



CHINA'S STAKES IN THE UKRAINE CRISIS

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The crisis in the Ukraine and Russia's intervention in the Crimea throws an important spotlight on China's position and stakes regarding the issue. While it has refrained from openly criticizing Russia, it is clear that Beijing is concerned by the ramifications of Moscow's actions, as this policy brief explores.

Important stakes are at play for China in the Ukraine crisis. One is that Russia's intervention in the Crimea goes against Beijing's principle of non-intervention and also raises the worrying prospect of Moscow asserting its influence in other regions closer to China such as Central Asia. Another is that China has in recent years forged economic and military ties with Ukraine that are now in danger of being undermined.

As is examined here, Beijing has so far adopted a cautious approach and refrained from being overtly critical of Moscow's actions, even if its "sitting on the fence" position in fact belies serious concerns. Further, while China may yet emerge as a loser in Ukraine, it could strengthen its standing in other regions, namely Central Asia, even if this could lead to increasing competition for influence with Moscow.

Sitting on the Fence?

Moscow initially claimed that Beijing had given its support for Russia's actions in the Crimea as a result of a telephone call on March 3 between the Chinese and Russian foreign ministers. The Russian foreign ministry subsequently stated that the conversation had resulted in a "broad convergence of views between Russia and China in connection to the situation in Ukraine and around it." However, China's position has in fact been far from clear-cut. The following day, the *People's Daily* newspaper and Chinese foreign ministry spokesman Qin Gang clearly stated that China had by no means declared its support for Russia's actions in the Crimea; rather that the conversation had led to a "thorough exchange of opinions." Furthermore, while Putin had hoped to gain support from China when briefing Chinese President Xi Jinping on the situation in Ukraine, according to the Xinhua state news agency, Xi emphasized the need for safeguarding stability and told Putin that he supported proposals and mediation efforts of the international com-

munity conducive to the reduction of tensions.

While thus not openly critical of Russia, several Chinese scholars have interpreted Beijing's statements on the issue as being opposed to Russia's intervention. For example, Niu Jun from Beijing University has offered the interpretation that "what this statement is really saying is, 'what Russia did was not right and China does not want to support this military invasion.'" Notwithstanding, China has actively refrained from supporting sanctions against Russia, and it has also not agreed to participate in economic support for Ukraine.

On a political level, however, it would be hard for China to accept the Russian intervention in Crimea, as it is clearly against China's foreign policy of non-intervention and espoused respect of international law; this even if China has noted the specific history and complexity of the Ukrainian issue. In the view of Beijing, accepting the Russian intervention in Ukraine would therefore set a precedent or de facto legitimize—even if only hypothetically—interventions by other states. China is thus loathe to give credence to anything that could be construed as giving sanction to interference in another state's internal affairs including its own. China has refrained from recognizing South Ossetia and Abkhazia after the Russian invasion of Georgia in 2008 for the very same reasons despite Russian attempts to convince China to do so.

China is also concerned, as are the Central Asian states, what Russia's intervention in Crimea heralds for the governments of Central Asia, and, namely, whether Russia is intent on taking its "stabilization strategy" beyond Georgia and Ukraine. Indeed, Russia's assertive policy could very well logically extend to Central Asia—a region which Russia considers as its "backyard" and one in which it has legitimate interests. This is not least true in Kazakhstan which is home to a large Russian minority. China has a large vested economic and political interest in Central Asia that could



also be threatened if Russia decides to increasingly assert itself in the region.

The Ukrainian Connection

In view of the current situation, China also risks jeopardizing its relations with Ukraine that it has deepened independent of Russia, and even in some ways to circumvent it. The past few months have seen important agreements signed between the two countries. For instance, in September 2013 an agreement was reached on five percent of Ukraine's territory being leased to China for a period of 50 years for agricultural purposes. Moreover, President Xi Jinping and Victor Yanukovich signed a security agreement on December 5, 2013, which included a \$10 billion agreement on cooperation and a nuclear clause that in the case of a nuclear threat or attack China would offer Kiev support. This was the result of China's long-term courting of Ukraine and intensified military cooperation between the two states.

In this regard, Ukraine has fulfilled an important function for China by supplying it with jet engines for the Chinese version of Sukhoi jet fighters, the *Varyag* aircraft carrier (renamed the *Liaoning*), as well as Zubr-class amphibious hovercrafts and the Y series of strategic bombers. In some ways Ukraine has provided the critical military technology that Russia has been reluctant to transfer. China will be keen that the agreements made with the Yanukovich government be honored by the new administration, something that could be difficult if China decides to take a pro-Russian position or even fails to support Ukrainian national integrity and sovereignty.

Future Prospects

While China may well lose out in Ukraine with Russia's intervention, it could nonetheless win greater influence in other regions namely Central Asia that view worryingly Moscow's actions. Beijing also faces skepticism from local populations in these states but it could be viewed as the lesser of two evils and, importantly, a state that at least pronounces non-interventionism. Indeed, with the U.S. and the EU deemed to be weak and/or unwilling to counter Russia, China may be increasingly a preferred partner for these states.

Chinese relations with the Central Asian states will therefore likely receive a new boost as a result of the Russian intervention in Ukraine. Further, the realization that

trade routes and energy pipelines must increasingly bypass Russia (lest they be hostage to Russian leverage) is growing in strength, something which China has already been keenly aware of but which will likely gather new momentum.

Finally, in terms of Sino-Russian relations, despite proclaimed good relations the Chinese government is increasingly concerned by Moscow's actions. The failure to issue strong support, even if it has refrained from open criticism, indicates the divergence between the two capitals, not least on principles of non-intervention. But while President Obama has approached China to seek support for a sovereign Ukraine and put more pressure on Russia, China has declined to do so and continues to see its position as a "third" way independent of both the West and Russia.

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