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Russia Ukraine Crisis: The Chinese Defense Cooperation Dilemma

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The issue of the Russian spat with the West over Ukraine is not necessarily limited to the three entities so named. The other player it may have affected is China. It can be surmised that the dispute may become instrumental in shifting the United States' influence away from this essential pivot thereby allowing China to exercise leverage over Russia on energy and various economic issues. While there are versions that might say that China could have come out as a winner in the spat¹, it may not be entirely so. The argument could be looked at differently when considered only from the point of view of defense cooperation, defense industry and modernisation issues.

Historically, China has always depended technologically on Russia and Ukraine, as by default, major defense industries of the erstwhile Soviet Union were geographically based in these countries. Russia and China have enough commonalities as far as military cooperation is considered. Both have progressed positively on numerous defense deals on various weapon systems and platforms. The SU 35 aircraft, the S 400 AD system and the Lada class submarines are some of them. Apart from sales of defense systems and platforms, China also depends on Russia for power plants for majority of its aircraft, tanks and submarines. For example, the J 31 stealth fighter showcased by China in the Zhuhai air show is powered by a Russian engine². The same is true for a major portion of the Chinese defense inventory. Statistically, while in 2013, China made up approximately 12% of Russia's new arms exports, Russia accounted for almost 68% of China's purchases, according to the Stockholm International Peace Research Institute³.



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A marginal shift could be said to have taken place with Ukraine helping China in reducing its dependence on Russia. A large part of the Soviet defense industrial base is mostly based in Ukraine. Post independence in 1991, Ukraine was unable to appropriately procure arms for its forces and therefore attempted to sustain its defense industry by renovating and refurbishing existing inventory and producing, for purposes of export, all that it can. China has been procuring from Ukraine turbofan engines for quite a few aircraft and also diesel engines for tanks and gas turbines for its destroyers. China has also procured air to air missiles for its J 11 (read SU 27) aircraft from Ukraine. Once transfer of technology takes place, many of these would be produced indigenously in China. This has resulted in Ukraine being able to provide, for China, an *alternate source* for defense technology and equipment. What Russia could not sell or would not sell, could be procured from Ukraine. Ukraine has therefore played a small but significant role in providing China with military technologies, engineering expertise, naval capabilities, and engine components. It would not be too far removed from the truth to assume that in the Chinese armed forces, some Ukrainian products are generally a substitute for Russian products that are not available.

Such instances, and a few more, have made Russia uneasy with regard to the Chinese behaviour. While a major consideration could be the issue of China having *access to an alternate defense market* in Ukraine, the other could also be the *reverse engineering processes* by China with Ukrainian help⁴. Peeved with the Chinese behavior, Russia had cutoff Ukraine from the licensed production of the SU 27 aircraft⁵. Thereafter, Russia has preferred to export only proprietary systems/ platforms that China could not reproduce with the help of Ukraine. This was a low point in Russia China defense relations. It is no wonder that when Russia and Ukraine had their face off over Crimea, it was cause of worry for China, which is faced with two options. It could either increase its reliance on Russia or support Ukraine's defense enterprises to maintain a link to its technological expertise. In



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the first case, it might find itself returning back to over dependence on Russia, a situation it had come out of, over the years. The second option however could lead to a rift with Moscow, more so now that Ukraine appears to be rallying with the west.

Consequent to the crisis, a major challenge that China faces is the growing uncertainty with regard to defense supplies. As both Russia and Ukraine inherited defence industries of the erstwhile Soviet Union, there exists, still, a symbiotic relation between the two. Both share many areas of production and are interdependent in many others. Russia is not only a buyer of Ukrainian defense products but also a key stakeholder in most Ukrainian defense enterprises⁶. While on one hand Russia harbours the belief that the Ukrainian defense industry would wither away without Russian support, it is likely that Ukraine has reasons to think that the Russian defense industry would have to struggle to find a new supplier. Apparently, not much can be fathomed at this stage with regard to the survivability of these two industries or the repercussions that would be inevitable once they break away from each other. This is the *uncertainty* that stares China in the face as it depends on both countries for its defense supplies and would need to crystal gaze on how things would pan out later.

Additionally, the other significant issue, irrespective of the stance taken by Ukraine, is that of Russia attempting to move towards greater *independence* in its defense production⁷. While this may have been an aspect thought of earlier, inadequate political will and funding issues may have been a stumbling block. The current crisis however has resulted in a *face - off* between the two with Ukraine also imposing sanctions against Russia and toning down on many areas of defense cooperation⁸. This, though, has been done with an intent to continue to ensure Ukrainian industries do not suffer. In sum, it has marred the defense cooperation between them and given this Ukrainian behavior and the



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turn of events, it is possible that Russia looks at no other alternative but to pursue its goal towards being self sufficient. While Russia and Ukraine share the same legacy of the Soviet defense industry, it is plain for all to see that in comparison with Russia, Ukraine's industry is, by far, just a fledgling one. Should access to Russian industry and Russian components be severed, it may not be possible for Ukraine to fill in the void and replace either the volumes of orders or the supplies on its own. This would be so in most cases, barring the few that could be indigenously produced, and eventually, might lead to a gradual fading away of the Ukrainian industry⁹. A low domestic demand for defense equipment and a lack of funds may further aggravate the situation. China could *admirably fit into this scenario* by choosing to assist Ukraine and *supplying* whatever arms, equipment and munitions that Ukraine would need. With Ukraine openly requesting for assistance from the West, it is not a farfetched thought that such a request could have been made to China too. What China decides would have repercussions on how Moscow views the entire issue and would be a foreign policy concern.

Assuming that the Ukrainian defense industry does turn around in time, China would now be faced with a supplier who is also a western ally, considering the recent developments on the EU and NATO front. Should defense cooperation with Ukraine continue, *China cannot be blind to the fact that it is possible sanctions* of the West may be imposed on it someday. The kind of reaction displayed by the West during the Crimean crisis sends a clear message that there would be no hesitation in using tools of coercion. With the Ukrainian political leadership paving a definite path towards EU and maybe subsequently towards NATO, the possibility of Ukraine itself cancelling or stalling defense deals with China cannot be ruled out.

China would have to *make a choice* in such circumstances. It would have to balance its relations delicately with both Russia and Ukraine, while working on the future of its



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dependency on either country. China's actual defense budget is not clear, but it can be safely assumed that it ranks among the highest in the world, along with the US. As a rising military power and one with ambitions of emerging as a superpower of the future, China would know that soon it would be forced to consider that its military would increasingly rely solely on either Ukraine or Russia for its growing defense needs. This would be even more interesting should the *fillip to the Ukrainian defense industry* be given by the west. In the long term, a shift towards western defense inventory for Ukraine could become a possibility.

It is certain that along with China, Russia would be forced to take measures to ensure balance. *What* does this mean to us? Indian military inventory has primarily been of Soviet vintage and even after the disintegration of the Soviet Union, the leanings towards Russia have been unmistakable. Similarly, Indian industry has been dependant for various systems and equipment on Ukraine as well. However, of late, there has been a gradual shift towards western inventory, with the acquisition of the C 130, the C 17, the short listing of the French MMRCA, the acquisition of the Javelin anti tank missile, the P-8I Poseidon long range patrol aircraft, so on and so forth. While hitherto fore, Russian equipment finding its way to China was an irritant, western equipment and technology, through Ukraine, reaching China is *now* a possibility that cannot be ruled out. These are events playing out at a rapid pace and may have serious implications for India that need to be thought out and resolved.

(Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the position of the Centre for Air Power Studies [CAPS])



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End Notes

¹ <http://www.voanews.com/content/china-ukraine-russia-benefits/2432373.html>, accessed on 28 Dec 2014

² <http://www.ainonline.com/aviation-news/defense/2012-11-23/russian-officials-reveal-j-31-engine-and-describe-sales-china>, accessed on 28 Dec 2014

³ <http://www.foreignaffairs.com/articles/142417/michael-kofman/an-uneasy-menage-a-trois>, accessed on 01 Jan 2015

⁴ Harry Kazianis, Should Russia sell SU 35 to China , *The Diplomat* , Mar 13, 2012

⁵ <http://www.foreignaffairs.com/articles/142417/michael-kofman/an-uneasy-menage-a-trois>, accessed on 01 Jan 2015

⁶ Alexandra McLees, Saving Ukraine's Defense Industry, Carnegie Endowment for International Peace , July 30, 2014

⁷ <http://www.russia-direct.org/analysis/strange-love-hate-relationship-russian-and-ukrainian-arms-dealers>, accessed on 01 Jan 2015

⁸ <http://www.flightglobal.com/news/articles/analysis>, accessed on 03 Jan 2015

⁹ Alexandra McLees, Saving Ukraine's Defense Industry, Carnegie Endowment for International Peace, July 30, 2014
