



The Cambridge Security Initiative

## CORONAVIRUS IMPACTS CIS–CHINA RELATIONS

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China's status as a vital economic partner for the majority of Commonwealth of Independent States (CIS) members means the CIS are feeling pinched between the need to balance their bilateral relationships with Beijing with the requirement to protect their populations from the rapidly spreading Coronavirus. To date there have been no confirmed cases of the disease in Central Asia or the South Caucasus, and Russia reports only [three cases](#). It is possible that authoritarian regimes across the region could be suppressing higher infection rates, not least because health care coverage in remote areas is insufficient. This may partly explain why some Russian state media have aired conspiracies about the virus being a [U.S. bio-weapon](#) targeting China and Russia. By deflecting public attention away from Chinese incompetence in first tackling the outbreak, Russia looks to be a reliable strategic partner. Beyond public health concerns, the Coronavirus has also weakened both the CIS tourism sector and regional trade.

CIS nations have taken protective measures, including the suspension of direct flights to China, evacuating citizens from Wuhan (the epicentre of the outbreak), [quarantining returnees](#), and instituting [health surveillance measures](#) for inbound passengers as well as Chinese nationals working in their countries. In addition to halting most [scheduled and charter flights](#) to and from China, Russia has also suspended [organised visits](#) of Chinese tourists until at least mid-March. Uzbek authorities have recommended tour operators suspend the sale of travel packages to China. Losses are rising quickly, with the Russian tourism sector alone expected to lose up to £77 million in February–March. Russian exports to China have also dropped by nearly 30 per cent since the outbreak.

Kazakhstan banned the export of protective masks, following a surge in sales to China. By contrast, both [Kyrgyzstan](#) and [Uzbekistan](#) have sent China shipments of medical supplies, including disposable gloves and masks, to assist Beijing's efforts to prevent and counter the spread of the outbreak. Kazakhstan also [suspended](#) all cross-border passenger bus and train traffic from China, although containerised freight services remain operational (excluding the transport of live animals). Kazakhstan lies on a key transit route for goods being shipped from China to European markets; consequently, any suspension of freight movement would have a significant economic impact beyond Central Asia. In addition, trade disruptions have led to supply shortages and a drop in global energy demand. Dependence on energy exports led [Russia to block](#) a Saudi proposal that OPEC cut production (though talks continue).

## OUTLOOK

The suspension of direct flights from China to countries across Central Asia and the [South Caucasus](#) will undoubtedly diminish the growing influx of Chinese tourists and, consequently, the hospitality sector. China is a key economic partner for many in the CIS, providing much-needed investment, as well as new [markets](#). It has become the largest trading partner of a number of countries across the region and continues to invest in a range of projects, from pipelines and power plants to hotels and processing plants. The restriction of economic activity in China, as authorities there attempt to manage the outbreak, is likely to have a global impact as Chinese demand dampens, disrupting supply chains. Whilst it is unlikely that freight transit through Kazakhstan will be halted, reduced production in China is likely to lead to a drop in demand for export services.

In addition, weakness in local efforts to counter the outbreak may highlight power disparities that China will be able to exploit in the future. For example, China's eventual mobilization of resources to counter the virus has highlighted just how imbalanced the 'partnership' with Russia is: while China live-streamed building of a [1,000-bed hospital](#) for coronavirus patients in two weeks, Russia was unable even to [keep suspected patients](#) in quarantine. The vast gap in resources and capabilities gives Russia good reason to worry about China taking an increasingly tough line in the 'partnership', at the expense of longer-term Russian interests.