kyrgyzstan and Tajikistan are members of the pro-Russian Collective Security Treaty Organisation (CSTO). Russia has long resisted other countries' influence in the former Soviet Union; China, however, forced it to give up the role of hegemon. It is becoming clear that Russia's leading role as a regional security guarantor is receding into the background. China has entered the Central Asian defence market — Moscow's prerogative — by offering competitive prices and terms of supply. Significant shift in Beijing's security role in the region was signified by the decision in 2016 to establish a Quadrilateral Mechanism involving China, Pakistan, Tajikistan and Afghanistan, which provides for coordination on security issues and aims to combat three types of 'evil' such as extremism, separatism, and terrorism. China's assistance to Tajikistan in modernizing its border troops and infrastructure located along the border with Afghanistan is also notable.

Russia has long resisted other countries' influence in the former Soviet Union; China, however, forced it to give up the role of hegemon.

China seeks to get involved into the Central Asian security processes because of the growing threats from Afghanistan. For Russia, in addition to the Afghan factor, it is important to maintain overall influence over political developments in the region. The rapid mobilization of the CSTO 'peacekeepers' to Kazakhstan during the January protests symbolized Russia's readiness to use force to support and maintain pro-Russian regimes in Central Asia in order to keep the region in its own geopolitical sphere of influence.

With the lack of commensurate potential with two other leaders — namely the United States and China — Russia seeks to use "hard power" to protect its strong military capacity.

Unlike Beijing, which considers the Indo-Pacific region as a threat to its economic development and geopolitical interests, Moscow considers it peripheral to its security interests. Russia's goals are somewhat different. Its foreign policy has the distinct feature of trying to cement the status of one of the world's leading powers, including by strengthening its hand in Asia. With the lack of commensurate potential with two other leaders — namely the United States and China — Russia seeks to use "hard power" to protect its strong military capacity. This helps Moscow emphasise its strategic independence from China and even challenge it. Here, its exports far exceed those of China, in practice providing Asian countries with the weapons that enhance their maritime defence capabilities in the face of the Chinese threat.

Arms sales is where Russia and China not only compete but also disagree in terms of their political interests. Much to China's chagrin, India and Russia have struck a military deal on strategic weapons supply, including air defence systems and fighter aircraft, which India hopes will ensure parity on the disputed Indo-Chinese border.

For both Moscow and Beijing, East Asia is an area of high concern in terms of national security. While home to several long-lasting territorial conflicts, its main source of instability is the divided Korean



Peninsula, namely North Korea's missile and nuclear program. The development of nuclear and missile capabilities makes Pyongyang less controlled and compliant. Russia's influence is limited to traditional historical ties with Pyongyang, high-level contacts and Russia's support as a permanent member of the UN Security Council. Moscow finds it increasingly difficult to play a notable role in the Korean Peninsula and so has to play second fiddle to China. Moscow and Beijing coordinate their North Korean policy and in recent years have in international fora favoured easing sanctions on the DPRK.

In Asia-Pacific, China far exceeds
Russia's defence and military technology
capabilities, while in Europe, the Middle
East and North Africa, Russia has restored
its active military and geopolitical posture.
Russia's military potential concentrated
in the Eastern Military District in the Far
East suggests the region's low priority
to Russia compared to its European part.

Russia's key security interests are in Europe, including countering NATO expansion and fighting for spheres of influence in the former Soviet Union. Essentially, Russia remains a Eurocentric country, so its desire to strengthen its hand in Asia is primarily aimed at creating additional leverage in solving key issues with the West, including the United States. Here, its interests converge with those of China, which challenges American leadership in Asia-Pacific.

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5.2. SECURITY TOOLS OF RUSSIAN AND CHINESE INFLUENCE IN **EUROPE**

Recently, Russia and China have been increasingly alarming European governments. The threats that do or could come from Moscow and Beijing are perceived differently: while some tend to consider China a greater threat, Russia's actions raise more objections in others. Furthermore, Russia is looked upon as the realised threat (open aggression against Ukraine), China's threat is remote and, moreover, bolstered by Moscow. Officially, the EU now tends to view China as a systemic rival rather than a tangible threat.

Like Russia, at this point China prefers indirect, somewhat hybrid influence. China's hidden threats include, for instance, the undermining of European military capabilities through intellectual property and defencerelated technology theft, with the data obtained being accordingly utilised to the benefit of own defence industry. China's potential threats would probably involve the use of strategic infrastructure and facilities obtained by China in influence operations that could undermine European security.

Like Russia, at this point China prefers indirect, somewhat hybrid influence.

In some areas, China's threat to Europe is more evident — in particular, when it comes to cyberattacks. Russia and China are believed to be the main sources of cyberattacks on Western institutions. China's large-scale cyberattacks on European state institutions and industrial facilities became particularly commonplace and

somewhat unprecedented in 2021, with Beijing's always denying the accusations.

> Russia and China are believed to be the main sources of cyberattacks on Western institutions.

Russia's 'security toolkit', however, is much broader.



Overt aggression against European countries. Russia has occupied parts of Ukraine and supports separatist regimes in Georgia and Moldova.



Bribery and dependence. Russiadependent countries fall under its total control (e.g., Belarus).



Hybrid operations. Covert intervention has become a feature of Russia's policy. Russian troops without insignia began the illegal annexation of Crimea.



Intimidation by war. Russia conducts regular military drills near the EU and NATO, sometimes resorting to threats.

Aviation alert. In 2020, NATO fighter jets scrambled more than 400 times across Europe to check aircraft flying unannounced near Allied air space. Around 90 percent of the missions were in response to flights by Russian military aircraft.32

NATO, "NATO intercepts hundreds of Russian military jets in 2020", 28 December 2020, https://www.nato.int/cps/en/ natohq/news_180551.htm



Espionage and intelligence.

Russian intelligence services have more than once recruited spies

from locals and sent agents to various European organisations. For instance, members of the Hungarian National Front were trained at GRU bases. In Poland, an Energy Ministry official has been accused of spying for Russia over the *Nord Stream II* project. In 2018, Greece also accused Moscow of bribing government officials.

Special operations. In 2017, law enforcement in Montenegro said of an attempted coup that allegedly

involved Russian authorities. In 2018, the United Kingdom accused Russia of assassinating Russian spy Sergei Skripal with the nerve agent Novichok.

This list is not exhaustive. Moreover, Russia's influence may in some cases be still unknown to the public, as had been with a series of explosions in the Czech Republic for seven years. Prague has accused Russian agents of sabotage leading to ammunition depot blasts in 2014. Compared to Russia's meddling in European security, China seems to be rather restrained. However, its ability to catch up quickly raises even more concerns.

Compared to Russia's meddling in European security, China seems to be rather restrained. However, its ability to catch up quickly raises even more concerns.

One of Russia's key goals is to conclude new security arrangements that would lay down the spheres of influence of the West and Moscow, preventing the former Soviet countries from European and Euro-Atlantic integration. The Kremlin sometimes replaces the stick with the carrot — as in the case of support for Belarus, which is part of the Union State with Russia. Russia's resources, however, are too limited, and its very few allies have become such through coercion and coincidence. For instance, Belarus had sought to manoeuvre between the West and Russia until the latter became the only foreign policy option. Meanwhile, China feels quite comfortable in Belarusian territory, and irritating though it may be for Russia, it is never expressed publicly. Some other European countries — like Hungary or Serbia — also lean towards closer relations with both Russia and China. The rationale behind it, though, is rather pragmatic: while Serbia seeks to blackmail the EU, which is reluctant to accept it, Hungary remains committed to foreign policy economisation — gaining benefits for ordinary Hungarians.

6. SOFT POWER

6.1. CULTURAL AND EDUCATIONAL TOOLS OF RUSSIAN AND CHINESE INFLUENCE IN ASIA

China's modern approach to projecting its image has a global and regional dimension. Globally, China's seeks to present itself as a responsible world leader, particularly emphasising the following messages:



China's participation in international operations under the auspices of the UN.



Being the second largest contributor to the UN regular budget and peacekeeping operations.



Use of medical diplomacy.



Support for global climate initiatives.

Economic 'soft power' has for many years been key to promoting China's positive image. As the Belt and Road initiative gained traction, there arose the concept of 'soft' global Chinisation, followed by the promotion of China's economic and political model, the Chinese language and culture through a global network of 500 Confucius Institutes, student scholarships and grants, and broad financial support for diaspora communities.

As the Belt and Road initiative gained traction, there arose the concept of 'soft' global Chinisation, followed by the promotion of China's economic and political model.

Human rights violations, the toxicity of its economic expansion, conflicts with neighbouring countries in the South China Sea, accusations of covering the Covid-19 outbreak, and wolf-warrior diplomacy have significantly worsened China's global image. Consequently, Beijing had to rethink its communication and diplomatic efforts and to start dealing with reputation damage. Thina attaches great importance to its positioning in neighbouring countries, served as the starting point for its global ambitions. China's 'hard power' in relation to the West is in sharp contrast to its 'charm diplomacy' in Asian countries.

Medical and vaccine diplomacy have become the main tools of image rehabilitation in the post-Covid period. Compared to other regions, Asia has received the most Covid-19 vaccines from China through donations and sales.³⁴ However, the SSEA Survey suggests that China's active medical diplomacy has not helped overcome its trust deficit in Southeast Asia: distrust in China increased

³³ UPI, 'Xi Jinping calls for image of China that is 'loved, respected', 2021, https://www.upi. com/Top_News/World-News/2021/06/02/ china-China-Xi-Jinping-image-loved-respected/5271622642440/

^{34 &#}x27;China COVID-19 Vaccine Tracker', https:// bridgebeijing.com/our-publications/our-publications-1/ china-covid-19-vaccines-tracker/#China8217s_Vaccines_in_Asia



from 51.5 percent in 2020 to 63 percent in 2021, with the trend prevailing in all ten countries in the region. Meanwhile, trust in the US increased from 30.3 percent in 2020 to 48.4 percent in 2021.³⁵ All in all, China's tools of influence include the following:

- Engaging officials, news media, foreign governments, companies, academia, nongovernmental organisations in showing successful cases of cooperation within the Belt and Road initiative, thus encouraging friendship towards China.
- Strengthening political and ideological ties between not only communist parties but also different political parties in developing countries.³⁶
- Stimulating and supporting tourism, which is controlled in China at the level of intergovernmental agreements.³⁷
- Using the potential of the large Chinese diaspora in Asian countries, whose members are bearers of the Chinese language and culture, and accounts for about 69.7 percent of all overseas population.³⁸

35 ISEAS Perspective, 'Southeast Asians' Declining Trust in China', 2021, https://www.iseas.edu.sg/articlescommentaries/iseas-perspective/iseas-perspective-2021-15-

southeast-asians-declining-trust-in-china-by-hoang-thi-ha/

Beijing is taking a leaf from Russia's playbook of influence and misinformation operations.

Still, classic 'soft power' tools are not able to offset the consequences of China's aggressive policy. As a result, Beijing is taking a leaf from Russia's playbook of influence and misinformation operations: for instance, the Chinese CCTV mimics Russia's RT channel. Unlike China, Russia has limited resources for 'soft power' in Asia-Pacific. The region is viewed by the Kremlin primarily in geopolitical terms, with no holistic approach to shaping Russia's image that reflects its strategic culture and superpower mentality. Instead, Moscow exploits years-long Soviet legacy, relying on traditional ties with the political circles of individual states — India, Vietnam, Laos, and Cambodia, — its nuclear power status coupled with great military potential, and the permanent membership in the UN Security Council. Its 'soft power' is narrowminded and associated with cultural events, educational and scientific exchanges, academic and expert conferences, and reconstruction of historical dates. The relatively small Russian diaspora promotes the 'Russian world' and attracts Russianspeaking foreigners.

Moscow exploits years-long Soviet legacy, relying on traditional ties with the political circles of individual states — India, Vietnam, Laos, and Cambodia, — its nuclear power status coupled with great military potential, and the permanent membership in the UN Security Council.

Jenn-Jaw Soong, 'The Political Economy of China's Rising Role in Regional International Organizations: Are There Strategies and Policies of the Chinese Way Considered and Applied?', The Chinese Economy, 2021, https://www. tandfonline.com/doi/full/10.1080/10971475.2021.1972550

³⁷ Carnegie Endowment for International Peace, 'China's Influence in South Asia: Vulnerabilities and Resilience in Four Countries', 2021, https://carnegieendowment. org/2021/10/13/china-s-influence-in-south-asia-vulnerabilitiesand-resilience-in-four-countries-pub-85552

Statista, 'Distribution of overseas Chinese population as of December 2010 and 2020', 2021, https://www.statista.com/statistics/632779/chinese-population-distribution-overseas-by-continent/



Russia's tools of influence in Asia include:

- Extensive diplomatic presence in the countries of the region, regardless of the level of cooperation.
- Proactive economic diplomacy, focused on big public and private companies.
- Promotion of its narratives through statesponsored global news media, Sputnik and RT.

That having been said, Central Asia remains firmly connected to Russia in terms of linguistic, cultural, and historical heritage. Despite growing Chinese influence, Russia maintains its dominance in the region through common information and cultural space, the use of the Russian language in education, a large number of local students in Russian universities, and migrant workers. Still, the thirty years of independence have seen the Russian language lose its importance in the social and political life of Central Asian societies, which have sought to rethink their history and find their own identities, fostered by Russia's imperial policy in the region. Today, more than 50 percent of the population in Central Asian countries (bar Kazakhstan) do not speak Russian.39

In addition, Central Asia is increasingly drawing other international actors, such as China, Turkey, the United States, the EU, and Iran, which seek to gain a foothold in the region through 'soft power' projects and language promotion. This will further complicate Russia's reliance on the

6.2. CULTURAL AND EDUCATIONAL TOOLS OF RUSSIAN AND CHINESE INFLUENCE IN EUROPE

Most EU citizens believe that the United States is in a state of Cold War with Russia and China.⁴⁰ A European Council on Foreign Relations survey found that 62 percent of Europeans think that the US and China have started a new Cold War, with nearly the same number (59 percent) having similar opinion about US-Russia relations. While most Europeans believe that their own country was not part of the confrontation, the attitude differs from country to country. In Poland and France, 44 and 35 percent of the people confirmed that their country was in war with Russia, with only 21 and 33 percent saying the opposite. In contrast, the overwhelming majority of Hungarians believe that their country was not in a cold war with neither Russia nor China (89 and 91 percent respectively).41 The countries that are most sympathetic to Russia either belong to the former Soviet bloc — Hungary, Serbia, and Slovakia — or are former Soviet Union countries (such as Belarus). Still, most of those countries have reservations with respect to Russia: while 59 percent of Serbs consider Russia a strategic partner, only

tried-and-tested capabilities unless it offers new approaches to cooperation with Central Asian countries.

³⁹ CABAR, "The State of the Russian Language in Central Asian Countries", 2019, https://cabar.asia/ru/ polozhenie-russkogo-yazyka-v-stranah-tsentralnoj-azii

European Council on Foreign Relations, 2021, https://www.aa.com.tr/en/europe/majority-of-europeans-believe-in-new-cold-war-with-russia-china-survey/2372105

⁴¹ Ibid.



6 percent of Romanians and Poles think so. 42 All in all, Central European and Western Balkan states have mixed opinions, with 25 percent of the populations of the nine countries believing that Russia is a threat to them and 56 percent thinking otherwise.⁴³ The countries that have fallen victim to Russian aggression tell a different story: 71 percent of Ukrainians say that Russia is an aggressor that threatens the existence of the Ukrainian state, needs to be defended against and completely cut off.44 In addition, Vladimir Putin is the least trustworthy foreign leader among Ukrainians, with 76.7 percent agreeing therewith.⁴⁵ A New Europe Centre survey found more than 50 percent of Ukrainians believing that Ukraine must support the United States in the case of its exacerbated confrontation with Russia or China.46

Year after year, Russia's and China's 'soft power' is being undermined, since Moscow's aggressive policy and Beijing's wolf-warrior approach could not have left the two countries' image unaffected. To take an example, while 31 percent of Swedes favoured Russia in 2007, there were only

16 percent in 2020.⁴⁷ In Germany, half of the citizens liked Russia in 2010 and after the annexation of Crimea, only 19 percent. In Spain, 38 percent sympathised with Russia before Russia's aggression in Ukraine and 18 percent after; while the figure has slightly risen since, it never reached the preaggression level. In France, 53 percent of the population had a positive attitude towards Russia in 2011 and 35 percent, in 2019.

Where Russia lacks favourability and desired options, it goes on the offensive as much as to destabilise the situation and make the weakened country more compliant and less eager to strike back.

Russia makes a point of building its prestige among, as it were, its constant and most loyal sympathizers. While mostly relying on the Russian diaspora or former Soviet Union citizens, Moscow has a number of sympathizers among non-Russians. It draws inspiration from the immortal cases of 'soft power' inherited from past generations, such as works of classical music or literature. On the opposite side of Russia's communication tools spectrum are the big guns, literally. By virtue of muscle-flexing, Moscow seeks to project itself as a powerful international actor. The messages being sent are rather broad: left-wing supporters will be told about American unilateralism and human rights violations, and the outburst of neo-Nazism, say, in Ukraine; and for right-wing Europeans, Russia will present itself as a defender of traditional values and national

⁴² GLOBSEC, 'The image of Russia in CEE and the Western Balkans', 2020, https://www.globsec.org/wp-content/uploads/2021/04/Image-of-Russia-Mighty-Slavic-Brother-or-Hungry-Bear-Nextdoor-spreads.pdf

⁴³ Ibid.

⁴⁴ Ukrinform, "More Than 70 Percent of Ukrainians Think Russia Is Aggressor State", 2019, https://www.ukrinform. ua/rubric-society/3215806-bilsist-ukrainciv-vvazaut-rosiuagresorom.html

⁴⁵ New Europe Centre, "Diplomacy 2022", 2021, http:// neweurope.org.ua/wp-content/uploads/2021/12/ Diplomatia2022_ukr_web.pdf

⁴⁶ Ibid.

Pew Research Center, 'Views of Russia and Putin remain negative across 14 nations', December 16, 2020, https://www.pewresearch.org/wp-content/uploads/2020/12/ft_2020.12.16_russia_02.png?w=640

identity. Russia's international communication might seem to one illogical and sometimes incompatible: for instance, how come Russia is equally supportive of the German Left and France's far-right? However, those contacts and declarations are mostly aligned with the single purpose. Where Russia lacks favourability and desired options, it goes on the offensive as much as to destabilise the situation and make the weakened country more compliant and less eager to strike back. In addition, Russia's international communication is not self-promotional but rather exposing. Moscow is well aware of the futility of its image rehabilitation and thus opts for tarnishing others' image by means of whataboutism ('let's look what's wrong in America/Europe now'). This purpose is well served by Russia's international broadcaster RT, which barely covers Russian events but focuses on the countries that are traditionally considered unfriendly by Russia.

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Time and again, Russia launches political promotion campaigns aimed at boosting its positive perception. However, they do backfire sometimes. In March 2020, Russia's assistance, marked with 'From Russia with Love' stickers, arrived in Italy, which at the time suffered the severe Covid-19 wave.⁴⁸ What was supposed to be an act of solidarity by Russia raised eyebrows in Italy. Local news

media reported that Moscow's decision was an influence operation aimed at exposing the alleged cynicism of the EU, which had not helped Italy — thus, Russia played on Italians' Euroscepticism.

Ukraine as a target of Russia's hybrid war is a unique example. Seeking to both take the control over the state and not lose the 'hearts and minds' of Ukrainians, Moscow makes a point of covert acts and methods. Hence the portrayal of Russia's seizure of Crimea as a peaceful expression of the will of the local population; and Russia's involvement in the war in eastern Ukraine, as Ukraine's internal conflict. Ukraine has long been a must-have topic for discussion in all manipulative political shows on Russian television. Hybridity, however, stops short of saving Russia's face, as the vast majority of Ukrainians do not trust Russia and its authorities.

Having previously tried to win over Europeans in a targeted manner, Russia seems to have given up on flirting with its French or German sympathisers. When it comes to the maintenance of power, the caring for the reputation abroad is foreshadowed by the need to strengthen posture at home. The current Russian regime seems to prefer pushing the narrative of Russia as a 'besieged fortress' confronted by the entire world. This message not only resonates with the anti-Western sentiment of some of the Russian but also paints the gloomy picture for the majority of Russians abroad. While Moscow used to successfully play on the anti-American sentiments of Western Europeans, now it is increasingly difficult: those who resented American hegemony in international relations are now awed by Russia's brazen foreign policy. Russia is likely to have opted for adding to those

Eleonora Tafuro Ambrosetti, 'Go West: Russia's Soft Power in Europe', ISPI, December 15, 2020, https://www.ispionline.it/en/publication/go-west-russias-soft-power-europe-28703



fears in order to get what it wants. The threat of a new war is calculated to help Russia shape a new security architecture in Europe, with Moscow's renewed sphere of influence. China's international communication, seemingly carried out on the 'fear means respect' principle, uses the same approach. Disinformation and the dissemination of fakes and censored information seem to become integral to China's foreign policy communication. Beijing, which used to be wary of its international reputation, has joined Moscow in its offensive approach. A number of pundits have therefore concluded that China takes a leaf from Russia's playbook, with accusations of setting up 'troll farms' and spreading disinformation on social media.

China's 'soft power' strategy relied on three key principles: promoting the Chinese language and culture; shaping China's image through news media; and making use of foreign economic presence and assistance.49 Institutionally, Beijing carries out its 'soft power' through a wide network of Confucius Institutes, of which there were nearly 200 in the EU alone, mostly in the UK (29), Germany (19), France (17) and Italy (12).50 Of the non-EU countries in Europe, most Confucius Institutes (19) are in Russia; there are five in Ukraine, and four in Belarus. China has recently expanded its presence on social media. China's image in European countries has deteriorated mainly due to the situation with Covid-19; domestic events in China — such as tightened

control over Hong Kong and oppression of Uighurs; and intensified confrontation between Beijing and Washington.⁵¹ China's communication in Europe has meanwhile become more proactive and sometimes even aggressive. Chinese propaganda seems to seek not shaping a favourable attitude but creating conditions that would prevent criticism or negativity at all.⁵²

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⁴⁹ Clingendael, 'China's Soft Power in Europe: Falling on Hard Times', April 20, 2021, https://www.clingendael.org/ publication/chinas-soft-power-europe-falling-hard-times

Number of Confucius Institutes in Europe as of December 2018', https://www.statista.com/statistics/879243/ china-confucius-institutes-in-european-countries/

⁵¹ Clingendael, 'China's Soft Power in Europe: Falling on Hard Times', April 20, 2021, https://www.clingendael.org/ publication/chinas-soft-power-europe-falling-hard-times

⁵² Ibid.

7. COMPARISON OF RUSSIAN AND CHINESE APPROACHES

Russia's foreign policy shift towards Asia was caused by a deep crisis in relations with the West after its armed aggression against Ukraine in 2014. American and European sanctions have forced Russia to diversify its trade markets and seek new sources of investment in Asia. Russia has announced its 'Turn to the East' strategy focusing on three goals: accelerating the economic development of Siberia and the Far East; reviving ties in the former Soviet territory through Eurasian integration; and establishing close cooperation with China and the Asia-Pacific countries. Moscow did not make secret of the fact that the strengthening of Russia's role in the Asian region was designed to boost the country's global prestige, especially in the West.53

Given the failure of the concept of a 'Greater Europe from Lisbon to Vladivostok' and the geographically and structurally constrained dominance in the former Soviet Union in the form of the Eurasian Economic Union, Russia was trying to find its geopolitical niche. In Asia, Russia has been faced with another problem: the rise of China.

Russia's shift in foreign policy to the East coincided with the beginning of China's 'March West' strategy. In 2013, while in Astana (now Nur-Sultan), Xi Jinping announced the idea of the Silk Road Economic Belt, now known as the

Russia had to come up with a means to counter Beijing's growing influence near its borders and in Central Asia. The 'Greater Eurasia' concept reflects the geopolitical ambitions of the Russian leadership in creating a major integration project from the Atlantic to the Pacific involving China, India, Japan, South Korea, Pakistan, ASEAN, and the EU.

The Russian government sought to harmonise the coexistence of the two projects in order to avoid being 'swallowed' by a more powerful China and invite it to the creation of the common Eurasian space.

The key elements of the concept include Russia-led political and military integration within the CSTO, and economic integration within the Eurasian Economic Union, with the Shanghai Cooperation Organisation being the leading structure that shapes the regional security system. The economic construction of Greater Eurasia provides for the merger of the Eurasian Economic Union and the Belt and Road Initiative. The Russian government sought to harmonise the coexistence of the two projects in order to avoid being 'swallowed' by a more powerful China and invite it to the creation of the common Eurasian space.

Belt and Road Initiative. In fact, China's leader launched his global project from the territory that Moscow has always considered by its sphere of interest.

⁵³ The 13th Sochi Investment Forum, 19 September 2014, http://government.ru/news/14835/



The idea of Greater Eurasia has neither economic nor institutional support and exists, to a large extent, in name only. Chinese elites attach functional importance to regionalism, while Russia is creating regional cooperation in a particular region; China's vision of regionalism reflects economic priorities, whereas for Russia political influence remains key; China's Belt and Road Initiative is backed by financial resources and has so far reached not only the regional but also the global level, while Russian projects seek to preserve the image of superpower and to fit into the new world order. Moscow seeks to become the dominant force in Eurasia, using its territorial and military advantage to influence neighbouring countries, and negotiate with major powers on an equal footing.

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Since the self-proclaimed 'Turn to the East', Russian politicians and pundits admit that Russia's Asian policy has achieved little.

- The development of the Far East and Siberia is slow due to the unfavourable investment climate, Western sanctions, local corruption, and high economic risks feared by foreign investors.
- It is thought that Russia's key achievement over those years is significantly enhanced of cooperation with China, which has reached its historic apex up to the level of comprehensive partnership and strategic

cooperation in the new era. Still, the growing economic gap and the narrowing gap in military capabilities is forcing Russia to look for an effective framework that would not end up with its complete dependence on China.

- The imbalance of the strategy and the lack of a unified approach to Asia has borne little fruit in terms of cooperation with the Asia-Pacific region. Moscow's relations with most Asian countries have receded into the background, with the main focus on cooperation with Beijing.
- Russia has recognized China's sphere
 of influence in Asia-Pacific, with the
 exception of Central Asia, where the divide
 between the counties is functional—
 security and economy. China's dominance
 in the region, however, is notably growing.
- Eurasian integration has had difficulty in engaging former Soviet Union countries and little progress in promoting related initiatives in Asia-Pacific.

Unlike Russia, China has managed to shape an attractive narrative for its Belt and Road Initiative, offering win-win economic cooperation for developing countries and adherence to the principle of peaceful coexistence with neighbours through close economic cooperation. To date, 142 countries have joined the Chinese project.⁵⁴

In practical terms, the Belt and Road Initiative facilitates China's new investment opportunities, development of its export markets, increase in income and domestic demand, access to natural resources,

⁵⁴ Countries of the Belt and Road Initiative, https://greenfdc. org/countries-of-the-belt-and-road-initiative-bri/



and investment in strategically important infrastructure facilities of partner countries. An increase in economic cooperation in the Belt and Road Initiative is followed by China's growing political influence, and financial assistance makes it possible to win the loyalty of authoritarian regimes in many countries. China seems to be a convenient partner that in its international relations declares the principles of noninterference in the domestic affairs of other countries, respect for territorial integrity and sovereignty, and commitment to international law. The no-strings-attached approach to cooperation puts China in an advantageous position compared to global financial institutions and other international actors.

However, the main cause for concern of the international community and, above all, Asian countries, has been China's active militarisation, territorial claims to neighbouring countries at sea and on land, and use of economic and military advantages to establish regional hegemony. Assertiveness and pressure are becoming China's all-purpose strategies, especially in light of growing competition with the United States. More and more countries are believing that China is trying to expand its geopolitical weight through economic influence.

The economic synergy, whereby China needs Russian energy resources and Russia needs Chinese investment, has been instrumental in strengthening bilateral relations following Russia's 'Turn to the East'. However, the current rapprochement of Russia and China is marked by enhanced political and military-technical cooperation. The two countries eschew a military alliance, preferring 'no-alliance partnership'; however, even this level of Russian-Chinese relations alarms the United States and its allies, suggesting that

Russia must be prevented from becoming more dependent on China.

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Beijing's and Moscow's interest do not always coincide and have a number of differences. Asymmetries in economic and military capabilities may over time complicate their bilateral relations; at present, though, confrontation with the United States makes cooperation strategically important for survival of both countries' political system.

In any case, China and Russia are unequal partners: while the former is reasonably considered a rising power, the latter is by all measures a declining power. No matter how hard Russia tries to prove how global its policy is, it is more and more descending into the status a turbulent regional power that can cause world-class problems but is unable to address even domestic challenges. In many cases, Russia uses remnants of its historical glory and past powers, inherited from the Soviet Union or the Russian Empire.

Third countries' susceptibility to Russian and Chinese influence is explained by economic weakness (in the case of less developed countries) or economic interest (in the case of more powerful states). To some extent, Russian and Chinese influence is present in Hungary, Serbia, and Belarus (primarily due to economic and investment dependence). German officials probably have to take into account dependence of local producers on the



Chinese market. However, Central European or Western Balkan countries that flirt with China or Russia may have their own interest — to stage a symbolic protest to the European Union or the United States against something they do not like in their Western partners' policy or to simply draw their attention. This is most probably the way that Hungary and Serbia exploit their flirtation with Beijing in relations with the EU, at the same time minding certain red lines that they never cross. Whatever one makes of Hungary's flirtation with China, it remains a member of the EU and NATO and is not going to leave them. Whatever its love of Russia or gratitude to China is, Serbia continues to seek EU membership.

Of course, European sympathy towards Russia has historical roots. For Serbia or Bulgaria, Russia is a close partner that in past has helped in times of trouble. Belarus is no exception: here, as well as in Ukraine, Vladimir Putin seeks (with varying success) to establish the 'single people' concept that, by definition, would lean towards Russia. With Belarus, the calculus is working; with Ukraine, only in the regions that have been under Russian occupation the longest.

Still, China's economic influence in Europe should not be overestimated. While gaining traction, it is not as significant as, for instance, that of the European Union. In the years 2010–2020, foreign direct investment from China to Serbia reached €1.1 billion; in contrast, EU companies' investment over the same period exceeded €17 billion.⁵⁵ Of the total investment in Serbia, almost 70 percent is attributed to the EU and just over 4 percent, to China. Certainly, even such Chinese presence is significant but

not critical. For now, it gives Beijing rather tactical than strategic leverage over Serbia with regard to support of China's official position.

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China is a significant military power that causes serious concern in Asia; however in Europe, the Chinese military threat is not being discussed as viable. Rather, China is looked upon as a source of hybrid special operations, such as cyberattacks. Russia is perceived as a serious global threat in the West, although its capabilities are barely enough to intimidate its weaker neighbours. To put that into perspective, China's military budget is \$252 billion, Britain's is \$59.2 billion, Germany's is \$52.8 billion, France's is \$52.8 billion, and Russia's is \$61.7 billion.⁵⁶ Therefore, Russia more often resorts to energy blackmail, which turns out to be effective at times.

Both China and Russia have a twofold aim of undermining democracies that care for human rights protection and saving their own authoritarian regimes. That they claim close cooperation does not mean their intentions to forge an alliance. A common interest (here, minimising American influence) is not good enough to take partnership to the alliance level. Similarly, existing differences do not make China and Russia enemies or rivals: a

⁵⁵ EU in Serbia, 2021, https://europa.rs/fdis-to-serbia/?lang=en

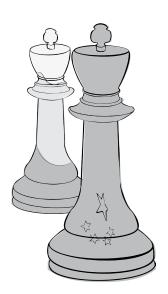
Countries with the highest military spending worldwide in 2020', https://www.statista.com/statistics/262742/ countries-with-the-highest-military-spending/



weaker and more dependent Moscow has to give in under Beijing's pressure, which seems to have borrowed Moscow's arrogant behaviour. The coexistence of Russia and China shows the cold calculus of the two—a temporary alliance that may disappear as soon as circumstances in international relations change.

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ABOUT NEW EUROPE CENTER

The New Europe Center was founded in 2017 as an independent think-tank. Despite its new brand, it is based on a research team that has been working together since 2009, at the Institute for World Policy. The New Europe Center became recognized by offering high-quality analysis on foreign policy issues in Ukraine and regional security by combining active, effective work with advocacy.

The New Europe Center's vision is very much in line with the views of the majority of Ukrainians about the future of their country: Ukraine should be integrated into the European Union and NATO. By integration, we understand not so much formal membership as the adoption of the best standards and practices for Ukraine to properly belong to the Euroatlantic value system.

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