The Implications of US-China Rivalry for the Prospects of EU-Russia Relations

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The phenomenon of China’s rise has launched a set of divergent trends, leading to the transformation of the whole world order with bilateral US-China relations becoming the cornerstone of the modern IR and having the direct impact on all regions and IR spheres. Being one of the major powers, Russia has its own historical legacy of its relations with the US and China both having acted as Russian partner and adversary throughout the history. The way US-China relations develop has come largely to define the freedom of manoeuvre for Russia in its foreign policy.

In contrast to a widespread view saying that against the background of the US-China rivalry Russia should team up with China, there are also signals showing that Russia could get much more in teaming up with the EU. Taking into consideration European and Russian internal factors, as well as their respective bilateral relations with the US and China, there are objective forces giving both sides reasons for closer cooperation.

European perspective

Europe finds itself stuck in the middle of the US-China conflict. On the one hand, the EU emphasises the importance of multilateralism, saying that China is an “economic rival, but not a political enemy”, and that they do not share president Trump’s approach and launched trade war with China. On the other hand, the EU declares China a “systemic competitor”, arguing that the US-EU alliance should be bound more tightly in order to counter China. Moreover, such leading European countries as France and the UK are providing military support for the US by conducting sea patrols in western Pacific. At the same time, it is impossible to speak about any joint and unified trans-Atlantic strategy vis-à-vis China – it would require Trump to respect its allies and to keep his word as well as stop relegating Europe to observer’s status in his relations with Beijing. Instead, president Trump continues using the same threatening methods (he is using against China) towards his allies.

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When it comes to the US, the EU does share the fundamental values and economic order with the United States, not with China, but the recent aggressive US “America first” economic and tariff policies pose a real challenge not only to China but US European allies and other US-friendly countries as well (like Canada, Japan, South Korea). All these countries (with Germany as the most interested European member) are interested in China, first and foremost, in economic sense. Even though the EU is challenged by the Trump administration, the degree of such challenge seems to be more rhetorical than substantive. At the same time, there is a shift in public perception of the US in general – public in core European members is demonstrating more anti-American and more pro-Russian sentiments.

Nowadays, internally the EU seems to be economically quite effective (even with the indebtedness of some key countries) and in terms of growing pro-EU sentiment among the European public, showing its highest support (by two thirds of Europeans) for the union in 35 years (since 1983). At the same time, the EU seems to lack the coherent strategic vision of itself against the backdrop of such challenges as identity politics, Brexit issue, migration flows and consequential aggravation of the already explosive situation.

China has been recently declared as a European “systemic rival”, and, as some experts have suggested, is bent on picking off smaller EU members on such issues as human rights, trade, intellectual property etc. Apparently, the European Commission is also worried about the participation of some individual states in the China-led Belt and Road initiative with quite opaque conditions of participation considering it all to be an attack on European unity. The EU itself is missing the coherent unified position vis-a-vis China and is far from achieving it.

**Russian perspective**

US and China geopolitical competition provides Russia with a chance to diversify its foreign economic relations and sources of high technologies acquisition. Possible creation of a new bipolar world could be considered as a negative scenario for Russia, as there is a high risk to find itself in a “junior partner” and second division state status. As a Eurasian country Russia is more interested in diversifying its cooperation with different countries in order to counter new regional and global challenges, to minimize any possible conflict with neighbours, to find effective combinations of bilateral and multilateral cooperation schemes to resolve particular pressing issues.

Russian foreign global posture is and will be seriously defined by the development of US-China bilateral relations and by the necessity for Russia: (1) to preserve its independent foreign policy; (2) not to become a junior

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partner of any of these states; (3) not being engaged in US-China rivalry; and (4) not being succumbed to anti-Chinese and anti-American hysteria.

When considering Russia’s internal situation, many experts note that even under quite adverse external conditions (sanctions regime, relatively low oil price etc.) Russia is doing well, but it seems to be driven by a short-term crisis plan, not a long-term strategic approach to the situation. Even despite the fact that Eurasian economic integration is developing, some persistent issues and challenges in trade relations with its key partners (like Belarus and Kazakhstan) remain.

The US in general, not just Trump administration, appears to have given up the idea of establishing and developing effective partnership with Russia – for example, experts on Russia are leaving the Trump administration, a new US ambassador to Russia cannot be considered as a heavyweight establishment figure. All US focus is put on China and US-China bilateral relations, leaving the second role for Russia in its political agenda. The only Russian issue the US seems to be concerned about is possible Russia’s influence on US elections that, if being resolved, could put Moscow on a wait-list of American political agenda.

Chinese-Russian recent strategic teaming up (closer economic and military cooperation, unified position on many international issues, etc.) set against the background of deteriorating US-China tensions and lasting US-Russia confrontation should not be overstated and misleading as Russian-Chinese relations have both tensions and perspectives. It is not clear enough how much importance China is ready to give to Russia – for example, in terms of BRI perspective or readiness to cooperate under sanctions imposed on Russia. Bilateral profitability together with obvious challenges (regional competition, deadlock in financial and investment cooperation, etc.) existing between Moscow and Beijing, makes their future not as bright as it could be – China doesn’t have a stake in Russia’s economic future and apparently does not see how Russia can help China’s transformation into a global rich economy. Some experts believe that even recent joint declaration of Russian and Chinese leaders on the strengthening of global strategic stability in the modern era seems to be more of a declarative type and reflects more Russian than Chinese concerns.

**Emerging alternative**

Despite the recent Russia-China intensified cooperation widely discussed at all levels of administrative and academic domains in Russia, the perspective of even closer cooperation is fraught with a set of perils making the situation not that explicit. A perspective of improving relations with the US right now also seems to be quite vague. Exactly at that moment, the intensification of tensions between the US and China seems to extend the room of manoeuvre for Russia at the global and even regional level giving a chance to distant itself from the
rivals and create an alternative “neutral” pole with another actor also caught between two fires – the EU.

All abovementioned elements together with the intensified US-China rivalry make a possibility of EU and Russia coming closer together more realistic than ever since 2000s. They had such discussions in the middle of 2000s and around 2010s, but both cases failed, and no grand bargain (put bluntly, natural resources in exchange for technologies and acceptance of Russia having a normal ruling regime) was reached. The EU was not ready to support then Russian foreign policy (like in Russia-Georgia conflict in 2008 etc), and Russia, for its part, considered the EU relatively weak as a global political actor not being able to pursue an autonomous foreign policy, with further understanding of no reason for Russia to develop and deepen its bilateral cooperation with Europe. The Crimea and Ukraine case only exacerbated the situation making two sides antagonized even more.

With the background of US-China tensions, Russia and the EU seem to finally get a new chance to restore their relations as neither China, nor the US consider Russia or the EU to be really valuable or real ally in their current and future bilateral rivalry. In this situation Russia and the EU could come together and send each other a set of right signals – first and foremost, settle all problematic issues (like MH17 case, Donbas conflict etc.), seeming to be much easier resolved in contrast to the issues in Russia-US relations or in Russia-China relations.

These disputes seem to be coming to a head: there are hopes with a newly-elected Ukrainian president who may be willing to figure out and settle the Donbas issue; the MH17 investigation is coming to an end making it possible for Russia to finally leave it behind; Moscow is clearly thinking about sorting out the Russia-UK issues what has been recently mentioned in president Putin’s interview for the Financial Times; there are more and more public and official voices in the EU that would welcome the re-establishment of warmer and more productive EU-Russia relations. It is still open to question how far the EU and Russia could advance in their relations beyond the level they had in 2014, but the chaotic situation they find themselves mostly because of US-China rivalry seems to push both sides closer together.

As the Financial Times has recently put it, the US-China rivalry is “the most important geopolitical development of our era” and it “will increasingly force everybody else to take sides or fight hard for neutrality”. And the creation of theoretically possible EU-Russia entente could serve a good example of such kind of fight.

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3 Vladimir Putin says liberalism has ‘become obsolete’ / Financial Times, June 28, 2019, URL: https://www.ft.com/content/670039ec-98f3-11e9-9573-ee5cbb98ed36