

SINO-RUSSIAN RELATIONS IN CENTRAL ASIA SINCE THE END OF THE COLD WAR: INTERACTION, COOPERATION AND CHALLENGES

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Abstract

The paper analyzes Sino-Russian relations in Central Asia since the collapse of the Soviet Union. The goal of the analysis is to place the Sino-Russian relations within an appropriate theoretical context and provide a possible outcome of the current balancing in Central Asia. The analysis relies on the Chinese and Russian investments in energy resources, security initiatives, mutual cooperation and activities to contain the US expansion in Central Asia. Although over the last few decades Sino-Russian relations have been based on the US containment policy, security and economic partnership, their relationship is rather complex. The period of severe conflicts between 1917 and 1950 was followed by a progressive era of oil exploration, student exchanges and various other partnerships. The Sino-Russian rapprochement ended in 1960 and started again in 2008. Although they currently have many common interests, Central Asia remains an area of potential dispute for both countries. Analyzing recent Chinese investments in Central Asia, it becomes obvious that Beijing does not intend to withdraw from the region, while Russia is unlikely to continue tolerating the rising Chinese influence in Central Asia, as the Russian role has already been significantly reduced in this region. The pipeline that was supposed to connect Siberia with the Chinese province of Xinjiang has been postponed because Putin believes that it could give China advantage over Russia's internal, as well as external political processes. Putin's decision did not stop China's expansion in Central Asia and Russia is expected to invest significant efforts in order to avoid the Chinese dominance in the region. The Chinese expansion and Russian stagnation complicates their mutual relations, and things get even more complicated if growing US presence in Central Asia are taken into account. This paper analyzes the above-mentioned issues and provides a possible outcome of the current Sino-Russian balancing in Central Asia.

Keywords: Russia, China, Central Asia, Interaction, Challenges, and Cooperation.

Introduction

The relationship between China and Russia have always been complex and varied from hostile to friendly. Periods of war and clashes over territory were followed by various alliances and friendly relations. After the collapse of the Soviet Union, the Russian Federation was focused on its internal affairs, while Chinese activities spread to Central Asia, influencing their relations and perception of each other. China's current rise in Central Asia represents a great strain on Sino-Russian relations because Russia perceives itself as a world power whose dominance over the former Soviet Union republics goes without saying. In addition, Russia depends on Central Asian energy resources and labor, and its control over them gives Russia a certain advantage over the region (Rumer, 2006). For this reason, China's growing political and economic power is

often perceived by Russia as a threat to its economic development and potentially to the Russian national security.

On the other hand, China views Russia through the prism of their past relations that is as unreliable and unpredictable actor in opposing the US unipolarity in Asia (Dueben, 2013). The Chinese influence in Central Asia has been growing due to the expanding trade, acquisition of energy resources, and overall rise as a major world power (Rumer, 2006). Central Asia has become one of China's strategic interests because Beijing's massive land borders with the Central Asian republics and Russia carries none of the geographical risks of the increasingly volatile South China Sea (Panda, 2015). Central Asia is also attractive to other countries and international oil companies because of the recent discovery of large oil and gas deposits, which additionally complicates the Sino-Russian relations. According to Eder (2014), Kazakhstan has oil and considerable reserves of gas; Uzbekistan has gas and relevant oil reserves; Turkmenistan has gas; Kyrgyzstan and Tajikistan have hydropower; all the Central Asian states have certain uranium reserves and Kazakhstan alone holds about 20% of the world reserves. Therefore, it is no wonder that both China and Russia see Central Asia as a region of their vital interest.

This paper analyzes the Sino-Russian interaction, cooperation and challenges in Central Asia, focusing on the period since the collapse of the Soviet Union. The analysis relies upon the major theories in International Relations, Constructivism, Liberalism and Realism. The goal is to identify a single theoretical framework within which both countries operate and then, based on the theoretical framework, to determine possible outcomes of the current Sino-Russian balancing in Central Asia.

Sino-Russian Relations since the 17th Century

This section provides a brief overview of complexities in the Sino-Russian relations since the 17th century. Chen Lulu claims that the Sino-Russian relations have always been in one of the four categories: oppression, alignment, resistance or normalcy (in Eder, 2014). In Yu Bin's (2007) terminology, hierarchy can be equated with Chen's stages of oppression, alignment and resistance, and the equality with the stage of normalcy. From the 17th century until the Bolshevik Revolution in 1917, the oppression emerges as the preeminent pattern of Sino-Russian relations, with Russia in a dominant position. The Russian self-perception was also linked with the notion of a "yellow peril" or "yellow threat", the fear of a possible return of an oppressor from the East (Eder, 2014). According to Yu's (2007) classification, this was the period of hierarchy. Lo claims that this fear of uncivilized, culturally inferior East still resonates with parts of the Russian populace and it proved itself to be remarkably durable (in Eder, 2014). Even Dmitry Medvedev, a former Russian President, warned in 2010 that, if Russia did not step up the level of activity of its work in the Russian Far East, Russia would lose everything (Kucera, 2010).

The Opium Wars in the mid-19th century weakened the Chinese Qing Dynasty and the Sino-Russian relations began to change. In a series of unequal treaties, Russia extracted more than 1.5 million km² of land from China and it was the period of very high tensions between the two countries. In 1905, Russia lost war to Japan and its expansionism ended. However, a period immediately after the war between Russia and Japan was marked by numerous border disputes between China and Russia, and Russians in the bordering areas

fear that the disputes with China are still not resolved. In addition, many Chinese perceive Russia as an aggressor and hegemon. During the 1937-1945 war against Japan, the Soviet Union provided financial, technical and advisory support to China but because of Stalin's attitude after the end of war that a weak and divided China would serve Soviet interests China felt treated as if it had been on the losing side, not only by the Western powers, but also by the Soviet Union. This reluctance and maneuvering on the Soviet side was another root for distrust between the two countries (Eder, 2014).

The so-called "Honeymoon Phase" in Sino-Russian relations came after the establishment of the People's Republic of China in 1949 (Eder, 2014). Mao Zedong, Chairman of the Chinese Communist Party, adopted the "leaning-to-one-side" policy, joining the socialist camp and following the Soviet model. Their relationship remained hierarchical, making the Soviet Union the "big brother" in Confucian terms (Wilson, 2004). The "Great Leap Forward" was abruptly interrupted by the Soviet Union in 1960, delivering a severe blow to the Chinese economy (Eder, 2014). According to Dueben (2013), the Soviet military threats replaced strong involvement in the Chinese policy decisions. After the initial spell of professed socialist 'brotherhood' and intense political and economic cooperation in the 1950s, Beijing and Moscow rapidly plunged into a bitter strategic enmity. The persistent mutual hostilities and territorial disputes culminated in an open border war in 1969, resulting in repeated mutual nuclear threats. The tensions between China and the Soviet Union started developing and there was a massive troop build-up along their borders, which led to several clashes. Worried about a possible Soviet invasion, President Mao turned to the United States and the phase from 1960 to the early 1980s was the worst period of the Sino-Russian relations (Eder, 2014). According to Lo Bobo (2008), China's "century of humiliation" was unacceptable to the Chinese leadership and the subordinate relationship with Russia ceased during the 1990s, after the collapse of the Soviet Union. Wilson (2004) claims that at the turn of the century Russia was weaker than China and since the end of the Cold War events between the newly founded Russian Federation and a reformist People's Republic of China have taken a turn in the opposite direction. After three decades of seemingly insurmountable suspicion and bilateral crises, the post-Cold War period has witnessed a remarkable renewal and strengthening of the Sino-Russian relations. Bilateral institutions, which were almost entirely absent until the mid-1990s, have rapidly proliferated into a dense network of commissions and sub-commissions, working groups, and institutionalized exchanges, encompassing virtually all aspects of interaction between China and Russia (Dueben, 2013). According to Wishnick, the Soviet Union began to withdraw troops from Afghanistan and the Chinese border. The Soviets also pushed Vietnam to leave Cambodia while both regimes agreed to settle their border issues, which in 1992 led to the ratification of the first agreement on the eastern part to reduce troops in border regions and use no force in their interactions (2001).

Yu (2007) explains that the process of de-ideologization began in the 1990s with the return of the national interests as both the philosophical and operational principles, and this did not necessarily mean a switch to a Machiavellian "ends-justifying-means" approach, but rather practicality in the pursuit of their respective national interests. Despite their mistrust towards Yeltsin and the Democrats in Russia, the Chinese treated new developments as an internal matter and swiftly recognized the Russian Federation, as well

as all other successor states of the Soviet Union on December 27, 1991 (Eder, 2014). Until the beginning of war in Chechnya in 1994, Russia kept criticizing China's human rights record (Wilson, 2004), but in 1994 the Yeltsin government, disappointed and criticized by the West for war in Chechnya, tried to rebalance its foreign policy and discovered many similarities with the PRC regarding the international issues, which led to steady repetition of the principle of non-intervention –eventually coming to mean non-criticism. Moscow stopped criticizing China's human rights record and the Chinese side reciprocated by supporting Russia's Chechnya policy and criticizing NATO expansion (Eder, 2014). This period was considered to be the inception stage of normalcy in Sino-Russian relations. It led to a "strategic partnership" in April 1996, when the leaders of the PRC, Russia, Kazakhstan, Kyrgyzstan and Tajikistan met in Shanghai to discuss border demarcation and military cooperation in the border regions (Eder, 2014). The group was known as the "Shanghai Five" and it later evolved into the Shanghai Cooperation Organization (Lo, 2008). In addition, Moscow and Beijing protested against the US and NATO actions (independent of the UN) in Iraq in 1998 and in Kosovo/Serbia in 1999, and they further criticized the US national missile defense system (NMD) and the theater missile defense system (TMD) intended to be developed together with Japan.

The above-mentioned initiatives illustrate China's shift to the Russian side, but also the Sino-Russian alignment in opposing the US unipolarity. As Wishnick (2001) explains, China joined forces with the US in the 1970s and 1980s against the Soviet hegemony, while in the 1990s China and Russia aligned against the U.S. unilateralism in world affairs. After Putin came to power in December 1999, China became Russia's biggest weapons customer (Eder, 2014). Both countries wanted to establish a stable environment for the economic development and they both benefited from the resolution of border issues, agreeing to remain flexible and independent in their foreign policy decisions. However, when it comes to their mutual relations, Mações (2016) claims that Russians feel deceived if China does not extend its economic power to them, but they also feel threatened if it does. He adds that there is little or no escape from this double movement.

Eder (2014) claims that after September 11, 2001 Russia started aligning with the US, letting the Americans into Central Asia, but also that Russia, after the US invasion of Iraq in 2003, aligned with China against the US. The financial and economic crisis that began in late 2008 hit the Russian Federation heavily and, according to Liu, it led to an adjustment of Moscow's policy towards China (in Eder, 2014). Half of the Bolshoy Ussuriysky Island, once occupied by the Soviet Union, was returned to China in 2008 (Mações, 2016). The US and Europe tried to reset relations with Russia and Washington cancelled a missile shield, which it planned to install in Poland and the Czech Republic, and NATO also halted its eastward expansion. Liu adds that crumbling oil and falling gas prices made Kremlin develop a long-term plan and actively strive for a diversification of the Russia's economy and its exports (in Eder, 2014). With less need for geopolitical cooperation and economic development that became an imperative, the Sino-Russian relations took a new direction that enabled both countries to remain flexible and independent in their foreign policy decisions. The pipeline linking Siberia with China's Daqing was finally signed in 2009 (Eder, 2014). These developments indicate that external forces influence Sino-Russian relations and that they can change their mutual perception.

Apart from rather competitive approach to Central Asia, Sino-Russian relations since 2009 have been pretty stable and marked with the Sino-Russian rapprochement, containment of the US unipolarity in Asia and membership in various international organizations such as Shanghai Cooperation Organization, BRICS, UN Security Council, etc. Ying claims that “the Sino-Russian relationship is a stable strategic partnership and by no means a marriage of convenience: it is complex, sturdy, and deeply rooted. Changes in international relations since the end of the Cold War have only brought the two countries closer together” (Ying, 2016, para. 3).

Major IR Theories and Sino-Russian Relations in Central Asia

This section presents the analysis of Sino-Russian relations in Central Asia since the end of the Cold War based on major IR theories, Constructivism, Liberalism and Realism, aiming to determine a single theoretical framework appropriate to encompass as many as possible aspects of Sino-Russian relations in Central Asia. The authors are aware that a single theory might not cover all elements of the Sino-Russian relations, but the aim is to look into major activities, such as investments in energy resources and security, and mutual relations of the two countries in Central Asia since the end of the Cold War, place them into the most appropriate theoretical framework and draw certain conclusions about the possible outcomes of the current balancing. The following paragraphs look into the Chinese and Russian activities in Central Asia from the realist, liberal and constructivist perspective.

The Realists are generally pessimistic about interstate relations and the idea that the international system is defined by anarchy is at the core of the realist approach. Although certain aspects of realism dominate some periods of Sino-Russian relations, this IR theory may not be appropriate to describe the relations between Beijing and Moscow in Central Asia. As Slaughter (2001) explains, the most important premise of this theory is that there is no central authority and that states are sovereign and autonomous of each other. There is no such thing as an inherent structure or society that can emerge or even exist to enforce relations between them, and they are bound only by forcible consent. However, both China and Russia are BRICS member states (BRICS Information Centre, para. 1); veto powers on the United Nations Security Council (Voting System and Records); and they both want to oppose the US unipolarity (Ikenberry, 2004). They both use international institutions to support each other in their respective issues in order to position themselves in Central Asia and other regions of the world (e.g. Syria and the South China Sea). Besides membership in the international organizations and unions, they are also members of the Shanghai Cooperation Organization, whose goal is security and stability in the Central Asian region. Therefore, China and Russia do depend on each other in many areas and, as previously explained, some of them are trade, energy and economy. China is also aware that the situation in Xinjiang province could escalate because Uighur people who are mostly Muslims want their independence (BBC, 2014). For this reason, stability and security in Central Asia are very important to China, and Beijing relies on Russia regarding this issue (Muzalevsky, 2009). Russia is also interested in the stability of this region because of oil and gas trade, but also because of its own security, especially in the province of Tatarstan that is predominantly populated by Muslims. All of the coordinated efforts by China

and Russia are indicators of cooperation, but also of interdependency in Central Asia. In addition, China's two-way growth has long been based on energy import and goods export. As Payne explains, "the oil will continue to flow east and goods will continue to ship west" (2016). Russia is among the largest oil and gas exporters and significant weapons suppliers to China. Taking into account the above-mentioned areas of cooperation, it becomes obvious that China and Russia depend on each other and that Central Asia plays a significant role in their relationship.

The Realists also emphasize that relative material power shapes states' behavior. Eder (2014) claims that people who ignore this basic insight will often waste their time looking at variables, which are actually epiphenomenal. Indeed, Russia and China had many border disputes over the past centuries that depended on their relative power, but since the dissolution of the Soviet Union in 1991, Sino-Russian relations have changed and they became more stable and friendly. This change in Sino-Russian relations also includes change in relative power of both countries. In 2015, China became the second largest economy in the world (The World Bank, 2016), four Chinese banks ranked among the five biggest in the world (Bhattacharya, 2015) and China was the world's second-largest military spender (Wong & Buckley, 2015). In comparison with the former Soviet Union, the Russian Federation does not have a dominant position over China, and after the discovery of large oil and gas deposits in Central Asia (Arvanitopoulos, 2002), Russia was simply not able to stop China's expansion into the region. The Chinese expansion illustrates an aspect of the realist approach that emphasizes the importance of the relative power of states in international politics. China does not use its military power to achieve its investment goals in Central Asia, but its military power is certainly a significant factor that determines Russian reaction to the Chinese activities in the region. However, although there are elements of the Sino-Russian relations that fit the 'realist framework', there are significant aspects of their relationship (e.g. cooperation within international institution) that are beyond the scope of Classical Realism.

The Liberalists believe that national characteristics of individual states influence their international affairs (Slaughter, 2011). According to Yu Bin (2007), the Liberalists share a negative outlook on long-term cooperation, if the two countries in question are not democracies. China and Russia have changed their structures as well as mutual relations many times over the past centuries. After the fall of Communism in Russia and death of Mao Zedong in China, many groups in both states became dominant and left their mark on both Chinese and Russian foreign affairs and their mutual relationship. China is still a Communist country, while Russia accepted Democracy. This means that, according to the liberal theory, one of the main conditions for two countries to establish long-term cooperation is not met. The Liberalists do not perceive states as 'black boxes' seeking to survive in an anarchic system but rather as configurations of individual and group interests that project into the international system through a particular kind of government and, while survival may remain a key goal, commercial interests or ideological beliefs are also important (Slaughter, 2011). In addition to the Chinese expansion into the region of Central Asia, Putin's controversial decision not to build the Russia-China pipeline (Eder, 2014) and the Chinese investment activities in the Caspian region indicate that liberal theory is not appropriate to explain Sino-Russian relations in Central Asia. The relationship between these two countries is more complex and dynamic and, although

they support each other in certain regions of the world, China and Russia are competitors in others.

When it comes to the constructivist approach - and the “identity literature” on Sino-Russian relations - Yu Bin (2008) claims that China and Russia mostly do not see an “ideational” basis (i.e. cultural basis) for stable Sino-Russian relations. Slaughter (2011) adds that Constructivists believe that e.g. military power, trade relations, international institutions or domestic preferences are important because they have certain social meanings and not because they are objective facts about the world. He explains that a complex and specific mix of history, ideas, norms and beliefs form this meaning and scholars need to understand it in order to explain the behavior of a state. The perception of friends and enemies, fairness and justice becomes determinant of a state’s behavior and Constructivists stress that varying identities and beliefs belie the simplistic notions of rationality under which states pursue survival and power or wealth. For example, China did not like the Russian attempt to cause war between China and Japan, but Beijing did not overreact (Eder, 2014). This can be explained by China’s plan to retain an important energy partner that can help secure the energy supplies in Central Asia. In addition, the Constructivists emphasize the importance of non-state actors and believe that NGOs or transnational corporations have an important role as - through rhetoric or other forms of lobbying, persuasion and shaming - they can alter state beliefs about various issues (Slaughter, 2011). Dueben (2013) explains that institutions serve to embody norms and rules and thereby instill international interaction with greater certainty and predictability. Institutions do not modify underlying state interests; rather, by changing the informational environment and other constraints on governments, they make it easier for self-interested states to cooperate reliably with one another. The above-mentioned aspects of the constructivist theory can certainly be identified in the Sino-Russian relations because international institutions play an important role in their relations, and their mutual perception is important in determining IR policies towards each other. In Central Asia, mutual perception of China and Russia has varied since 1991, although they had the same view on many international and regional issues (e.g. US unipolarity). According to Eder (2014), Russia perceives China in Central Asia in a way as the EU in case of Ukraine, and in the bordering areas as a “yellow peril”, which is a legacy of the Mongol empire and partially due to a large number of illegal Chinese immigrants. On the other hand, China sees Russia as an aggressor and an unreliable partner in opposing the US unipolarity in Asia. However, there are other aspects of Sino-Russian relations outside the constructivist scope. As mentioned in previous sections, in a series of unequal treaties in the 19th century, Russia extracted more than 1.5 million square kilometers of land from China while, according to Kuo & Tang (2015), the Chinese growing influence in Central Asia undermines an important Russian objective that is the monopolistic position among the Chinese Central Asian suppliers. China is not willing to negotiate with Russia regarding its withdrawal from this region and it is using its economic, technological and diplomatic, as well as - to a certain extent - military power to secure its activities in Central Asia, which is rather a realist approach. Both countries invest a lot in the military arsenals and their international initiatives rely heavily on their military and economic power. In addition, Russia uses its gas and oil as one of the main ‘weapons’ without any reluctance. Moscow does not hesitate to ‘blackmail’ other governments with rising prices of oil and

gas, reduced supplies (Kanter, 2016) or with increased taxes for the use of its pipelines inherited from the Soviet Union. Therefore, both Russia and China often act in line with the realist approach. Outside the Central Asian region, both countries often act in line with the realist theory. For example, in 1999, Russia invaded Chechnya and in 2008 Georgia, while in 2016 it sent its troops to Syria (Sanger, 2016). China is constructing facilities on the disputed islands in the South China Sea, and in 2015 it established a military base in Djibouti (Kleven, 2015). Also, China acts pretty violently in international territorial disputes (Hung, 2016), and Beijing is planning to enforce an air defense identification zone (Underwood, 2016) in the South China Sea. Therefore, Chinese and Russian activities in Central Asia, as well as in other regions of the world, indicate that constructive approach is not fully applicable and that in some cases realist approach is much more adequate. After the brief analysis of the Sino-Russian relations in Central Asia through the prism of Realism, Liberalism and Constructivism, the authors are of the opinion that the neoclassical realist theory may be the most appropriate to approach the Chinese and Russian activities and their relationship in Central Asia.

The neoclassical theory perceives the world as the anarchy that consists of states and tries to explain the outcomes of state interactions, while the relative power of the states is important because it shapes the states' opportunities for action in international relations (Eder, 2014). The elite perception, as well as internal and external variables determine the choice of foreign policies of a state (Eder, 2014). According to Rose (1998), neoclassical realist approach tries to explain the outcomes of state interactions and, depending on the relative power of the respective units within the structure, systemic pressures shape the units' opportunities for action in international relations. Neoclassical realist approach explicitly incorporates both external and internal variables and, according to Eder (2014), intervening variables on the unit level (domestic processes) determine which foreign policies are adopted in reaction to those pressures. Tang (2009) explains that neoclassical realism considers structure to delimit a state's goals, while domestic politics contribute heavily to the strategies a state adopts in order to reach those goals (actual state behavior). In order to understand the latter, Tang claims that one has to deal with a state's specific interests, which are not given by the system structure, but "constructed by elites through a discourse" (2009). In short, this approach emphasizes the importance of several elements: the world as anarchy of the international system that consists of states, relative power of states, outcomes of state interactions, elite's perception and structure of states.

According to their population and landmass, China and Russia are among the largest countries in the world and their border stretches over more than 4000 kilometers. They are both important economic players and among the leading military powers in the world. Both countries command extensive nuclear arsenals and they are veto powers on the United Nations Security Council (Dueben, 2013). China and Russia are also BRICS member states and share interest in developing their economic ties and security policies. However, although these two countries might seem similar, they are rather not. China is a Communist country, while Russian political system is democratic. China has around 1.4 billion people, while there are around 140 million people in Russia. Four out of five biggest banks in the world are Chinese (Bhattacharya, 2015), while Russia is still coping with deficit and international sanctions. Chinese economic and cultural initiatives around the world are

much more extensive than Russian. The Chinese One Belt, One Road (OBOR) initiative is gaining momentum and Russia is part of it, while Russia does not have an equivalent to counterbalance this initiative. The Chinese currency has become an official currency in the International monetary system, and Ruble has not. The Chinese culture is much more rooted in their past than Russian. These are just some of the differences between China and Russia that determine their foreign policies. The best example of the influence of the above-mentioned things on their respective foreign policies might be the Chinese insistence on its soft-power approach to international relations, which is quite the opposite from the Russian rather power approach. Both of the approaches are rooted in their cultures but also in their state structures and relative power.

As previously explained, the goal of this paper is to analyze Sino-Russian relations in Central Asia since the collapse of the Soviet Union, and the analysis encompasses other world regions where necessary in order to explain certain developments in Central Asia. This region is selected because some of the Chinese and Russian interests overlap. There are at least two ways in which relations between China and Russia can be analyzed in Central Asia. The first is their respective efforts to dominate the region, while the second is their common effort to oppose the US unipolarity and presence in Central Asia. While in the first case they might be involved in a win-win game, their efforts are rather win-lose style in the second. China and Russia simply do not want the US presence in Central Asia and their efforts to keep the US away from the region are increasingly orchestrated. This analysis focuses on the first case.

China's growth over the past three decades has probably been unprecedented in modern history and this growth is based on a very simple principle: energy import and goods export. Only two decades ago China's per capita consumption of petroleum was around 170 kg, which was about 10% of the amount used in advanced economies (Kambara & Howe, 2007) and according to Hurst's (2006) prediction, China will have 120 million private cars by 2020, which will increase the demand for oil to 14.2 million bpd by 2025. International Energy Agency (IEA) claims that by 2035 China will probably have 360 million passenger vehicles (Preston, 2011). Therefore, China will be facing severe energy shortages, if considerable supplies and new energy sources are not secured. Furthermore, due to the 9.85% GDP annual growth rate from 1989 to 2016 (Husna, 2016), China is already not able to meet its own needs through its domestic production of energy and it is anticipated that by 2030 China will be importing about 85% of its oil (Preston, 2011). The growth in the demand for energy, China's urbanization and economic rebalancing forces China to look for energy resources abroad, which influences trends in the world energy markets (Poorsafar, 2013, para. 1) and, according to British Petroleum (BP), China will account for 25% of the growth in total energy demand through 2030 (Poorsafar, 2013). Therefore, in order to continue its growth, China needs to secure and diversify its energy resources, and that is exactly why Central Asia is one of the most important regions of the world to Beijing. Over the next 20 years, global oil exports from this region will rise to 9% and gas exports to 11%. Another Central Asian country, Kazakhstan, has already become one of the most important Chinese oil suppliers, and in 2014 Turkmenistan with the largest gas deposits in Central Asia was one of the main Chinese suppliers (Romanowski, 2014). According to the current plans, China expects to import up to 65 billion cubic meters of natural gas

from Turkmenistan on an annual basis by 2020, and in 2013 China signed an agreement to import up to 10 billion cubic meters of natural gas from Uzbekistan (China's Ambitions in Xinjiang and Central Asia: Part 2, 2013). According to Panda (2015), Beijing has also made investments in a China-Central Asia gas pipeline that starts at the Turkmen-Uzbek border city of Gedaim and runs through central Uzbekistan and southern Kazakhstan on its way to China's Xinjiang province. In 2014, China also concluded several inter-governmental agreements with Uzbekistan, Tajikistan, Kyrgyzstan and Kazakhstan. Leonard (2006) claims that, according to the International Monetary Fund, annual trade turnover between China and the five nations of former-Soviet Central Asia has increased from \$1.8 billion in 2000 to \$50 billion in 2013. The scale of the above-mentioned investments in oil and gas sector illustrates a widespread opinion that China will not withdraw in case of Russian pressure.

Another important Chinese issue in Central Asia is linked with the security of the Xinjiang province. The voices demanding the independence of this region are ever louder and the religious radicalization of the province is not an impossible scenario. Central Asia is important to China because it lies on the Silk Road route to Europe and Moscow. If this region is not secure and stable, the OBOR initiative could be delayed or even interrupted. The Chinese economic and military power, combined with so-called soft-power policy, made it possible for China to break into Central Asia and invest in various forms of energy sources. However, Chinese perception of Russia as an oppressor and unreliable partner in opposing the US unipolarity still shapes certain aspects of the Chinese approach to Russia. Actually, it seems that China acts very carefully in Central Asia in order not to anger Russia, and had it not been for Russia, the scale of Chinese investments in this region would have been much larger. China balances between the increase in tensions with Russia and development of oil and gas sector in Central Asia, using various means to secure partnership with Russia and seemingly at no cost. For example, for several months in 2015 Russia was the largest oil exporter to China, but part of this success is due to Russian willingness to accept Chinese Yuan denominated currency for its oil (Holodny, 2016). Lo claims that Russia perceives Beijing to be using its position to extract unreasonable price concessions and is therefore striving to diversify its customers (in Eder, 2014).

The Russian Federation, on the other hand, still wants to dominate over the former Soviet Union republics and it does not want the US presence in this region, but China is also not fully welcome. Moscow sees Central Asia as a buffer zone against external security threats, mostly the United States, and the importance of the former Soviet republics to Russia can be seen on the example of Ukraine, Georgia and Chechnya. Russian approach to the former Soviet republics is partly based on its perception of these countries. Russia is aware that it cannot stop China's expansion in Central Asia but, together with China, it can oppose the US unipolarity and presence in the region. After the collapse of the Soviet Union, the Russian Federation was focused on its internal affairs and the transition process from Communism to Democracy. Moscow was not willing to invest in the Central Asian region, as it had its own oil and gas to export. Therefore, Central Asia was perceived and treated merely as a security buffer zone and exploited through the use of the pipeline that Russia inherited from the Soviet Union. However, after large oil and gas deposits were discovered, the former Soviet

Union republics started demanding more autonomy from Russia and diversifying their customers. Russia was aware that these initiatives meant foreign investments, but also their independence from Russia and presence of foreign actors in the region. Russia soon launched rapprochement initiatives with the former Soviet republics but China was already a significant investor and actor in the Caspian region. Today, Russia needs China in the region, although it undermines its influence and it seems that Russia would rather have China than the US in its proximity. The Chinese partner can bring stability to the region but it is also weaker than the US and its allies. In addition, Russia has a long history of dealing with the Chinese partner that is probably perceived as a more reliable and controllable neighbor than the US. In the light of tensions with the EU and NATO, Russian need for Chinese support in order to oppose the US unipolarity and avoid NATO in its proximity becomes even more prominent, and this is the point where Sino-Russian interests are almost perfectly aligned.

Therefore, security and stability of Central Asia are among the most important goals to both countries. Bosbotinis (2010) explains that, without stable relations with Russia, China's Central Asian energy sources would not be secure, and a conflict in Central Asia might constrain Chinese operational freedom elsewhere. The cost of conflict for Beijing and the commonality of interests make "a shift from cooperation to pronounced competition unlikely and this situation is likely to continue" (Bosbotinis, 2010). According to Paramonov & Stokov (2008), Russian companies in 2008 had a plan to invest between 14 and 18 billion dollars in the search for and development of oil and natural gas fields in Central Asia, primarily in Kazakhstan, Turkmenistan and Uzbekistan, but also in the pipeline infrastructure of the region. However, due to a sharp drop in oil prices and recent developments around the world, Russia's investment activities in the region have been steadily declining. Russian intervention in Syria and the annexation of Crimea led to the international sanctions and reduced Russian investment capacity in Central Asia. According to Leonard (2016), Russia was forced to pare back its ambitions and the starkest retreat of Russian money was seen in Kyrgyzstan. He claims that in August 2015 LUKoil sold its 50-percent stake in Kazakh oil producer Caspian Investment Resources to China's Sinopec for \$1.2 billion and that the highest-profile Russian retreat from Central Asia's energy market was in Turkmenistan. Leonard (2016) also explains that Russian withdrawal from Central Asia is rather paradoxical considering that the Eurasian Economic Union (EEU) has finally been established after years of preparations. The withdrawal might be an indicator that sanctions took toll on Russian plans in Central Asia but also that China is gaining momentum and that its influence will continue growing. China seems to be taking over Central Asia, but the impact of membership in the EEU for Russia's partners has yet to be seen, as its common market is not planned to go into effect until 2025 (Leonard, 2016). Mendkovich cautioned against ruling Russia out because the drop in investment activity in Central Asia was just a temporary reaction to the crisis (in Leonard, 2016). In addition, many authors warn that this is not the first time that Russia seems to be weak to cope with international challenges. After the collapse of the Soviet Union, it took Russia less than two decades to rise to the world scene and become one of the major powers.

Conclusion

The goal of the analysis was to place the Sino-Russian relations within an appropriate theoretical context and provide an insight into the current Sino-Russian balancing, as well as to offer a possible course of actions by both countries in Central Asia. Liberalists share a negative outlook on long-term cooperation, if the two countries in question are not democracies, while Constructivists do not see ideational basis for stable Sino-Russian relations. The Realists are generally pessimistic about interstate relations and the idea that the international system is defined by anarchy is at the core of the realist approach. Although certain aspects of realism dominate some periods of Sino-Russian relations, realism is not appropriate to describe the relations between Beijing and Moscow in Central Asia, especially if their cooperation outside and within various international institutions is taken into account.

On the other hand, neoclassical realist approach is more complex and inclusive, emphasizing the importance of several elements: the world as anarchy of the international system that consists of states, relative power of states, outcomes of state interactions, elite's perception and structure of states. The application of this approach to Sino-Russian relations in Central Asia seemed to be more adequate than the other approaches. All of the above-mentioned elements of the neoclassical realist approach played a role in certain aspects of the analysis of Sino-Russian relations.

The analysis also indicates that, without stable relations with Russia, China's Central Asian energy sources and its security cannot not be guaranteed, while the cost of eventual conflict for Beijing would make a shift from cooperation to pronounced competition. Authors like Lo foresee rising tension between Moscow and Beijing as the latter continues to rise and especially the US might retreat from Central Asia, causing 'power vacuum'. Demographic issues in the Russian Far East and Chinese rising influence in the Central Asian energy sector can possibly lead to conflict. The asymmetric relationship between China and Russia, due to the differences in their relative powers, is likely to emerge and cause tensions as well. The current Russian withdrawal from the Caspian region should not be taken for granted and, analyzing possible impacts of this withdrawal, Mendkovich cautions against ruling Russia out because the current drop in investment activity in Central Asia is just a temporary reaction to the crisis. Although many aspects of the Sino-Russian relations in Central Asia have been included in the analysis, it is difficult to anticipate a full scale of developments that might occur in the future, as many seemingly less important events can significantly change their relationship. Instead, Rose's description of fast-rising powers might provide us with a lead to follow. Rose claims that fast rising powers are almost invariably troublemakers. Because rapid growth often produces social turmoil and because China is emerging onto the scene in a multipolar regional environment lacking most of the elements that can mitigate conflict, the future of East Asian international politics seems especially problematic (1998).

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