

Министерство образования и науки Российской Федерации
Федеральное государственное автономное образовательное учреждение
высшего образования
«Южно-Уральский государственный университет»
(национальный исследовательский университет)
Высшая школа экономики и управления
Кафедра «Логистика и экономика торговли»

Research on the system of the economic cooperation between China and Russia

ПОЯСНИТЕЛЬНАЯ ЗАПИСКА
К ВЫПУСКНОЙ КВАЛИФИКАЦИОННОЙ РАБОТЕ
ЮУрГУ–38.04.01.2018.879ПЗ ВКР

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Челябинск 2018

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ABSTRACT

China and Russia are the world's "fastest growing economies" recognized by the world. Economic development has created two huge markets that are full of vigor and vitality and provided broad prospects for the two countries' markets goods, resources, technology and capital to enter each other's markets. China-Russia economic and trade relations are facing unprecedented opportunities for development. Both sides should catch the opportunity to tap the full potential, strengthen cooperation and exchange, promote the sustained and steady development of bilateral economic and trade relations and push bilateral economic and trade cooperation to a new height.

China and Russia are two countries which both have large ground and they are neighboring countries. With the development, the situation about nowadays get changed. I research the different state about cooperation, and have a view about the research situation about the economic cooperation between China and Russia.

From data analysis to theoretical analysis, the situation and prospects of economic relations between China and Russia are briefly analyzed. Analyze the historical reasons and current situation of the economic cooperation between China and Russia, research the changes in the international situation and the impact of the needs of the peoples on the economic cooperation and trade between the two countries. Predict the future direction of China and Russia economic cooperation.

Key word: Economic cooperation, Chinese economic, Russian economic.

WRITE INTRODUCTION

1. CHINA AND RUSSIA ECONOMIC COOPERATION THEORETICAL PART

1.1 Cognitive regional economic cooperation

Regional economic cooperation refers to two or more countries in a region that adopt common economic policies and implement some form of economic cooperation in order to maintain common economic and political interests, realize specialized division of labor, and exchange products. Or form a regional economic group. Regional economic cooperation is the product and manifestation of increasingly internationalized world economic life. It is a historical trend of the internationalization of production socialization and economic life. It has its profound realistic foundation and objective inevitability. ^[1]

Regional economic integration according to the degree of tariff barriers and the degree of liberalization of goods and services, as well as the degree of connection among industries, finances, finances, and politics can be divided into the following forms.

(1) Department integration.

Department integration refers to the integration of one or more industries in each member country of the region, such as the European Coal and Steel Economic Integration Organization, which includes the gradual cancellation of tariffs and quotas for import and export of products between member states and the establishment of a common market. By control of investment, product prices, distribution of raw materials, establishment and merger of enterprises, etc. Regulate the production of the member countries of the Community, and establish a "coordinating agency" with a supranational nature, and impose restrictions on member states, enterprises and individuals. This form of sector integration also includes the European Atomic Energy Community (EAEC).

(2) Preferential trade arrangements.

This is the loosest form of the lowest level of market economic integration. Mainly through agreements or other forms, reducing import tariffs among member countries. That is, special tariffs are stipulated for all or some of the goods. Make example as the ASEAN.

(3) Free Trade Zone.

A free trade zone is a trade zone consisting of countries that have signed free trade agreements, canceling quotas for trade in industrial products among member countries, reducing or repealing tariffs, and allowing goods to gradually move freely among member states in the region, but not involving the establishment of a common The tariffs and common trade policies do not establish supranational institutions. For example, the European Free Trade Association and the Latin American Free Trade Association.

(4) Customs Union.

A customs union refers to a coalition formed by two or more countries signing agreements, exempting tariffs from each other and removing other barriers, and applying a uniform tariff rate to non-aligned countries. It is higher in degree of integration than the free trade zone. In addition to the basic content of the free trade zone, it also establishes a uniform tariff rate among member states. The purpose of the alliance is to make the goods of the participating countries enjoy a favorable position in the market within the unified tariffs, eliminate the competition of non-alliance country commodities, and it begins to have a supranational nature. For example, the European Economic Community's foundation for economic integration is the Customs Union.

(5) Common Market.

The common market is the complete abolition of tariffs and quantitative restrictions within the member countries of the common market, and the establishment of unified tariffs for non-member countries, while also allowing the free flow of capital, labor, and other production factors among member countries. For example, the European Economic Community had already achieved a common agricultural market in 1986. ^[2]

(6) Economic alliance.

The economic alliance means that all member states can not only completely free flow of goods and production factors and set up uniform tariffs abroad, but also require member countries to formulate and implement certain common economic and social policies, gradually abolish differences in policies, and bring about the degree of integration. From commodity exchange to production, distribution and even the entire national economy, a huge economic group is formed.

(7) Complete economic integration.

This is the highest stage of economic integration. At this stage, all countries in the region are fully unified in their economic, financial and fiscal policies. In the member states, the free flow of artificial barriers such as goods, capital, labor, and service trade is completely eliminated. In addition, they formed a closer political, economic alliance, unified foreign political, diplomatic and defense policies and economic policies, established a unified financial institution, and issued a unified currency. The summit meeting of the European Economic Community held on December n 1991 in 1991 formally adopted the Treaty on Political and Economic and Monetary Union, the Maastricht Treaty, which established the deadline for the establishment of the European Central Bank and the single currency, but also Plan to establish a common diplomatic

and defense policy to establish a strong European Union. This includes not only the complete integration of the economy, including money, but also the integration of politics, diplomacy, and defense.

Regional economic cooperation presents the following characteristics:

1. Regional economic cooperation has accelerated in recent years.

Since the establishment of the WTO, the development of regional economic cooperation has been greatly accelerated. According to WTO statistics, as of January 2004, in the 293 regional economic cooperation arrangements notified to the WTO, 58% were notified after the establishment of the WTO; 197 areas were in operation. In the economic cooperation arrangement, the WTO accounted for 1/4. Before the WTO was established, about three or four regional economic cooperation organizations were established each year in the world. After the WTO was established, on average, 15 regional economic cooperation organizations were established each year. In recent years, the accelerated development of regional economic cooperation and the development trend of economic globalization are inseparable. On the one hand, regional economic cooperation has enhanced the ability of various member states in the region to cope with and withstand the risks of globalization, and can effectively buffer the competitive pressures brought about by economic globalization. On the other hand, regional economic cooperation is also difficult to make progress under international multilateral cooperation. Due to the large number of WTO members, their stage of economic development and trade policies are not exhausted. It is very difficult to reach a consensus and take into account the interests of all parties. However, regional economic cooperation is free to choose members, determine areas of cooperation, cooperation scope and cooperation. The content of its cooperation has already exceeded the tariff

concessions. It covers a wide range of issues that cannot be covered by multilateral frameworks such as investment, competition policy, trading in services, environment, and labor. Some regional economic cooperation organizations are not only free trade zones, but also develop to the customs unions and even to the currency unions. The EU even emphasizes the use of external voices.

2. Cross-regional cooperation has become a new hot spot in regional economic cooperation.

Regional economic cooperation began to occur mainly in neighboring countries and regions with geographical advantages. With the development of regional economic cooperation, there are fewer resources available in the surrounding area. Coupled with the development of information and communication technologies, economic exchange across continents has become more convenient. According to WTO statistics, since the second half of the 1990s, about one-third of regional trade arrangements have occurred between transcontinental countries. For example, the European Union and Mexico have reached a free trade agreement, and South Africa has signed the Agreement on Trade, Development and Cooperation between South Africa and the European Union. Negotiations with the MERCOSUR bilateral free trade zone are in progress; the United States and Jordan have signed bilateral agreements. At the end of 2003, the inter-regional economic cooperation organizations that had already operated accounted for about 5% of all regional economic cooperation organizations. However, the cross-regional economic cooperation that has signed agreements or are currently under negotiation accounts for 1/3 of the total, and the proposed cross-regional cooperation accounted for more than 40%. , Shows strong development potential. At present, of the 146 members of the WTO, 65 have joined or are signing cross-regional economic

cooperation organizations.^[3]

3. Bilateral economic cooperation has become a hot spot, but multilateral regional economic cooperation has become more and more influential.

According to WTO statistics, in 2003, the bilateral economic cooperation that is currently under operation accounted for all 80% of the total, and 90% of the negotiations are being conducted between the two countries. Although the number of regional economic cooperation organizations participating in multiple countries and regions is small, the influence is increasing and there is a tendency of continuous expansion. In May 2004, the European Union ushered in its 6th expansion. Estonia and other 10 countries formally joined the EU. The EU increased from 15 to 25, with 450 million people, which is twice as large as that of the United States. Foreign trade accounts for world trade. 20% of the amount, GDP accounts for 1/4 of the world. The influence of NAFTA is also growing. With the promotion of the United States, 34 American countries plan to establish the Free Trade Area of the Americas on January 1, 2005. ASEAN expanded from the initial five countries to 10 countries, and the expanded ASEAN collective or individual members are still negotiating with Japan, China, South Korea, the United States, and Australia. In addition to the establishment of regional economic cooperation organizations between two or more countries, regional economic cooperation has also become more and more complicated. First, single or several economies have joined existing regional economic cooperation organizations, such as the EU's eastward expansion. Second, a single economy and a regional economic cooperation organization form a new regional economic cooperation organization. The new organization's economic cooperation arrangements are not consistent with the original organization, such as "10+1" between China and ASEAN.

Third, the two separate regional economic cooperation organizations form a larger organization. Such as the EU-South Common Market, Caribbean Community-Central American Common Market, etc.

4. Asia has become a new hot spot for regional economic cooperation.

The development of regional economic cooperation is affected by many factors such as the degree of economic development, degree of openness, and cultural identity. As a result, the development between various continents and between various economic regions is very uneven. For example, Western Europe and North America started earlier and developed faster, while Asia started late. Asia's three largest economies started their work in Japan, China, and South Korea since 2000, so the proportion of preferential trade in the region is the smallest between continents. According to WTO statistics, in 2002, 56.5% and 61.6% of the North American Free Trade Area and EU trade were achieved through intra-regional trade. this proportion was less than 10%, which has great potential. As the role of Asia, especially East Asia, in the world economy has become increasingly important in recent years, many countries are increasingly aware of the importance of cooperation with Asia. Coupled with the increasing awareness of Asian countries on the importance of regional economic cooperation, Asia is rapidly increasing. Become a new hot spot for regional economic cooperation. A number of regional economic cooperation negotiations are being initiated between countries within Asia and between countries in other continents.

5. Regional economic cooperation has led to a “conservative” trend in regional trade and investment.

As a result of regional economic integration arrangements, regional intra-group trade and investment facilitation is better than outside the region, resulting in the

optimization and reorganization of industrial structure in the region, which has led to the emergence of a relatively closed regional international market. Combined with the effects of trade, investment creation and transfer, the intra-regional trade and capital flows have grown rapidly, surpassing regional trade and capital flows and presenting an exclusive “introverted” trend. For example, 1/3 of the European Union’s foreign investment is carried out among member countries; in the case of North America, the United States and Canada are each the largest investment target country and industrial transfer country. According to statistics, one-fifth of US foreign investment is concentrated in Canada. One third of Canada’s foreign investment is concentrated in the United States. In terms of regional trade, except for the fact that the proportion of regional trade in the EU in the past 10 years has been basically stable, the proportion of regional trade in other regional economic cooperation organizations has been on an upward trend. ^[4] Countries and regions that have not joined the regional economic cooperation organizations may be at risk of being marginalized in the competition between international trade and international direct investment.

1.2 The history of economic cooperation between China and Russia

China and Russia are important participants and active promoters of cooperation in the Asia-Pacific region. China and Russia are geographically similar and have complementary resources, especially in Northeast China and Russia's Far East. Economic cooperation can be traced back to the 18th century. The economic development in the border areas is of great significance to China, Russia and the Asia Pacific. In the 21st century, China and Russia have put forward the two strategies of

“revitalizing the Northeast” and “developing the Far East”. The Chinese-Russian regional cooperation has officially risen as a national development strategy for both sides. The sudden change in the international situation in 2015 has severely affected bilateral economic cooperation between China and Russia. In order to curb the sustained economic decline in the country, Russia’s Far Eastern advance economic development zone and the Vladivostok free port have officially started, which has once again brought tremendous opportunities for economic cooperation between China and Russia. With the principle of mutual benefit and win-win outcome, strengthening economic cooperation between Northeast China and Russia’s Far East region is of great significance to the regional stability and prosperity of China and Russia.

(1) The period of the Russian Empire

In the 18th and 19th centuries, with the continuous expansion of the Russian Empire, the role of development in the Far East in its foreign economic relations has improved. Exploratory missions, visits, and collections of information by missionaries who received government directives and funding from the Far East frequently increased the Russian government’s understanding of the political and economic situation in the Far East and caused Russia’s attention to the region. From this period onwards, the Far East region has gradually become the new focus and core of Russia’s Asian policy.

Through the Far East region, contacts and contacts between Russia and Northeast Asia have gradually increased. The trade between China and Russia has gradually developed. At the same time, both countries regard the other side as an object of great significance to their own security. In order to strengthen the management and control of this area, the Tsarist regime and the Qing government of China respectively implemented the immigration policy to the Far East and the Northeast. Immigration has

promoted the development of the areas bordering the two countries and has had a positive impact on the domestic economic development of the two countries.

(2) The second half of the 20th century

Since the founding of New China in 1949, China's northeastern region has entered a new historical period of economic cooperation with Russia's border ports. By the end of the 20th century, it can be roughly divided into the starting stage, the stage of deterioration and stagnation, and the stage of recovery and development.

In the early days of the founding of the People's Republic of China in 1949, due to a series of policies such as military encirclement, political isolation, economic blockade, and trade embargo imposed by the Western capitalist countries on the New China, coupled with the intricacies of domestic issues and contradictions, the economic situation facing China was extremely severe. . In view of the situation at home and abroad at that time, China adopted a "one-sided" foreign strategy. On February 14, 1950, China and the Soviet Union signed the "Qing-Soviet Treaty of Friendship, Alliance and Mutual Assistance" with a term of 30 years, the "Qing-Soviet Agreement on China's Changchun Railway, and Dalian" and "About the Soviet Union loan to the Chinese people". The conclusion of these treaties is of positive significance to the restoration of China's national economy and the economic development that awaits recovery, including the stability of the situation in the Far East and the development of economic and trade relations. At the same time, the financial and technical assistance provided by the Soviet government to China, many projects landed in the northeast, laid the foundation for China's modern industrial construction, and played a particularly important role in the restoration and development of the northeastern region of China. As the friendly relations between China and the Soviet Union develop steadily, the trade

relations between the two countries have also been strengthened to some extent. In 1957, Heilongjiang Province began to carry out border trade with the Soviet Union, and the temporary inter-city trade voluntarily organized by the people at the beginning was gradually transformed into a planned form of trade by the government, which promoted the local economic development.

However, as the 20th National Congress of the CPSU was held in 1956, China and the Soviet Union started internal disputes because of disagreements on certain principled issues. In September 1959, when the China-Indian border conflict broke out, the Soviet Union's publicly favored India's actions made the differences between China and the Soviet Union public. In July 1960, the Soviet government made a one-sided decision to immediately recall all Soviet experts and consultants assisting in the construction of China, and tore up the agreements signed by the Chinese and Soviet governments and other departments on the economic and technological cooperation between the two countries, which led to a huge re-emergence of China's economic construction. In 1966,^[5] when the Soviet Communist Party convened the 23rd National Congress, the CPC Central Committee refused to send a delegation to attend. Since then, relations between the two parties have been interrupted. Since then, China and the Soviet Union have continued to send more troops to the borders of the two countries to strengthen border defense, so that the Qing-Soviet relations that have seen a stalemate are completely in a state of confrontation³. This Qing-Soviet confrontation lasted for more than 20 years, which ultimately led to the complete breakdown of the Qing-Soviet alliance. As a result, the cooperation between the two sides in the fields of economy, education and culture also ceased one after another. In 1967, the border trade between China and the Soviet Union was interrupted.

In the 1980s, the international situation showed a trend of peaceful development. In 1978, China implemented reform and opening up; in 1985, Gorbachev, the new secretary of the Communist Party of the Soviet Communist Party, launched a “new thinking diplomacy” in foreign policy, and restored more than 20 ruptures on the basis of the five principles of peaceful coexistence. In April of the following year, China and the Soviet Union signed a principle agreement on mutual reduction of armed forces and the enhancement of confidence in the military field in the border areas of the two countries. The mutual trust in the border areas has been resolved. The level of Qing-Soviet trade cooperation has also gradually rebounded with the normalization of political relations between the two countries. In 1982, China's Heilongjiang Province resumed its border trade with the Soviet Union in the Far East in 1967 due to historical reasons; in 1985, the border trade at the Port was officially resumed; On July 10, 1985, China and the Soviet Union first signed a long-term trade agreement - "Trade and Payment Agreement (1986-1990)"; in 1988, it issued the "Reply on Heilongjiang Province's Border Barter Trade and Economic and Technical Cooperation Issues with the Soviet Union". Although the scale of trade during this period was small, it was because of this that the development of Qing-Soviet border trade was started, and with the encouragement and support of the government, it gradually entered a stage of rapid development. In 1991, when the Soviet Union collapsed, Qing-Soviet relations achieved a smooth transition to Chinese-Russian relations. The political level of the two countries has been upgraded to a strategic cooperative partnership oriented toward the 21st century. In 1996, the "Notice on Relevant Issues Concerning Border Trade" adjusted and improved a series of policies and measures to support border trade and the development of foreign economic cooperation in border areas. China's trade with Russia

has officially entered a stage of normalized development. In 1994, bilateral trade volume between China and Russia was 507.6 billion U.S. dollars; in 1996 and 1997, it reached more than 6 billion U.S. dollars; by 2000, it exceeded 8 billion U.S. dollars for the first time

As early as the early 17th century, there was a trade relationship between China and Russia, and the trade during this period was informal. In 1689, the two countries signed «the China-Russia Ni Bu Chu Treaty» . Since then China and Russia have established bilateral trade relations based on the treaty. And with the time gone by, there has been some development of bilateral trade relations between China and Russia (formerly the Soviet Union in 1991). After 1949, due to the embargo and economic blockade imposed on China by the United States and other western countries, China's main trading partners throughout the 1950s were the Soviet Union (now Russia) and other Eastern European socialist countries, and the socialist countries Trade accounts for about 70% of China's total foreign trade. Among them, the trade cooperation with the Soviet Union accounted for a large part. However, by the 1960s, under the background of a sharp deterioration of the China-Soviet relations, in 1960 the total volume of trade between China and the Soviet Union dropped by 85% from the same period of the previous year, dropping by a very large margin.

The next is the overview of bilateral trade between China and Russia in 1992-2002. The dissolution of the Soviet Union in 1991 and the economic and trade relations between China and Russia are in fact a continuation of the China-Soviet economic and trade relations after the former Soviet Union solved their problems. China's trade with Russia during 1992-2001 is shown in 1.1 Table.

From 1992 to 1993, in the early days of the Soviet Union's demise, Russia experienced a recession and economic restructuring with a shortage of domestic goods. The bilateral trade volume between China and Russia increased from 5.862 billion U.S. dollars to 7.673 billion U.S. dollars, an increase of 30.89%. Between 1994 and 1999, the bilateral trade volume between China and Russia was in a decline and decline. The bilateral trade volume between China and Russia in 1994 was only 5.076 billion U.S. dollars, down 33.85% over the previous year. Although there was a slight rebound in the total volume of trade during the five years 1995-1999, none of them exceeded the 1993 level. In 1996, China and Russia established the strategic partnership of coordination and laid the foundation for the rapid development of the economic and trade relations between the two countries. By 2000, the total trade volume between China and Russia reached 8.0 billion U.S. dollars, up 40% over 1999. In 2001, the total volume of import and export trade between the two countries topped 10 billion U.S. dollars for the first time, reaching 10.669 billion U.S. dollars [6].

Overall, the bilateral trade relations between China and Russia have fluctuated greatly during the ten years from 1992 to 2002. In 1994, the volume of bilateral trade dropped by 33.85% from the same period of last year, while the total volume of China-Russian imports and exports in 2000 increased by 39.9% over 1999, with a great ups and downs in three years of negative growth.

Table 1.1 – 1992-2001 China's Import and Export Trade with Russia

(Unit: hundred million \$)

Years	Total	Exports	Imports	Growth rate
1992	58.62	23.36	35.26	--
1993	76.73	26.92	49.81	30.89%
1994	50.76	15.81	34.95	-33.85%
1995	54.64	16.65	37.99	7.64%
1996	68.45	16.93	51.52	25.27%
1997	61.24	20.38	40.86	-10.53%
1998	54.8	18.39	36.41	-10.52%
1999	57.2	14.97	42.23	4.38%
2000	80.02	22.33	57.69	39.90%
2001	106.69	27.1	79.59	33.33%

During this period, the changes in bilateral trade relations between China and Russia were the result of a combination of many factors. On the one hand, at the beginning of the Soviet Union's dissolution, influenced by the political situation, the economic situation in Russia was not satisfactory and there was often even negative growth in GNP. On the other hand, the imperfect Russian foreign trade system and legal system have also hindered the development of China-Russian bilateral trade during this period. Such as Russia's more stringent tariff barriers and import and export restrictions.

1.3 Status of regional economic cooperation Russia and China

With the acceleration of the process of economic globalization, the economy of Russia at the first level of economic upgrading has gradually recovered after China's

reform and opening up. The bilateral trade between China and Russia has also started to flourish and has entered a new fast lane for development.

In 2002, the total trade volume between China and Russia reached 11.928 billion U.S. dollars, up 11.8% over the same period of last year. Since 2002, the total bilateral trade between China and Russia has maintained a rapid growth for seven consecutive years with an average annual growth rate of nearly 30%. Among them, the year-on-year growth rate was the highest in 2007, with a growth rate of 44.43%. The total bilateral trade between China and Russia was 48.219 billion U.S. dollars. In 2008, the total volume of bilateral trade between China and Russia exceeded the mark of 20 billion U.S. dollars, reaching 56.909 billion U.S. dollars, 4.78 times the total trade volume in 2002 [7].

The global financial crisis in 2008 broke out in an all-round way and the world economic situation was generally sluggish. This has had a huge impact on the bilateral trade between China and Russia.

As can be clearly seen in Table 3.2, the total volume of trade between China and Russia in 2009 was only 38.797 billion U.S. dollars, a drop of 31.83% over 2008, a considerable drop, the lowest level of bilateral trade volume between the previous five years. The impact of the financial crisis on bilateral trade between China and Russia did not last too long. In 2010, the total volume of exports and imports of China and Russia rose rapidly to 55.526 billion U.S. dollars, an increase of 43.12%. In 2011, the total trade volume hit a new high of 79.266 billion U.S. dollars, up by 42.75% over the same period of last year. It is absolutely imperative to exceed 80 billion U.S. dollars.

Table 1.2 – 2002 - 2011 China's Import and Export Trade with Russian

(Unit: hundred million \$)

Years	Total		Export		Import		Difference
	Amount	Rate	Amount	Rate	Amount	Rate	Rate
2002	119.28	11.8%	35.21	29.92%	84.07	5.64	-48.86%
2003	157.58	32.11%	60.3	71.26%	97.28	15.71	-36.98%
2004	212.25	34.69%	90.98	50.88%	121.27	24.66	-30.29%
2005	291.01	37.11%	132.11	45.21%	158.9	31.03	-26.79%
2006	333.86	14.72%	158.32	19.84%	175.54	10.47	-17.22%
2007	482.19	44.43%	285.3	80.2%	196.89	12.16	88.41%
2008	569.09	18.02%	330.76	15.93%	238.33	21.05	92.43%
2009	387.97	31.83%	175.14	47.05%	212.83	-10.7	-37.69%
2010	555.26	43.12%	296.12	69.08%	259.14	21.76	36.98%
2011	792.66	42.75%	389.03	31.38%	403.63	55.76	-14.6%

At this stage, new conditions for economic relations have basically been formed between China and Russia. These conditions reflect, to a certain extent, the purposes and guidelines of the strategic partnership. It should be pointed out that the strategic partnership reflects the foreign policy of the two countries. The senior leaders of the two countries have made statements on this issue more than once. The Russian foreign policy program confirmed by President Medvedev also emphasized the priority of developing strategic partnership and cooperation between China and Russia. In the “Investment Cooperation Program” passed by the Russian President Medvedev and Chinese President Hu Jintao in June 2009, it was clearly stated that the relationship between the two countries has the characteristics of a strategic partnership.

But we must admit that the serious consequences of the estrangement of relations in the past 30 years beginning in the early 60s of the last century and the complaints, prejudices, mistrust, and stereotypes that have arisen during this period are still potentially psychological to today’s mutual trust.

The above situation is exacerbated by the fact that both countries are very keen to cooperate with the West. Whether in Russia or in China, the lifestyles of Europe and the United States have become more and more dominant, and the impact of European and American consumption and cultural concepts on local culture has intensified. The commercialization of cultural fields, education, health care, and other daily life areas in both countries has created favorable conditions and foundations for the implantation of Western consumer values. The large-scale non-governmental Western institutions that have long been formed in Russia and in China and are still active today have become a kind of soft power in the form of education, science, cultural enlightenment charity funds and radio and television networks.

The need for greater efforts by both China and Russia is to strengthen mutual understanding and trust in each other's goals and behaviors and ensure the unity of words and deeds. For Russia, the most important task is to accept major changes in the Chinese economy, treat the rise of China's overall strength in a friendly manner, and the continuous improvement of China's influence on the world's economic and political power.

The leaders of China and Russia pointed out that the current Sino-Russian relationship is the best in 60 years since the establishment of diplomatic relations. As the superpowers, the two countries have the longest borderline and have common economic interests. Objectively, both parties have a keen interest in developing strategic partnerships.

For China, Russia is the largest supplier of energy and weapons, and it is a broad market for labor output. In recent years, Russia has provided a vast export market for China's automotive and cutting-edge products. Just as the development track of world

history proves, every century will have the most powerful and influential country, and its economic growth will have a major impact on the world's development process.

As many Chinese have said, the 21st century is the century of Chinese culture. Chinese culture is based on its own characteristics, especially on humanitarian culture, and it has advantages over other cultures. The factors that promote the rapid rise of China mainly include: maintaining high-speed economic development for a long time, actively introducing advanced technologies, and rapidly expanding the labor force on the premise of being suitable for the working age.

According to the 12th 5-year plan that began in 2011, China is prepared to pay more attention to the balanced and rational development of the regional economy and further promote the coordinated development of the regional economy. The coordinated development of the regional economy has become an important task for China's economic development. Fundamentally, it is the transformation of the economic model: transforming economic growth based on exports and investment into economic growth based on internal consumption. This change in the economic model will undoubtedly have an impact on the world economy.

However, currently in the 12th Five-Year Plan (2011-2015), the growth rate of China's GDP is 7%,^[8] while the inflation rate is increased to 4%. "China's 12th Five-Year Plan period coincided with the period of the world economy's shock. The periodic financial factors, structural and institutional factors have caused China's total export growth to be slow. This forced the government to seek new strategic directions for development," Professor of the Chinese Academy of Social Sciences Zheng Dechang said so.

According to data released by the National Bureau of Statistics of China on

January 20, 2014, China's economy grew by 7.7% in 2013, and it almost reached the planned 8% target. The gross domestic product reached 56.88 trillion yuan (or 9.31 trillion US dollars), which is 55% of the U.S. gross domestic product. The total volume of foreign trade has created a new record of 4.6 trillion US dollars. At the same time, total exports increased by 7.9% to 2.21 trillion U.S. dollars.

On October 27, 2010, President Medvedev officially visited China. Through the visit, both sides decided

Establish partnerships and strategic mutual assistance relationships. In an all-round deepening of China-Russia cooperation partners and strategic mutual assistance relations

The joint statement pointed out that the two countries will carry out strategic partnerships on the international level and have clarified the 21st century.

The second decade is the type of new phase of economic cooperation between the two countries. In the joint statement, the two countries should resist the world

World financial crisis and promote the growth of economic and trade cooperation between the two countries. China and Russia will be in the national modernization strategy and

On the basis of economic development, improve the bilateral trade structure, adjust and change the bilateral trade growth model, and expand the

The supply scale of industrial machinery products and high-tech products creates a common logistics and trading platform in special

In the area of economic and intellectual property protection, trade and cooperation will be expanded to promote the implementation of bilateral large-scale projects.

Both parties should strengthen mutual assistance on major issues concerning the

interests of the two sides as they have done in the past. In addition

They should also be ready and continue to activate strategic mutual assistance in the future, adjust world and regional issues, and maintain world stability.

Promote the recovery of the world economy and the formation of a multi-centered world, promote the democratization of international relations, and build more a fair and reasonable international order; and within the specific scope, it has reached an agreement on accelerating multilateral cooperation between China and Russia.

Remarks are of great significance to the acceleration of the domestic modernization process in both countries.

After the two heads of state confirmed the investment cooperation plan between China and Russia in June 2009, the two countries

Communications, telecommunications, banking, insurance, investment, applied scientific research, chemistry, timber, mining industry,

Cooperation in the international cooperation area has been carried out. Strengthen the important role of investment conferences between China and Russia and improve investment

The environment and the adoption of simpler and more flexible ways to promote large investment cooperation projects have benefited both countries.

Both sides acknowledged the important role and efficiency of the China-Russia Energy Dialogue and highly evaluated the signing of the energy sector.

The results of the implementation of the agreement - that is, at the end of 2010, the oil pipelines of China and Russia have been completed, and the

Oil pipelines have become important achievements in the mutual cooperation and cooperation between the two countries in the energy sector. The two sides decided to

continue their work on oil, natural gas.

The coal, electric power, and nuclear power fields, as well as the promotion of energy efficiency and the use of renewable energy, actively cooperate. In addition, the two sides also decided to reach an agreement on the beginning of the establishment of natural gas pipelines and promote the coal mines.

Unlike China, the world financial crisis has had a strong impact on Russia. In 2009, GDP decreased by 10%, and the unemployed population increased by 6.7%. Therefore, although data from the National Bureau of Statistics of the Russian Federation in 2010 showed that Russia's GDP increased by 4% and foreign investment increased by 3%, it still cannot be called "the year when Russia emerged from the economic crisis" in 2010. In the annual calculation, inflation is 8.8%. In the 189 countries counted by the United Nations International Monetary Fund, Russia's per capita GDP ranks 51 (\$15,000). According to the statistics of the first quarter of 2010, the growth rate of Russia's GDP (2.9%) The growth rate of industrial production (5.8%) became the second place in several countries of the "G8 Summit", second only to Japan. The 2010 annual results show that the growth of Russia's GDP is 4.5%. According to the gross domestic product (PPP), Russia ranks sixth in the world.

In 2011, Russia's GDP increased by 4.3%. Compared with the growth rate of the previous year, there was no great change in the status quo and countermeasures of economic cooperation between Russia and China in the 21st century. The 2011 statistics show that Russia's investment this year has created a new high of US\$370 billion/year in the past 20 years. In other words, the Russian economy invests more than \$10 each day. The rate of inflation fell to the lowest level after the collapse of the Soviet Union. In 2011, the price index increased by only 6.6%. Since January 1, 2012, Russia, Belarus,

and Kazakhstan have begun operations. On August 22 of the same year, Russia joined the World Trade Organization.

In 2012, Russia's industrial production increased by 2.6%, 8.2% in 2010, 4.7% in 2011, and 2.6% in 2012, while the industrial growth in 2013 was 0.8%. Russia became the first country visited by the Chinese Communist Party leader Xi Jinping as head of the government of China. ^[9] Wang Yang, vice premier of the State Council of the People's Republic of China, pointed out that this means that the new Chinese government will pay more attention to the relations between China and Russia. The two countries signed a series of agreements on future cooperation in energy and banking development. In 2012, China has become Russia's largest trading partner for the third consecutive year. In 2012 alone, the total merchandise trade between the two countries reached 88.16 billion, an increase of 11 percentage points from the previous year. In addition to oil and natural gas, China also imports a variety of military weapons from Russia. In 2012, China became the fifth-largest weapon exporter, but China expressed its readiness to purchase a batch of the most advanced Russian weapons.

The leaders of China and Russia hope to further diversify their own trade. Both parties plan to increase trade volume to 100 billion U.S. dollars by 2015 and 200 billion U.S. dollars by 2020. The relationship between China and Russia is at its best in history. The new Chinese leaders used Russia as their first country of visit to fully explain the strategic significance of the "Beijing-Moscow" relationship. Vladimir Putin's official visit to China achieved important results in 2014: more than 40 contracts were signed between the two countries. The fields involved are diverse: oil and gas, industrial, aerospace and automotive manufacturing, and even real estate. Signed contracts include energy, industry, construction, and tourism. "Russian Oil Company" and China reached

an agreement on the date of operation of the Tianjin Petroleum Processing Plant, and the Russian company will be the sole supplier of this plant.

Russia's Siebir Petrochemical Company and China Petroleum and Natural Gas Corporation Sinopec have signed a joint venture agreement to establish a 50,000 t/y NBR. The polymer can be used in oil drilling, aerospace and food industries. The above products will be produced in Shanghai using Russian technology. The Russian holding company "Yvrovia Myanmar Group" has signed a series of contracts with Chinese companies worth approximately US\$500 million. These Chinese companies include SINOMA, CNBM and SINOMACH. Within the framework of the plan, dry-process plants for the production of cement will be established in Leningrad Region, Ryazan Region, Bryansk Region, Arkhangelsk Region, Ulyanovsk Region, and Samara State. The total planned production is - 17 million tons/year. In the state of Tula, the Chinese auto manufacturing company Great Wall Motors will soon be established. The investment in the "Uzlovaya" industrial park is about \$500 million. The plant is scheduled to start in 2017 and will reach its maximum production by 2020 [10].

2. CHINA AND RUSSIA TO JOIN THE WORLD MULTI-PATTERN RELATIONSHIP

2.1 Asia Pacific Economic Cooperation Organization

As two superpowers of the 21st century, China and Russia have further deepened cooperation between the two countries after mutual assistance and cooperation between the two sides have successfully extended to regional economic groups and multilateral contacts with the Shanghai Cooperation Organization, which is important for the security of neighboring countries. As a result, Russia has been plagued by more Western problems and missed the time and opportunities to complete integration in the corresponding regions.

In the two countries of China and Russia (developing countries and industrialized countries), there is no uniformity in the speed of the formation of free trade areas. In particular, the United States, Australia, and other countries are also actively trying to accelerate this process and open markets in East Asian countries. At the same time, Japan and South Korea want to slow down this process because they do not want to give their own market to their competitors, such as the agricultural market. The same ideas as those of Japan and South Korea also include members of the Association of South East Asian Nations who joined the APEC meeting. What they are more interested in is not the liberalization of world trade but the development of scientific and technological cooperation in order to narrow the technological and economic gap between them and developed countries.

The Asian financial crisis shows that the APEC meeting has no ability to put in place a mechanism that can call on some countries to come up with substantial foreign

exchange reserves to help neighboring countries that are in a worse situation. Meanwhile, the Asian financial crisis also prompted the proposal at the 1998 Kuala Lumpur meeting. But because the financial crisis was quickly overcome, the plan has not been developed.

Russia participated in APEC in 1998, and the application was submitted in 1995. At that time, the summit was in an ascending stage. Countries participating in the summit demonstrated extraordinary achievements in economic development. In November 1998, the Russian Ministry of Foreign Affairs proposed the establishment of the "APEC Business Group" - an informal alliance of Russian business clubs. The companies in the alliance have positioned their businesses in the Asia Pacific region. Two years later, the "Russia Joining Asia Pacific Economic Cooperation Organization Participation Program" and the "Russian Foreign Policy Program" were established, including the APEC chapter. The most active year was 2002. In Moscow, an innovative business enterprise cooperation forum was held and a telecom conference of the APEC working group was held. The seventh APEC Investment Seminar was held in Vladivostok on September 4, 2002, and the third APEC Expo was held in the same location on September 9, 2002. The annual APEC Transport Group meeting was held in Vladivostok in 2005. ^[11]

Russia has gradually become the sponsor of the business dialogue organization. The role of Russia in APEC in the preparations for resolving the problems of international terrorist organizations and emergencies is remarkable. Reducing the proportion of Russia in APEC is that for APEC member states, Russia's attractiveness as a trading partner of its economy is very small, and APEC member states are more attractive to Russia (Russia takes APEC members.) The proportion of foreign trade in

the country is about 1%, while APEC member countries account for Russia's share of foreign trade by more than 15%. The main areas Russia can currently provide are raw materials. At the same time, what Russia is most interested in is first of all high-end technology products produced by APEC member countries.

Russia's production of complex and technology-intensive products is not very popular in APEC. In order to increase the possibility of Russia's participation in APEC activities, the Russian government has thrown out a series of measures such as energy security, environmental protection, solving food problems, developing partnerships between the state and private enterprises, and improving corporate social responsibility. Russia will pay more attention to strengthening industrial cooperation and synergy in the implementation of advanced science and technology and transport projects, including the establishment of a "land bridge" for the transport of goods between the Asia Pacific region and Europe.

On the day before the 2008 APEC regular meeting in Singapore, Medvedev re-emphasized the contribution that Russia can make in regional development in the publicly published article "APEC: Gradually Become a Group of Stability, Security, and Prosperity." "Russia's interest is that Siberia and the Far East can directly participate in regional integration. We are not free to participate in APEC. We have something to offer to our partners, not just rich oil, natural gas and other minerals, but also marine living resources and fresh water. Our country's technological potential, production and intellectual potential, including the eastern region, all have strong competitiveness."

In order to host the 2012 APEC high-level meeting in Vladivostok, Russia spent US\$6 billion on the infrastructure of the city. The "Grand Vladivostok" project completed from 2008 to 2010 plans to complete the construction of international

airports, highway network development, port and infrastructure construction, communications development, and multi-functional administrative-commercial centers. There is also a tourism-entertainment area and a science and technology park on the Russian island where a high-level meeting is held.

The media claimed that the successful Asia-Pacific Economic Cooperation Organization (APEC) meeting in Vladivostok "had shocked the world with the results of the conference and brought unexpected success to Russia." Experts said that the traditional APEC meeting is a platform for discussions and plans, not a resolution, but the APEC meeting held in Russia is an exception. Because of the success of the summit, the "Transition to the East" of the Russian economy began to be discussed worldwide.

Taking the APEC Summit in 2012 as a platform, several regional powers (China, Russia, the United States, Japan) ^[12]

The First Deputy Prime Minister of Russia--Shuvalov Igo, who is responsible for the preparations for the summit, said that the APEC summit in Vladivostok should help Russia shift its balance of foreign trade to Asian countries. Investors from Japan, South Korea, and China in the Far East of Russia are mainly interested in obtaining Russian raw material licenses, energy carriers - forest licenses, and licenses for seafood products. The Vladivostok APEC meeting became a platform for discussion of raw materials and energy projects under the "Russia-APEC Partners for a Stable Oil and Gas Supplier" program. It is also a "Russia-Asia-Pacific and European Transportation Bridge". The platform for discussing transportation projects under the program is also a discussion platform for other projects related to the development of production and scientific bases in the Far East.

One of the major topics of the 2012 APEC meeting was the theme of

environmental protection. This theme is closely related to the development of economic cooperation between the Far East and APEC. Russia realized that the importance of environmental protection began with a series of economic accidents that occurred in Chinese companies. These economic accidents caused serious river pollution from China to Russia. Before joining APEC, China also implemented some similar policy measures as Russia.

After negotiations, Vladimir Putin and Xi Jinping signed 17 documents relating to oil and gas, hydropower projects, common infrastructure projects and equipment supply. Including the contract signed in May 2014 for the supply of natural gas to China through the “Siberian Forces” on the Eastern Line, it also signed relevant memorandums and framework agreements to double China’s supply of natural gas, including the productivity of the “Altai” on the west line. After fulfilling all the signed agreements on the supply of natural gas, China will become the largest importer of Russian natural gas worldwide.

2.2 Association of Southeast Asian Nations

As early as 20 years ago, Russia had established relations with ASEAN, but the relationship between the two parties did not develop rapidly. Unlike China, Russia realized late on how large a market she had lost. In addition to a certain degree of negative attitude of the Russian side, there are also some ASEAN member states that are scared of Russia’s entry into the alliance region. Russia is a world power that is opposed to the United States. So far, the principle of regional cooperation has been to reject the participation of superpowers and not to consider the positive role of either Russia or the

United States. In order to maintain ASEAN's partnership, the above reasons were not directly stated. The pretext used instead was "Inferior economic role of Russia in Southeast Asia".

In the first decade of the 21st century, Russia finally established a contractual relationship with ASEAN, which was established in relation to the first high-level meeting between Russia and ASEAN (held in Kuala Lumpur in September 2005). Relevant contracts include the leaders' common policy statement on mature and all-round partnerships, and also include the general action plan for cooperation development from 2005 to 2015, ^[13] and the intergovernmental agreement on cooperation in the economic and development field. However, the level of economic cooperation between Russia and ASEAN member countries is still very low. Russia's share of ASEAN's total foreign trade volume does not exceed 3%, while its trade volume with China exceeds US\$200 billion.

2.3 Shanghai Cooperation Organization

The Shanghai Cooperation Organization was formally established by China's proposal in 2001. Its members include China, Russia, Kazakhstan, Uzbekistan, Tajikistan, and Kyrgyzstan (Turkmenistan has joined the Shanghai Cooperation Organization). Up until now, the Shanghai Cooperation Organization has developed into an influential regional institution that has participated in the use of representatives of various international organizations.

The significance of the SCO (Shanghai Cooperation Organization) is that it has become the first platform for China and Russia to negotiate common interests. At the

same time as an extension of cooperation with other major countries (especially with SCO observers in India's cooperation) SCO is also particularly important. Economic cooperation is the most needed for SCO activities, and it is also the weakest area for development. The demand for economic cooperation within the framework of the organization is not only related to the social and economic development tasks of SCO member countries. From a long-term perspective, the realization of the national modernization project is the basis for long-term national security, because the ability of the national modernization project to promote necessary energy development through deep multilateral economic cooperation also determines the attractiveness and competitiveness of SCO. Although the economic interests of China and Russia in Central Asia do not completely overlap, this is not the reason for talking about the growth of competition between the two big countries in the region. The structural mechanism of SCO has eased the conflict between the two countries and helped the two countries shift their attention to the basic development and socio-economic development of the active region. The key to active economic cooperation lies in the attractiveness of financial resources and scientific and technological resources. To a large extent, this depends on two suppliers – China and Russia. Specific institutions for direct investment, as well as specific mechanisms for observer countries to participate in multilateral cooperation projects are being formed and improved.

According to Russia's experience in Central Asia after the disintegration of the Soviet Union, and China's experience in Central Asia during the same period, the following conclusions can be drawn.

First, the trade structure of Central Asian countries with Russia and China reflects the fact that regional economies are directly pointing to raw materials. In particular,

China's trade with Central Asia has absolutely no finished products from Central Asian countries. Not only that, the dynamics of the changes in Russia-Central Asia trade and China-Central Asia trade structure in recent years show that the economic raw material orientation of Central Asian countries is gradually strengthening. The supply of raw materials from Central Asia, whether it is exported to China or exported to Russia, is increasing the weight of its raw materials, which of course depends largely on the reduced supply of finished products.

Under the background of regional economic raw materials, the export volume depends on the world raw material price market. Between 1998 and 2001, the prices of major types of raw materials exported from the region fell, for example, oil, cotton, aluminum, etc. Since 2002, their prices have started to rise again. Related to this, changes in world prices of different raw materials often lead to a wave of bilateral trade volume between Central Asia and Russia, Central Asia and China. ^[14]

Second, China's economic presence in Central Asian countries has steadily increased. With the development of this situation, the economic exchanges between Russia and the countries in the region have begun to recover. Moreover, the pace of China's economic presence in Central Asia is faster than that of Russia's and regional countries' economic recovery. This is more evident in the field of foreign trade. Even if we don't calculate the downside transaction between China and Central Asia, China's total trade volume is already equal to Russia's total trade volume with Central Asia. If we calculate the trade between China and Central Asia, it is clear that for Central Asia, trade with China is more important than trade with Russia.

Third, and equally important, the increase in the share of China's economy in Central Asian countries depends mainly on the supply of manufactured goods (mainly

daily necessities) to the region. Chinese manufacturers must have more competitive advantages for Russian and Central Asian producers, and they will win two places.

The proposal put forward by President Putin in June 2006 at the Shanghai Summit to establish a SCO Energy Club that can condense energy producers, consumers, and transporters was supported by the heads of state of other countries. The heads of state in Dushanbe adopted a specific implementation plan, during which the Russian head of state M. Fradkov proposed to establish an international center for the provision of nuclear fuel cycle services within the SCO framework. In addition to Russia, China and Kazakhstan also agreed to take positive measures to develop energy in the region. It is not excluded that Iran also joins the ranks of energy transfer. If this is the case, SCO's natural gas market share will exceed half of the world's total.

In the above context, the development of economic relations between Russia and regional countries depends to a large extent on the strength of the trade in raw material resources (mainly hydrocarbons). This is evident in their steadily growing supply from Central Asia. To make a reasonable assumption, if the system structure of oil and natural gas products exported from Central Asia to China, for example, eliminates the monopolistic forces of energy transfer from Central Asia to Russia, then the economic proportion of Russia and China in Central Asia will likely occur. Great changes and benefits China.

In addition to trade, China has also participated in the exploration and exploitation of energetic bodies in Central Asian countries. Among them, investment in Kazakhstan is the largest investment. Oil extracted in local oil fields, including "Kazakhstan-rock" totaled 2360 tons in 2012, and 9 billion m² of natural gas. The laying of the Kazakhstan-China Petroleum and Turkmenistan-Uzbekistan-Kazakhstan-China Natural

Gas Pipeline (the transcontinental natural gas pipeline) has become the highest priority in the energy security assurance strategy formulated by China for cooperation with Central Asian countries.

In 2008, the second phase of construction of the Kazakhstan-China oil pipeline construction began, including the 700-meter section of the Kenziak-Komco section, which was put into use in 2005. Yamaguchi's oil pipeline will be connected with the rich oil of Kazakhstan's section of the Caspian Sea. Before 2011, when the transportation capacity was 200 tons/year, the Kazakhstan-China oil pipeline was extended by 3,000 kilometers.

Trans-Asian natural gas pipelines - Turkmenistan - Uzbekistan - Kazakhstan - China the natural gas pipeline begins with the border between Turkmenistan and Uzbekistan. Pipes laid in Uzbekistan (525 km) and Kazakhstan (1293 km) pass through the Chinese border into Horgos (Xinjiang). The trans-Asian natural gas pipeline consists of two side-by-side 1067 mm diameter pipes. According to the contract revised in 2008, 40 billion cubic meters of Turkmenistan natural gas should be transported on pipelines each year. The natural gas pipeline project invested a total of 73.1 billion U.S. dollars. The length of the trans-Asian natural gas pipeline in China is 7,000 km. The project began in 2007 and was completed in 2012. The first batch of 5 billion cubic meters of natural gas for China was supplied at the end of 2009 [15].

At the highest level meeting held in Yekaterinburg and the BRIC countries summit held on the second day, on June 17, 2009, China and Russia signed the first US\$10 billion energy-related agreement. The largest agreement in the history of China and Russia was signed by President Medvedev after negotiations between President Medvedev and President Hu Jintao. The heads of state of the two countries agreed to

establish a mechanism for mutual settlement between the Rub and the Yuan.

At present, all the agreements between China and Russia are estimated through the U.S. dollar price. However, if the proposals of China and Russia are realized, it will not only affect the relations between China and Russia but also have an impact on world trade. Moscow and Beijing plan to use the Yuan and the ruble instead of the dollar.

The Shanghai Cooperation Organization (SCO) is an authoritative and influential regional alliance and a key component of creating new security and cooperation agencies in the region. The Russian Federation decided to formulate and adopt the development strategy of the Shanghai Cooperation Organization until 2025 during the period of 2014-2015 as the chairman of the Shanghai Cooperation Organization. In order to complete all plans more effectively, the President of the Russian Federation has formulated and approved the “Russia Federation’s Plan of Activities during the Presidency of the Shanghai Cooperation Organization”, which includes more than 100 joint projects in the fields of politics, economy and trade, and culture and humanities. .

3. CHINA AND RUSSIA'S FOREIGN TRADE DYNAMICS AND STRUCTURE

3.1 The state of foreign trade between two countries during the global crisis

In 2009, Russia's foreign trade fell drastically under the influence of the global crisis

Table 3.1—Russian Federation Foreign Trade (Unit: hundred million \$)

Year	Total export	Total imports	Foreign trade balance	Percent on the previous year's ratio	
				Export	Imports
2006	301244.2	137806.9	163437.3	124.8	139.6
2007	351928.2	199746.3	152181.9	116.8	144.9
2008	467580.5	267100.7	200479.8	132.9	133.7
2009	301750.7	167457.0	134293.7	64.5	62.7

Source: Foreign Trade of the Russian Federation, Moscow Press, 2010.

Russia's exports in 2006 totaled US\$312 billion, which increased to US\$4.6758 trillion by 2008, but in 2009 it fell to the level of 2006 - US\$301.75 billion, which means a drop of 35.5%. From 2006 to 2008, Russia's total imports increased from US\$1.378 billion to US\$267 billion, but in 2009, total Russian imports fell to US\$1.6745 billion, a decrease of 37.3% [16].

Table 3.2 – Russian Federation’s foreign trade with national organizations in 2008-2009

(Unit: hundred million \$)

Country portfolio	2008		2009		Percentage of 2009 to 2008
	value	Percentage to total	value	Percentage to total	
Total					
Export	467580.5	100.0	301750.7	100.0	64.5
Import	267100.7	100.0	167457.0	100.0	62.7
Commonwealth of Independent States					
Export	69655.9	14.9	46783.7	15.5	67.2
Import	36606.9	13.7	21805.6	13.0	59.6
EU					
Export	265894.7	56.9	160812.8	53.3	60.5
Import	116522.5	43.6	75364.5	45.0	64.7
APEC					
Export	60307.7	12.9	45676.1	15.0	75.2
Import	89185.1	33.4	51873.0	31.0	58.2

Source: Foreign Trade of the Russian Federation, 2009, Moscow Press, 2010.

In 2009, Russia still maintained a balanced trade surplus with foreign trade, but it dropped by 662 billion U.S. dollars in one year. Analysis of the situation in 2009 draws the following conclusion: The world financial crisis has caused an unprecedented huge impact on Russia's foreign trade environment.

If the analysis of the impact of the world crisis on Russia’s foreign trade within the

framework of the national organization (CIS, EU, Asia-Pacific Economic Cooperation), the volume of trade between Russia and the Asia-Pacific Economic Cooperation fell by 24.8% in 2009, with the CIS. The volume of trade fell by 32.8% and the EU was 39.5%.

Russian exports are structurally composed mainly of fuel-powered goods and metals: these two goods accounted for 84% and 80.7% of the exports in 2008 and 2009, respectively. At the same time, lower export prices due to lower world demand have also led to a reduction in Russian exports. The impact on imports is the reduction in the input of cars, equipment, and transportation vehicles in distant countries [17].

Table 3.3 – 2008-2009 export and import structure of the Russian Federation and the national trade distant neighbors (Unit: %)

Goods	Export		Import	
	2008	2009	2008	2009
1. Food and agricultural materials	1.2	2.5	12.9	17.5
2. The fuel and power products	72.6	69.5	0.6	0.5
3. Chemical Industry Products, Rubber	6.0	5.7	13.9	17.6
4. Leather raw material, fur	0.1	0.1	0.4	0.5
5. Wood and pulp products	2.3	2.6	2.4	3.0
6. Textile raw materials, textile products and shoes	0.1	0.1	4.3	5.7
7. Gemstones, precious metals	1.8	2.0	0.3	0.3
8. Metals and Metal Products	11.4	11.2	5.2	5.2
9. Automotive, Equipment and Transportation	2.8	4.6	55.9	46.0
10. Other products	0.7	1.0	3.4	3.4

Source: Foreign Trade of the Russian Federation, 2009

The impact of the world crisis on Russia's foreign trade also reflects the balance between revenue and expenditure, and balance of payments is an important part of state regulation. As early as in 1993, there was a trend of decreasing revenue and expenditure surplus for the current business. By 1997, the surplus and surplus dropped to the lowest value. In recent years, the devaluation of the Russian ruble, the implementation of measures to promote the export of raw materials and the development of substitute production of imported goods have prompted the current trade surplus. Since the start of market reforms in Russia, the balance of foreign trade has been in a positive position, which has also led to the continued growth of raw material products and energy carriers, and has also increased their world prices. In addition to the above-mentioned products, black and non-ferrous metals have been firmly established in Russian exports, while exports of mechanical and technical products tend to decline.

For Russia, an active foreign trade balance is an important source of accumulating foreign exchange resources, and it is also the main source of paying international debt (loans provided). In addition, this also affects the reduction of the investment income balance deficit. The amount of loan services provided to Russia in the post-Soviet period increased. When analyzing Russia's foreign trade, an important issue is the state of balance between the pre-crisis period and the high tide of the 2009 crisis.

Comparing the balance of payments between the two periods shows that the balance of payments remains the main trend. This is because Russia's economic growth is due to external funding, and on the one hand it is due to the loans of its trading partners. Let us study together the following balance of payments in the "Fast Year" development of Russia's foreign economic activities, that is, before the start of the 2008 global crisis (which was reflected in Russia's foreign trade and investment activities).

According to the accounts of the current business, Russia has always had a huge trade surplus. This account also reflects the advances and expenditures on goods, services and investment income, as well as labor expenditures. Foreign direct investment in Russia fell to 25 billion U.S. dollars in 2000, but in 2004 it drastically increased to 124.7 billion U.S. dollars. The dynamics of imbalances include portfolio investment and other foreign investments.

Table 3.4 – Break-even of Russia in 2000 and 2004 (Unit: hundred million \$)

	2000	2004
Current business calculation	46371	59920
Commodity export	105565	183452
Trade balance	60703	87145
Service provided	9632	20290
Get service	-17352	-33837
Balance of goods and services	52984	73597
Earn income	4753	10381
Expenditure income	-11489	-23381
Goods, services and income balance	46248	60597
Current transfer difference	70	-677
Capital business calculation	10676	-1624
Deposit	11543	862
Expenditure	-867	-2486
Financial calculation	-33796	-49926
Foreign direct investment	-3208	-10346
Russia's direct investment	714	12479
Investment in foreign securities	-380	-4101
Investment in Russian securities	-12808	4701
Other investments abroad (institutions, governments, banks)	-17026	-24245
Other investments in Russia (institutions, governments, banks)	-3087	16823
Errors and omissions	-9274	-8370
Overall balance	13923	45235
Changes in foreign exchange reserves	-13923	-45235

Source: Bank of Russia official website [http // www.cbr.ru](http://www.cbr.ru)

On January 1, 2006, foreign direct investment accumulated in the Russian economy during the reform period had reached 49.8 billion U.S. dollars, portfolio investment was 1.9 billion U.S. dollars, and other investments were 60.2 billion U.S. dollars. Luxembourg, Cyprus, the Netherlands, Great Britain and Germany have a relatively large amount of investment. 80% of the investment is invested in the above countries. Russian statistics show that in addition to direct investment and portfolio investment, there are “other investments” in the economic field. The total number of other investments in 2005 was US\$ 40.1 billion, of which investment in the mining sector was approximately US\$ 2 billion, trade volume was approximately 20 billion, transportation and communications was 3.6 billion, and I financial activities and real estate operations were US\$ 2.8 billion. The main components of this project are foreign credit loans and other borrowings that attract Russian companies. ^[18]

Table 3.5 – January to September 2009 and January to September 2010 Russia's balance of payments (Unit: Billion \$)

	January-September 2010	January-September 2009
Current business calculation	60.9	33.3
Trade balance	114.5	76.4
Export	286.5	207.8
Crude	98.9	69.1
Petroleum products	51.2	32.6
Natural gas	32.9	27.9
Others	103.5	78.2
Import	-172.0	-131.5
Service balance	-18.6	-14.2
Export	32.6	30.4
Import	-51.2	-44.6

The end of Table 3.5

	January-September 2010	January-September 2009
Balance of labor compensation	-6.8	-6.5
Investment income balance	-24.9	-20.5
Income receivable	25.4	23.0
Income receivable	-50.3	-43.6
Federal Management Agency	-0.5	-0.2
Income receivable	0.9	1.1
Income receivable	-1.4	-1.3
Main of Russian Federation (payables)	-0.1	0.0
Currency and Credit Adjustment Agency	3.6	5.4
Income receivable	3.6	5.4
Income receivable	0.0	0.0
Banks	-1.6	-3.9
Income receivable	5.6	5.8
Income receivable	-7.2	-9.8
Other department	-26.4	-21.8
Income receivable	15.2	10.7
Income receivable	-41.6	-32.5

Source: Central Bank of the Russian Federation [http// www.cbr.ru](http://www.cbr.ru)

Russia's balance of payments during the three quarters of 2010 shows that the Russian government's timely measures to support exports and the huge subsidies granted to oil and gas companies have led to a trade balance increase from 36.4 billion U.S. dollars in 2009 to 3 quarters in 2010. ^[19] The prices of crude oil, petroleum products and natural gas that were sent abroad rose. The business conditions of assets and financial instruments were slightly better: the deficit for the three quarters of 2010 decreased from 51.3% to 6.7% in the same period of 2009. The asset business bill (asset transfer) dropped from 11.9% to a slump of 0.1%. Fiscal bills that do not include

reserve funds fell from negative 44.4% in January-September 2009 to -6.8% in 2010. The banking industry achieved positive growth in 2010 from -35.7 to 11.6%. The negative growth in Russia's balance of payments following the intergovernmental agreement of public debt, existing foreign exchange, banks, and other industries became positive [20].

Overall, the current business balance during the nine months of 2010 has almost double compared to the same period in 2009, rising from \$33.3 billion to \$60.9 billion in three quarters. China's foreign trade in import and export has maintained a growth trend for many years, and the balance of trade balance has also maintained growth. However, the global crisis has led to a decline in overall trade, including imports and exports. The huge trade balance surplus dropped sharply during the crisis of 2008.

Table 3.6 – China's Foreign Trade in 2005-2009 (Unit: hundred million \$)

Year	2005	2006	2007	2008	2009	Percentage of 2009 to 2008
Circulation volume	1421.91	1760.40	2173.83	2561.6	2200	-13.9
Total export	761.95	968.94	1218.01	1428.5	1201.7	-16
Total import	659.95	791.46	955.82	1133.8	1005.6	-11.2
Foreign trade balance	102.00	177.48	162.20	295.46	196.1	-102

Source: "China's Foreign Trade Statistics", Beijing Publishing House, 2010

As shown in Table 3-6, the reduction in China's foreign trade in 2009 was less than that in Russia: commodity circulation accounted for 13.9%, exports 16%, and imports 11.2%. In 2009, China's trade balance surplus turned bad for the first time, reaching a

staggering figure of more than US\$100 billion. ^[21] The crisis has had a huge impact on China and its major trading partners EU, the United States, Hong Kong, ASEAN, and Japan, as shown in Table 3.7.

Table 3.7 – Exports and Imports of China's Major Foreign Trade Partners in 2009

(Unit: hundred million \$)

Country and region	Export	Percentage of 2009 to 2008	Import	Percentage of 2009 to 2008
EU	236.6	-19.4	127.8	-3.7
USA	220.8	-12.5	77.4	-4.8
HONGKONG	166.2	-12.8	8.7	-32.6
Association of Southeast Asian Nations	106.3	-7.0	106.7	-8.8
JAPAN	97.9	-15.7	130.9	-13.1
KOREA	53.7	-27.4	102.6	-8.5
INDIA	29.7	-6.1	13.7	-32.3
TAIWAN	20.5	-20.8	85.7	-17.0
RUSSIA	17.5	-47.1	21.3	-10.7

Source: "China's Foreign Trade Statistics", Beijing Publishing House, 2010

The largest decline in 19.4% was for the EU, with 15.7% in Japan and 27.4% in South Korea. The biggest reduction in imports was for imports from Hong Kong (down 32.5%), and India was 32.3%. Despite being affected by the world crisis, the EU countries and the United States will, as always, become China's largest foreign trade partner in 2009. China exports high value-added products to the international market, and also imports such products. In 2008, China's industrial structure in the import structure accounted for 68% of the total, which was approximately USD 770.3 billion. The import of machinery and technology products reached US\$441.92 billion in 2008,

including 19.41 billion U.S. dollars for power equipment, 31.83 billion U.S. dollars for professional industrial equipment, 11.62 billion U.S. dollars for metal processing equipment, 38.96 billion U.S. dollars for communications equipment, 38.17 billion U.S. dollars for electronic communications equipment, and 2166.3 for electrical equipment [22].

China's national leaders attached great importance to the reduction of foreign trade, and at the central economic conference held in December 2008, they formulated the issue of restoring export growth and trade balance surpluses. China's successful overcoming the impact of the world economic crisis has brought about a positive effect on the balance of payments. According to the decrease in the growth rate of the balance of payment surplus, the balance of payments structure will be improved. "Telling the growth period is turning into a period of moderate growth," said Hu Xiaolian, director of the State Administration of Foreign Exchange of China. The SAFE leadership evaluates the improvement of the balance of payments structure as a result of the timely measures adopted in 2008 to eliminate the negative impact of the unstable environment of the global financial crisis, including correcting the priority direction of foreign exchange management. Ensure the balance between the inflow and outflow of money and strengthen the supervision of cross-border flows of funds. According to the summary results in 2009, it is found that the proportion of the current GDP balance in the country's total output value has decreased, and the rate of growth of the country's foreign debt has slowed [23].

Table 3.8 – In 2008 Chinese state balance of payments (Unit: hundred million \$)

	Balance	Credits	Debit
1 Balance of trade business	/	/	/
Trade balance	426.107	1725.893	1299.785
Balance of goods and services	348.870	1581.713	1232.842
2. The dynamic balance of funds	18.964	769.876	750.911
Dynamic calculation of funds	3.051	3.319	0.26844
Financial calculation	15.913	766.556	750.642
3 Direct investment	94.320	163.053	68.722
Chinese direct investment abroad	53.470	2.175	55.646
Investment in China's direct investment	147.791	160.878	13.187
4 Securities	42.660	67.708	25.047
Assets	32.749	57.672	24.922
Stock	- 1.117	3.844	4.962
Bonds	33.867	53.827	19.960
5. Trade loans	5.865	5.865	/
Long-term	0.41069	0.41069	/
Short-term	5.456	5.456	/
6. Borrowing	-18.501	0.47831	18.979
Long-term	6.569	/	6.569
Short-term	-11.932	0.47831	12.410

Source: "China's Foreign Trade Statistics", Beijing Publishing House, 2010

In order to describe the state of balance of payments, China's foreign trade statistics have adopted the following indexes: current business balance; dynamic balance of capital and debt; stock exchange status; borrowings, reserve assets, and others. Table 3-8 shows the balance sheet status of daily business: China, like Japan and other developing exporting countries, relied on the surplus of maintaining goods and services in 2008 to combine huge assets of USD 426.1 billion. The maintenance of daily business assets keeps the capital transfer balanced.

According to 2008 balance of payments data, China's foreign direct investment

increased to 53.47 billion U.S. dollars and foreign investment in China reached 147.79 billion U.S. ^[24] dollars. As a result, an investment surplus of US\$94.3 billion was maintained. China's balance of payments does not include the general securities investment indicators of all countries. China's balance of payments includes detailed information on the status of securities and foreign exchange markets, public securities, and commercial loans. According to the situation of all responses to the balance of payments, China maintained a surplus in 2008. The global crisis of the crisis in 2009 showed an impact on Sino-Russian trade, (see Table 3.9).

Table 3.9 – Trade between Russia and China and Russia in 2002-2009 (Unit: billion \$)

Years	2002	2003	2004	2005	2006	2007	2008	2009
Transaction amount	9.3	11.7	14.8	20.3	28.7	40.3	55.9	38.8
Growth rate	128.8	125.5	126.7	137.1	141.2	140.6	138.7	-31.8
Export quota	6.9	8.4	10.1	13.0	15.8	15.9	21.1	17.5
Growth rate	123.8	121.2	120.4	129.2	120.8	100.9	133.0	-47.1
Import quota	2.4	3.3	4.7	7.3	12.9	24.4	34.8	21.3
Growth rate	145.8	137.8	142.5	154.1	177.8	189.1	142.3	-10.7
Trade balance	4.5	5.1	5.4	5.8	2.8	-8.5	-13.6	3.8

Source: «Customs Data of the People's Republic of China 2002-2009» Beijing Publishing House, 2010

Prior to the crisis, China's trade with Russia accelerated its growth rate: 28.8% in 2002, 25.5% in 2003, 26.7% in 2004, 37.1% in 2005, 41.2% in 2006, and 40.6% in 2007. The growth rate in 2008 decreased slightly. To 38.7%. In 2009, Sino-Russian

trade fell by 31.8%, of which exports fell by 47.1% and imports fell by 10.7%. However, the balance of payments has shifted from negative (2007-2008) to positive as in 2006.

Among the Russian exports to China, which are steadily dominant, are mineral products and energy commodities (mainly crude oil and petroleum products), whose share in 2008 was 56.4%. Other major categories of goods occupy a large scale in Russia's export supply: 15.5% of wood and pulp and paper products, and 13.9% of chemical industrial products. In 2008, Russia's exports accounted for 4.4% of the machinery, equipment and transportation tools. The amount of goods imported from China to Russia is mainly composed of four major categories of goods: machinery, equipment and transport tools; textiles and their products, shoes; metals and their products; and chemical industrial products. In 2008, the share of mechanical technology products supplied from China to Russia was 53.9%. In this type of commodity, the computer and its components accounted for a major part, with a share of 7.6%; a telephone device share of 7.4%; and a video reception device of 3.6%. In 2008, the share of imports of knitted fabrics/textiles and shoes from China accounted for 15.1% of the second place. The main commodities in this category are knitted fabrics (apparel and clothing accessories, knitted garments) with a proportion of 6.3%; and the proportion of shoes is 5.7% [25].

The share of metal and its products accounted for the third place, which was 8.4%. Russia imported iron or non-alloy steel flats, metal components made of four metals, etc. The share of the chemical industry in Russia's imports accounted for 6.8%, while the supply of grain was reduced. It can thus be seen that in trade with Russia, China's imports are balanced and are more conducive to China's economic interests.

3.2 China and Russia trade and economic cooperation after the crisis

Many uncertainties in the world economy and international trade, as well as the slow pace of economic growth in Russia and China, have determined a certain delay in the bilateral trade process in 2013. However, the statistics of China's customs in the first three quarters of 2014 proved that Russia and China have successfully interrupted the negative situation, stabilized the mutual trade situation and ensured a stable growth in trade volume.

According to data from the General Administration of Customs of the People's Republic of China, from January to September, Sino-Russian trade volume increased by 7.0% to 0.70777 billion US dollars, of which: Russia's export to China was 31,3841.4 million US dollars (+2.9%). Imports from China amounted to US\$3.9396.3 billion (+10.5%).^[26]

The trade deficit for January-September 2014 was US\$ 798.79 million (+51.9%) or 11.3% of total trade. As a result, after the anti-recording at the end of 2013 was updated (the deficit was 11.2% of the Sino-Russian trade volume), the trade deficit between Russia and China once again exceeded the critical line by 10%. The growth of the Russian deficit is caused by the imbalance in the growth rate of imports and exports.

The share of the total trade volume for the nine months of the year was 2.24%, which was an increase of 0.08 percentage points from the same period of 2013.

In terms of foreign trade with China, the following countries exceeded Russia: the United States (404.5 billion U.S. dollars, +6.7%), Hong Kong (252.5 billion U.S. dollars, -11.7%), Japan (233.1 billion U.S. dollars, +1.8%), and South Korea ((US\$214.1 billion, +5.4%), Taiwan (US\$1.459 billion, -2.1%), Germany (\$123 billion, +1.9%),

Australia (\$104.5 billion, +5.8%), Malaysia (\$75 billion, -3.5 %).^[27]

The following countries are closely following Russia: Brazil (\$ 68.2 billion, +0.4%), Singapore (\$ 57.3 billion, 3.2%), Vietnam (\$ 57.3 billion, +21.8%), Netherlands (\$ 54.2 billion, +9.1%).^[28]

China has also led the list of major trading partners in Russia for four consecutive years (since 2010). The growth rate of Sino-Russian trade in the first nine months of 2014 was higher than the average trade of China with other countries. Among them, the trade volume was 3.7 percentage points higher, the Russian export volume was 1.6 percentage points higher, and the Russian import volume was 5.4 higher. percentage point.

The summary of the first three quarters confirmed the assessment made by experts from China and Russia that the process of delaying mutual trade in 2013 was temporary and subject to a series of objective factors. According to the forecast, by the end of 2014, the trade volume between China and Russia may exceed the threshold of US\$90 billion, and it will be close to the indicative indicator that the marked countries that exceed US\$100 billion should reach in 2015. This is the leader of China and Russia.

The Russian export cargo structure for January-September 2014 was characterized by the following indicators: The supply value of “Fossil Fuels, Petroleum and Petroleum Products” accounted for more than half of the Russian export value of 71.23% (compared with 67.84% for January-September 2013). Whether it was supply (+2.4%) or 47.91 million tons, or supply values were positive. From January to September 2014, crude oil supply increased by 27.0% or increased to 23.32 million tons, and the value of supply increased by 26.3% or increased to US\$18.68 billion.

Table 3.10 – Comparison of Trade between China and Russia from 2013 to December 2014 (Unit: billion \$)

Years	Trade volume			Russian exports to China			Russian imports from China		
		Compared	Rate		Compared	Rate		Compared	Rate
2003	15760.62	11927.46	+32,1	9726,07	8406,83	+15,7	6034,55	3520,63	+71,4
2004	21232.1	15760.62	+34,7	12126,58	9726,07	+24,7	9106,75	6034,55	+50,9
2005	29103.1	21232.1	+37,1	15890,9	12126,7	+31,0	13212,2	9105,9	+45,2
2006	33386.55	29103.1	+14,7	17554,12	15890,9	+10,5	15832,43	13212,2	+19,8
2007	48165.37	33386.55	+44,3	19676,89	17554,1	+12,1	28488,48	15832,43	+79,9
2008	56830.54	48165.37	+18,0	23825,11	19676,89	+21,0	33005,43	28488,48	+15,9
2009	38796.72	56830.54	-31,8	21282,95	23825,11	-10,7	17513,77	330005,43	-47,1
2010	55448.79	38796.72	+43,1	25836,26	21282,95	+21,7	29612,52	17513,77	+69,0
2011	79249.30	55448.79	+42,7	40345,47	25836,26	+55,6	38903,83	29,612,52	+31,4
2012	88158.03	79249.30	+11,2	44100,51	40345,47	+9,2	44057,53	38903,83	+13,2
2013	/	/	/	/	/	/	/	/	/
1st s	20675.29	21487.91	-3,9	10324,91	12834,81	-19,7	10350,38	8653,10	19,6
2nd s	22453.82	22163.41	+1,3	10852,00	11030,79	-1,6	11601,81	11132,62	+4,2
3rd s	22994.38	22470.87	+2,3	9286,74	9672,90	-4,0	13707,62	12797,97	+72
4th s	23082.57	21936.76	+5,2	9136,07	10447,87	-12,6	13946,5	11488,9	+21,4
2014	/	/	/	/	/	/	/	/	/
1st s	21685.05	20675.29	+4,7	10893,90	10324,91	+5,0	10791,15	10350,38	+4,3
2nd s	22846.65	22453.82	+1,3	10675,33	10852,00	-1,6	12171,32	11601,81	+4,9
3 rd s	26238.51	22994.38	+13,9	9795,86	9286,74	+5,5	16469,67	13707,63	+20,1

Source: «Russian Export Supply Structure», Moscow Press, 2014

The total amount of flammable lubricants and fuels shipped from Russia in January-September 2014, including coal, diesel, and liquefied petroleum gas (commodity category 27, except crude oil), decreased by 13.5% to 2469 from January-September 2013 Ten thousand tons. As the world price of energy carriers has fallen, the value of Russian exports of this commodity has dropped by 37.9%, which is estimated to be US\$3.65 billion. Electricity supply from January to September 2014

was 256.689 million kW/h (-7.8%) and the amount was 13.214 million US dollars (-6.1%). The supply of "wood and its products" (commodity category 44) accounted for the second place in Russia's exports to China, or 7.49% of Russia's total exports to China. From January to September 2014, the value of such goods increased by 11.9% or increased to US\$235.363 million, and the supply volume decreased by 16.3% or 10.85 million cubic meters. ^[29]

The share of Russian wood exports (6.53 million cubic meters, -15.3%) accounted for 16.6% of China's total wood imports (39.43 million cubic meters, +18.5%). ^[30] The export value of Russian wood was 1,116.68 million US dollars (+8.8%), which accounted for 12.44% (compared with 15.7% in 2013) of wood imports total US\$9.325 billion+365%. From January to September 2014, compared with 50.48% in January-September 2013, round logs accounted for 49.31% of Russian timber exports to China. The supply of "non-ferrous metals" accounted for the third or 4.58% of Russia's total exports to China. The export value of such products increased to 6.0% (or US\$1,349.94 million). The growth rate of exports was 1.9% (162,960 tons). The copper supply decreased by 7.3% (19,820 tons) and the supply value decreased by 7.8% (USD 12,860,000). Nickel exports showed positive trends. Exports increased by 8.6% (66,520 tons), and exports increased by 16.4% or 1136 million US dollars.

Table 3.11 – Russia's supply to China in 2014 (Unit: billion \$)

Products	Export amount	Growth rate for 2013
Fossil fuels, petroleum and petroleum products	22340,5	8,0
Wood, wood products	2353,63	+11,9
Non-ferrous metals	1439,49	6,0
Black metal	15,28	-83,6

The end of Table 3.11

Products	Export amount	Growth rate for 2013
Chemical product	817.46	-23,0
Fish and fish products	1026,60	-4,9
Ore	871,69	-45,1
Fertilizer	639,62	- 26,7
Pulp	587 65	23,6
Machinery and equipment	341,89	+119,4
Precious stones, precious metals	386,25	-26,8
Animal food	68,41	-21,5
Detergent	662	+ 100,0

Source: «Customs Statistics of the People's Republic of China», Beijing Publishing House, 2014

Russia's aluminum supply value decreased by 4.1% to US\$14.71 million, and supply volume decreased by 4.6% to 72,670 tons. The supply of "Fish" accounted for the fourth place (3.27% of Russia's total exports to China). In January-September 2014, the supply value of fish products decreased by 4.9% (to US\$1026.6 million), while the reduced supply was 12.5% of China's total fish imports of 157 million tons (-1.3%). To 690,430 tons) or 43.97% (compared with 49.58% in January-September 2013). The supply of "Ore" accounted for the fifth or 2.77% of Russia's total exports to China. The supply of this product was 4.89 million tons (-43.9%), with a supply value of 87.169 million US dollars (-45.1%) or 0.81% of China's imports of this product (1063 billion US dollars, -2.3%) (1.43% compared with January-September 2013). "Chemical Products" accounted for the sixth or 2.60% of Russia's exports to China. In January-September 2014, the total value of chemical products decreased by 23.0% to US\$817.46 million. The value of "rubber and rubber products" was significantly

reduced by 41.5% to US\$176.5 million, while the reduced supply accounted for 37.2%, reaching 71,150 tons [31]. The value of "plastics and their products" increased by 36.6% (31,721 ten thousand US dollars), and the supply volume increased by 41.0% to 182,430 tons. The supply of "Fertilizer" accounted for the seventh place in Russia's exports to China, amounting to 63.96 million US dollars (-26.7%). The share was 2.03% of the total exports. Fertilizer supply decreased by 7.9% to 1.99 million tons, and supply value decreased by 27.7%, Reduced to 63.96 million US dollars. Russia's supply of "pulp and cellulose" accounted for the eighth place in Russia's total exports to China (1.87%)

From January to September 2014, the supply of this product increased by 19.1% to 918,030 tons. The value of supply increased from 23.6% to \$587.65 million. The supply of "Machines and Equipment" accounted for the ninth place in the list of major Russian commodity exports to China. The value growth rate of goods from January to September 2014 was 82.7% (US\$387.16 million). Russia's share of China's total exports of such goods increased from 0.69% in January-September 2013 to 1.24%. The supply of Power Equipment increased significantly by 226.4% (US\$179.92 million), and the aircraft's growth rate was 176.7% (to US\$95.66 million). The supply of "Electrical Equipment" decreased to 23.2% (to 30.53 million US dollars). From January to September 2014, China's imports of machinery and equipment (up to US\$13.31 billion, -4.9%) exceeded China's exports to China by more than 33.1 times. The balance of "Machines and Equipment" favorable to China in January-September 2014 was reduced by 6.5% to US\$12.9 million compared with January-September 2013. The tenth place in Russia's total exports to China is the supply of "gems" – 1.23% [32].

Table 3.12 –Russia's exports to China from January to September 2014

(Unit: billion \$)

Products	January-September 2014		Changes
	Export volume	Rate	Percentage to 2013
Fossil fuels, petroleum	22340.55	71.01	+8.0
Electric energy	132.14	0.41	-6.1
Wood	2377.04	7.64	+11.6
Chemical product	817.46	2.08	-23.0
Fish and seafood	1026.57	3.18	-4.9
Fertilizer	639.62	2.03	-26.6
Non-ferrous metals	1439.851	4.45	24.8
Ore, slag	871.69	2.86	-45.1
Pulp	587.55	1.91	+23.6
Black metal	15.28	0.05	-83.5
Machinery and equipment	387.16	1.27	+82.7
Precious stones, precious metals	386.25	1.27	-26.8

Source: «Russian Customs Statistics», Moscow Press, 2014

From January to September 2014, the value of this product showed positive dynamics (-26.8%), reaching US\$386.26 million, or 1.27% of China's total of US\$30.64 billion (+149.0%). The structure of Sino-Russian trade commodities in the first nine months of 2014 has not been changed in principle. Russia's main export items are still: fossil fuels, petroleum and petroleum products (71.0% of total exports to China), wood (7.6%), non-ferrous metals (4.45%), ore (2.8%), and chemical products (2.1%) . According to the summary of the first three quarters of 2014, China's major export items to Russia are: mechanical and technical products (33.7%), chemical products (8.9%), textiles and clothing (6.8%), knitted garments (6.3%), shoes (6.0%).

Table 3.13 – January-September 2014 major imports from Russia from China

(Unit: billion \$)

Products	January-September 2014		Changes
	Import volume	Rate	Percentage to 2013
Machinery and equipment	13310.25	33.75	-4.9
Fur, fur products	1688.25	4.31	61.6
Leather	674.15	1.77	-14.8
Textile Clothing	2748.20	6.85	+22.7
Shoes	2447.88	6.01	3.6
Knitwear	2468.23	6.34	+20.5
Chemical product	3485.38	8.88	+8.4
Toys, sports products	709.35	1.77	+25.1
Ceramics	299.29	0.76	19.0
Meat	8.22	0.00	83.3
Furniture	1557.01	4.06	+97.3
Black metal products	1193.04	3.04	-7.0
Non-gemstone products	377.42	1.01	34.0
Vegetables	247.51	0.60	+32.4
Fruit	173.08	0.39	7.1
Tableware	377.42	1.00	34.0
Cereal	3.79	0.00	33.1

Source: «Russian Customs Statistics», Moscow Press, 2014

The following commodities dominate the commodity structure exported to China by Russia: about 50% of mineral products (mainly fuel-power integrated products), 15% of wood and pulp and paper products, 13% of chemical products, and 9 of metal and its products. %, food is 5%. The proportion of machinery, equipment and vehicles is about 8%.^[33]

In the commodity structure imported from China by Russia, the following commodities occupy a major position: machinery, equipment and transportation tools

are 8%, textiles and shoes are 19%, chemical products are 8%, metals and their products are 7%, and food products are 5 %.

3.3 The Problems and Solutions of the Economic Cooperation

Russia and China must solve a series of problems, not only to lead trade to pre-crisis levels, but also to improve the structure and increase its efficiency. These questions are as follows:

1. The problem of diversification of mutual trade structures. For a long time, the mutual trade structure has been maintained in a constant manner: China mainly provides labor-intensive products and high-value-added products, and Russia mainly provides fuel-raw materials. In recent years, this trend has become increasingly prominent. On the one hand, this situation reflects the complementarity of the economies of the two countries, and on the other hand, it also reflects Russia's decline in the craft sector.

2. The inconsistency between the economic and trade relations and international standards.

The reason for the inconsistency between import and export traffic and international standards is first and foremost the large share of China's exports to Russia's "grey". This is particularly demonstrated by the serious disagreements in the trade statistics between Beijing and Moscow. Russia has taken very stringent measures to end the wrong practice of the "grey" trade volume.^[34]

In April 2009, the State Customs Commission of the Russian Federation ordered a more rigorous supervision of Russian customs' imports in China. It also proposed suspending the temporary suspension of Chinese goods at certain locations. This is

related to the fact that businessmen often mistakenly declare or reduce the customs value of Chinese goods.

In 2010, attention was paid to the growth of mutual trade and the participation of Russian businessmen in the Shanghai World Expo 2010. In 2010, Chinese companies participated in more than 200 Russian exhibitions. According to the accounting of the business representative office in China, the trade volume between China and Russia in 2010 recovered to the pre-crisis level in 2008, which was more than \$55 billion [35].

3. Information problems.

The most important factors for exploiting trade opportunities are mutual transparency, and the level of access to sufficient Chinese information by Russian companies. The Russian business representatives are the first to lack timely access to complete and reliable economic and trade information (prices, standards, prices, taxes, tax rates, administrative decisions, detailed rules, etc.). Although China's access to WTO has improved its openness of information, Russia has still not taking advantage of this opportunity. Unfinished networks in Russia and China may facilitate the dissemination of economic and trade information between interested economic entities. There is actually no Russian consulting company in China. There is a lack of standardized legal documents and standard trade contracts for the supply conditions in the harmonized standard format. These forms of standard contracts may be conducive to the formulation and supplementation of the practice of developing supply contracts and trade directions for the development of various types of commodity in the region in international trade (taking into account local characteristics). As a result of expedited contract negotiations and preparation procedures, the simplification of trade has become the traditional main purpose of these contracts. These contracts should contain various

options that are more appropriate for the specific conditions of the contractual terms involving the obligations of both parties, especially the conditions of carriage and the conditions for the transfer of goods.

The use of these formats by both parties on a voluntary basis will not only speed up the signing of contracts, but will also result in a more consistent understanding and discussion of their terms and their obligations. At the same time, it is not only possible to avoid mistakes in the preparation of contracts, but also to simplify some possible procedures for resolving contractual disputes. It is important to simplify and mitigate trade in principle so that these contracts are used on a voluntary basis and do not limit the opportunity to use the new format contract as a necessary document. Popularizing the same standard contract is usually based on its voluntary use, so that the most appropriate contract can be selected from it. Appropriately develop the same format for entrepreneurs of different associations and business units that should promote trade development. The use of standard contracts in this specific case can also facilitate the dissemination of serious and responsible actions that use customs procedures for trade and quality improvement.

The fundamental obstacles to improving the development of cooperation are the lack of practical annotations of the Chinese and Russian decrees in the key areas of cooperation and the lack of legal characterization of the terms used. This has led to a reduction in transparency and weakened the application of existing laws. Provisions may be made appropriately, for example, in the context of departmental or regional cooperation, to prepare corresponding annotated legal versions and to establish a search website.

4. The imperfection of legal normative basis.

There is still a lack of adequately developed normative legal basis conducive to guaranteeing the rapid development of mutual relations in all aspects. In accordance with legal standards, on the basis of commercial contracts and within the scope of the transport mechanism for the volume of transactions, in order to improve the use of laws and regulatory measures, the first step is to achieve a gradual transition from false declaration of goods to the realization of trade operations.

So far, non-tax rate restrictions have been adopted in the import of different types of foods and other commodities in the bilateral trade. Russia and China have reached an agreement: The non-tax rate measures and their application will be developed and improved, which can weaken their negative impact on trade. At the same time, special attention will be paid to measures related to technical barriers to trade and the use of health and plant health measures. These measures should be compared with international rules as much as possible, and must also guarantee the effective obstruction of the intrusion of dangerous products into the market, human, animal and plant diseases. Spread to prevent the risk of damage to the surrounding environment. Today, the main infrastructure projects of the Customs checkpoints need to be further improved, and the effect of managing access levels is not significant. All of these have reduced the effect of transit, which is usually the reason for delaying the entry of goods. This raises costs and negatively affects trade activities.

When importing from China to Russia, there are still many problems related to quality destruction. The customs authorities of the Russian Federation have adopted their own rules as countermeasures. This has formed different methods for judging the value of tariffs in the course of the Sino-Russian economic and trade relations. Failure to solve this problem will hinder the normal development of Sino-Russian trade

relations. The accession of the Russian Federation to the WTO will help improve the situation in this area. At present, the two sides have still not established an effective order and certificate mutual recognition system for the inspection of commodity epidemic prevention. This has affected the process of trade enthusiasm to some extent. Relying on internationally accepted norms and international practice activities conducted in accordance with this, the regulatory system in this area will be improved so as to remove unreasonable trade barriers and effectively counteract the spread of dangerous goods. We must pay attention to the differences in the methods used by China and Russia to determine the degree of danger of transporting goods.

Therefore, each party is provided with the necessary barriers to ensure the safety of transportation.

5. The problem of goods transport.

With the development of trade between the two sides, the contradiction between insufficiently developed transportation security and trade demand has become increasingly apparent, and new cargo transportation routes must be opened. At the same time, in order to meet the growing demand for oil transportation, it is extremely necessary to strengthen the construction of major infrastructure projects for traffic barriers, fully strengthen the railway's working capacity, and improve the service level of cargo transportation [36].

4. THE FORMAL DEVELOPMENT OF ECONOMIC COOPERATION

4.1 Chinese Russian currency exchange in trade

The issue of using domestic currency in settlements has acquired special practical significance during the world financial crisis. It also includes issues related to the possible conversion of yuan into another world reserve currency. Different opinions and suggestions were published in the book on this conclusion. It is proposed to increase the role of special drawing rights issued by the International Monetary Fund in world finance. Large countries save most of their national currency reserves as U.S. assets, so their devaluation is not of interest. As for the issue of unified settlement of currency units among countries, such as within the scope of the SCO, the currency units that are often discussed during the pre-crisis meeting, and now.

No discussion. As we all know, China is the main holder of U.S. dollar deposits and U.S. securities, and has a close connection with the U.S. economy. Although we consider ourselves U.S. economic adversaries, we actually have become the main sponsors of U.S. economic support. If the US dollar will eventually fall, this will have a serious impact on the Chinese economy.

Therefore, China believes that it is necessary to gradually and carefully cooperate with the establishment of a new world or Asian regional currency or settlement currency unit in Shanghai. It is suggested that the world currency be used instead of the unfair US dollar that may be accepted by the United Nations and controlled by the relevant committees. For example, Kazakhstan's President Nursultan Nazarbayev insists on reforming the world financial system. According to the 2010 International Monetary Fund, 64% of the world's foreign exchange reserves are in US dollars. The Euro (26.5%)

took second place, with the British pound (4.1%) and the Japanese Yen (3.3%) closely following. ^[38] In other words, to date, the world's foreign exchange market is not yet ready to make fundamental changes, and those countries that have the opportunity to save their dollars are not ready. On the other hand, Russia now has the right time to push the ruble into the countries with higher trade volume with Russia in order to clear the accounts. Excessive lobbying of the ruble can lead to complications in relations between nations. For example, complications in the Eurasian Economic Community or in the customs union are due to infringement of national interests. However, Russian scholars believe that the most pressing and inviolable solution to the reform of the global financial system is the gradual transition to a settlement system for local currency and the reduction of attacks on unfair dollars. What we are talking about here is raising the share of local currency settlement so as not to be constrained by certain new reserve currency issues, and the question of adding some of our currency reserves to our partner's financial diffraction.

Since July 2009, the pilot program that may use unlimited yuan in foreign trade has been launched in China. In the experimental plan, the enterprises in five cities in Mainland China (four cities in Shanghai and southern Guangdong Province) started their operations. They obtained the right to conduct trade settlement with the company dollars of Hong Kong, Macau, and countries of the Association of Southeast Asian Nations. Effective planning includes 20 provinces. ^[39] The expert identified that the new measures are beneficial to Chinese companies: It will reduce the cost of the import and export business, reduce the dependence on the dollar, and avoid the risks associated with foreign exchange fluctuations. The Central Bank of the People's Republic of China noted the growing demand for meta-settlement by companies and banks. Hong Kong is

the head of the financial intermediary platform in the development of the yuan-based settlement trading mechanism. He is the only place outside mainland China that provides the opportunity to complete the bank's trade settlement business in accordance with the "implementation system".

After the People's Bank of China decided to refuse to bind the yuan to the US dollar, a decision was taken in June 2010 to expand the scale of foreign currency trade settlement in the People's Republic of China in order to increase the flexibility of the exchange rate. In the summer of 2008, the Chinese government imposed a mandatory bond between the yuan and the US dollar as a measure to counter the current global crisis that caused the sharp fall in the exchange rate of the US dollar. The exchange rate is set at a rate of \$1 to \$6.8. ^[40] As a result, Chinese goods and services are able to maintain their dominant market in the world, including their ability to compete in the United States. After noticing the restrictions imposed by Hong Kong's financial markets for yuan-based transactions, the People's Bank of China subsequently made the next step in converting the national currency unit of the People's Republic of China into an international reserve currency. This provides new opportunities for the widespread use of the Chinese currency in the face of foreign capital. At the same time, the regulatory authorities of the People's Republic of China have found all restrictions on those entities that are entitled to attract yuan-based loans.

McDonald's, a fast food restaurant chain in the United States, became the first foreign company outside the financial department to be nominated to issue its own bonds in yuan. "McDonald's" has issued a distribution amount of 200 million yuan (US\$29 million) through Hong Kong's financial market. The repayment period for securities with a return of 3% was September 2013 [41]. According to the leader of

"McDonald's", the funds obtained were used to expand the presence of chain stores in China. In 2010, American companies had 1,100 hotels in China. By the end of 2014, the number had increased to 2,000. In February 2010, Chinese authorities adopted standards that allowed foreign companies and banks to issue bonds through the Hong Kong financial market. The first two companies to be nominated to use the Chinese currency to issue their own bonds were Britain's HSBC and Japan's Tokyo-Mitsubishi UFJ, which issued 1.38 billion yuan and 1 billion yuan respectively. ^[42]

This process began in 2013, when settlement procedures in the border areas of the two countries began using rubles and yuan. In 2007, the People's Bank of China and the Central Bank of Russia signed an agreement on the use of yuan and rubles in the settlement of border areas. These border areas stipulated that all border areas from Heihe (People's Republic of China) and Amur to all countries' trade and In the tourism industry, the use of domestic currency is more widely used for settlement. As for the settlement of local currency, the question arises: What kind of currency is used to develop financial credit relations? The Russian government will not hinder commercial banks and enterprises from paying yuan loans to China.

The Russian company "Master of the Movement" was the first to obtain an outstanding payment letter of credit in units of Chinese yuan in 2009, amounting to US\$5 million. ^[43] This was publicized in the Russian Foreign Trade Banking System and the Bank of China made a statement as an executive bank. This event was called the symbol of the development of Sino-Russian financial relations in the financial sector. Russian companies can use the yuan to pay interest to facilitate the parties. You can eliminate the conversion of the middle to US dollars to ensure that the "Master of Sports" company saves 2-4%. In addition to this, similar measures allow the investment

to invest in some of the risks associated with the exchange rate fluctuations of the U.S. dollar-Ruble-dollar. Take the foreign trade bank as an example. Other banks that maintain Sino-Russian relations, such as Savings Bank, Nomos Bank, Zenit Bank, and St. Petersburg Social Commercial Bank, soon responded. From April 28 to 29, 2010 in Hangzhou, during the process of a committee group meeting for cooperation between the Chinese and Russian committees in preparation for the heads of state of the two countries on financial issues, the possibility of converting the cost of money into mutual settlement was involved. In April 2010 in Hangzhou, the Russian side proposed to amend the trade agreement between the Russian Federation and the People's Republic of China and may openly allow the use of rubles and yuan for mutual settlement. The Chinese Ministry of Commerce confirmed the stakes in this amendment and promised to complete the necessary procedures in the shortest possible time.

The mutual settlement of the local currency between Russia and China has encountered many difficulties because the inter-bank cash exchange business, tariff rates and cash exchange fees are quite high. Enterprises do not know enough about the actual situation of settlement in local currency, and there is a tendency that certain companies continue to use only US dollars in mutual settlement. In addition, the sharp fluctuations in the exchange rate of the ruble were observed during 2010-2011, which also demonstrated the effect of restricting the universal settlement of the currency. At the APEC summit in Beijing in 2014, the topics of currency exchange and foreign exchange settlement in the bilateral economic, trade and financial relations between China and Russia were also discussed. "When answering the questions within the scope of the APEC Business Summit, the Russian leader pointed out: In the case of partners like China and Russia, settlement of the currency in any case is a very promising

direction for us to cooperate with each other. - This helps increase our opportunities for mutual trade, and it can also fundamentally affect the world market - financial markets and energy markets. He also mentioned that Russia is now "considering the possibility of Chinese partners joining large-scale mining companies at the time of yuan settlement." [44]

At the same time, Putin emphasized that if the Russian Federation and the People's Republic of China are transformed into large-scale dollar-based settlements (the first transactions with the ruble and yuan have been realized), then this will mean that the impact of the US dollar on world energy will objectively decline. At the same time, the Russian president has turned his attention to this: "This is not bad for the world economy, for world finance, for the world energy market, or for the US dollar, because the more settlement possibilities in this area, The more stable it is in the world's financial and energy markets." The fact that Putin and the President of the People's Republic of China Xi Jinping discussed the currency settlement issue during the negotiations proved the seriousness of the intention to promote Moscow and Beijing development in this way. Obviously, in the process, Russia and China have moved fairly quickly from establishing plans to concrete implementation concepts. Therefore, during the negotiations between Igor Sechin, the leader of "Russian Oil," and Zhang Gaoli, vice premier of the State Council of the People's Republic of China, Zhou Jiping, chairman of China National Petroleum Corporation, and Fu Chengyu, chairman of China Petroleum & Chemical Corporation, Special attention was paid to the prospects of settlement and exchange in local currency in the supply contract, which was informed by the Russian company [45]. As early as mid-October, the Russian Bank and the People's Bank of China signed a three-year agreement on the exchange of their own

currencies in Moscow (tools for each party to obtain the opportunity to obtain repayment licenses in another country's currency, not included in foreign exchange The need for access to the market). As stated in the notice of the Central Bank of the Russian Federation, the amount of the exchange currency policy is 150 billion yuan. At that time, there were roughly two cases where the governments of the two countries called for "Gazprom Gazprom" and China National Petroleum Corporation used the domestic currency for the settlement of natural gas supplied to China. Therefore, in October 2014, Gazprom made the first experimental use of the ruble to supply goods to China. In short, it can be concluded that in the future, settlement of the local currency between China and Russia can play a positive role, especially for preventing risks associated with exchange rate fluctuations [46].

4.2 Far East Cooperation Potential

The relationship between Russia and China's foreign trade is characterized by a significant scale of border trade: the total value of this trade business is US\$10-12 billion. The main partner of this type of trade in the Russian Far East is Heilongjiang Province in China. According to statistics from China Customs, the annual growth rate of Sino-Russian border trade in the Far East in 2014 was about 30%, which guaranteed about 20% of the total bilateral trade volume, or more than 40% of China's total border trade. At the same time, the annual growth rate of exports to Chinese territory adjacent to Russia is about 70%, while the annual growth rate of Russian imports to China is 13% [47]. The trade structure of border trade has obviously improved. Some projects have emerged in the Russian export structure, such as: electrical energy, processed wood,

metal components, etc.

In the future, the border cooperation zone may expand from the areas it directly covers, not only from the far southeastern and northeastern provinces of Russia (Altai Krai, Xinjiang Uygur Autonomous Region), but also from the eastern Siberian region of Russia, the central and southern provinces of China. Nowadays, for example, Guangdong province, which is one of China's leading positions in terms of trade with Russia, actively participates in trade with Russia, second only to Heilongjiang Province, which borders Russia. ^[48] At the same time, along with the steady growth of border trade, the scale of investment and economic and technological cooperation in the adjacent regions of the two countries has been formulated. Both parties intend to actively develop cooperation in the fields of light industry, logistics, deep processing of timber, financial services, and production and processing of agricultural products. There is still a series of unresolved issues in border cooperation. It turns out that China is better than Russia

Sri Lanka pays more attention to border trade. China always regards border trade as the source of making full use of idle labor to obtain Russia's cheap raw materials and sell its own goods in Russia. Compared with Russia, China's border trade must be more organized in order to safeguard its advantages. Russia's differences with China so far are the lack of scientific border cooperation research strategies in detail. It should also be noted that compared to Russia, the amount of mandatory capital required to establish a trading company in China is relatively high (US\$60,000), and the establishment of the company's capital of US\$30,000 is enough, and China has an expert on identification. Requirements, unified accounting, and strict inspections by specialized agencies allow Chinese authorities to stop the establishment of false trading units in Russia. Russia is

transforming into China through its underdeveloped regions. At the same time, Heilongjiang Province, Jilin Province, Inner Mongolia Autonomous Region and Xinjiang Uygur Autonomous Region are also accelerating economic growth. The city is more developed and developed, and the trade materials base has installed better equipment [49].

After China's accession to the WTO in 2001, China's openness in information has improved. However, Russia's weak and unprepared nature, especially the weak and unprepared nature of the country's foreign trade management structure. Continue to exist. This is particularly evident in the numerous draft agreements on border trade. The weakness of Russian partners is in many ways determined by the lack of special knowledge and principles of the country's contractual parties, and the Chinese generally act according to these principles. Although there is a most developed trade law in China, it has simplified the legal procedures for trade with Russia. The "Contract Law" of the People's Republic of China, adopted in 1999, is an example. This law allows any aggressive person (natural or legal person) to join the ranks of economic and trade turnover participants quickly and reliably. It also meets the requirements and interests of the country accordingly. . Thus, the Chinese regime promotes the employment of residents in the fields of sales and resale of goods and services [50].

It is conducive to establishing a long-term intermediary chain that has played in the Sino-Russian regional trade and still plays a very important role. The main deficiency of Russia should be the inconsistency of China's national policy on border trade;

The declaratory nature of the East's intergovernmental agreement; the lack of effective agencies for investigating, controlling, and resolving border issues;

Administrative agencies and law-protecting organs lack specialized and well-trained

cadres. The consequence of this is the weak fight against illegal and criminal acts in the border trade field. Although it is obligatory before the WTO, the closed ness of information in the Chinese market has always existed. With the simplification of the Chinese system for entry into Russia and its subsequent legal or illegal settlement here, the intermediary chain has become even longer because of its transit characteristics. Any Chinese businessman in Russia is still very easy to participate in the trading of commodities, allowing him to cross the border, it is easy to calculate his intermediary commission, and at the same time feel that he is fully protected by Chinese law. Therefore, it is the psychology of the Chinese people who pursued the business in the Far East to change, not to change through the heavy labor in production.

In general, Chinese laws do not permit Russian businessmen (like other foreigners) to set up their own trading companies or foreign trade companies in China to independently import and sell Russian goods within China, or to purchase Chinese goods themselves and then export them to China. Russia for subsequent sales. In our view, this way of restricting the development of Russian business activities in China is unfair in the context of operating freedom. The Chinese businessman who has the opportunity to create a 100% wholly-owned trading company in Russia with ease and low-cost can use this freedom of business to engage in domestic operations. ^[51] Therefore, it is now clear that China intends to transfer the "active center" of Sino-Russian trade (trade advice, trade search, and trade links) to Russia. Chinese entrepreneurs seek to allow Russian businessmen to play a passive role in mutual trade.

There are many deficiencies in border investment cooperation. In fact, there is a lack of practical activities for the development of large-scale joint venture projects in the Russian high-tech and high-tech economic fields. The incompetence of the state's

financial support and credit institutions, the lack of information in the business community, the low level of public-private partnerships, and the high transactional costs in the completion of the collaborative contact business of the joint venture project have extremely negatively affected the development of Sino-Russian border cooperation.

The border cooperation and development strategy adopted in 2009 should be more intensive in its objectives and measures: strictly supervise the volume of Chinese goods, not allow certain trade departments to smuggle and engage in criminal activities, and adopt special regulations concerning "Border Trade" and "Far East and Outer Baikal". Federal law of status; widely involved in border trade in areas that have no direct border with China, but have export potential and transportation opportunities for export to the Chinese market. The number of entities that do business in the Russian Federation and China must be increased [52].

The financial crisis in 2008 affected the trade turnover in the border areas between Russia and China. In this way, for example, the total trade volume with Heilongjiang Province in 2009 decreased by 49.7% compared to 2008, and decreased to US\$5.5 billion. At the same time, exports were worth US\$3.2 billion and imports were US\$2.3 billion, which was a corresponding 59% and 25.4% lower than last year's indicators. Heilongjiang is the leading province in other provinces that cooperate with Russia: 67.4% of its total trade is in Russia [53].

Sri Lanka. In the Far East Federal District and in the consumer market in Siberia, 70% of the vegetables and 50% of the clothes and shoes are imported from Heilongjiang Province. In 2009, Heilongjiang Province accounted for 14% of the Sino-Russian trade volume. In the 10 months of 2014, the total amount of exports and imports of China's neighboring Heilongjiang Province was 32.44 billion U.S. dollars. This good indicator

was almost 9 percent more than the same period last year (29.68 billion U.S. dollars). It is worth noting that more than half of the trade volume (US\$18 billion) is in the Russian border area. This is China's data. According to the Russian data, from January to September 2014, the total volume of trade with the Russian region bordering China accounted for 11.48 billion U.S. dollars in total foreign trade. At the same time, China's share of "floating" in the volume of imports and exports from these regions ranges from 42% (Khabarovsk Krai) to 98% (Jewish Autonomous Prefecture) [54].

The administrative authorities of Heilongjiang Province have developed a document that stipulates the promotion of strategic adjustments in cooperation with Russia: developing trade relations with Russian partners by standardizing the trade order. Improve the variety structure of import and export commodities, and deepening the interrelationship of investment. In conjunction with the Outline of the Economic Crisis Prevention of October 8, 2008, the Chinese government adopted the "Measures for the Promotion of Economic and Trade Development in Border Areas" (Document 92). It identifies strategies for supporting border ties based on the following recommendations:

1. Strengthen financial support for border trade. Since November 1, 2008, the Chinese government has provided special items [55].

The fund replaces taxes and fees in the "small" border trade that only stipulates half of the customs duties. Regulations increase every year.

2. Increase the duty-free export quota of daily necessities to the joint venture market in the border areas [56].

Since then, its duty-free export quota has increased to 8,000 yuan per person per day.

3. In the border areas, it has decided to expand the pilot for value-added tax rebates for product exports.

4. The national-use economic cooperation area in the border areas is western China (including Inner Mongolia Autonomous Region District) Introduction of preferential loans for infrastructure construction of economic and technological development.

5. The statutory and unfair taxation of border trade enterprises was abolished, the Ministry of Finance of the People's Republic of China

The Development and Reform Commission was commissioned to rectify administrative non-productive taxes.

6. Give support when building border checkpoints.

One of the most common border trade practices between China and its neighboring countries is the border economic cooperation zone. Of the 15 border economic cooperation zones in China that have operated so far, four regions are on the principle of doing business with Russia: Manzhouli, Suifenhe, Hunchun, and Heihe. The Manzhouli Border Economic Cooperation Zone and China-Russia Trade and Tourism Zone are located in Manzhouli. The Manzhouli Border Economic Cooperation Area has existed since 1992 and covers an area of 70km². Five industrial clusters are formed in the region, specializing in wood processing, chemical industry, construction, transportation logistics, trade and services. The Wood Processing Industrial Park Center, where raw materials were imported, has been operating here for more than 10 years. Manzhouli, one of the largest Chinese suppliers of apples to Russia, is also the largest wood processing center. From 2014, the largest stockyard with an investment of approximately US\$213 million was put into operation. The border crossing outside Baikal (Russia) - Manchuria (China) can be seen as the core of the infrastructure of the Manchurian border economic cooperation zone [57]. This is the largest cross-border transportation hub. Between Russia and China, about 80% of the goods transported by

land are transported through the hub. Russia mainly supplies unprocessed wood and coal to China (in 2012, it exported 8.9 million cubic meters of wood to China, which is 12.4% less than stone coal – 2.3 million tons, 29.7 times more than the index in 2011), and clothing and shoes, daily necessities, car transportation, tractors were imported back to Russia. The Suifenhe Border Economic Cooperation Zone was established in 1992. The share of Suifenhe District accounts for about 10% of the total Sino-Russian border trade.

Suifenhe is probably the most active region in cooperation with Russia, like Heilongjiang Province. One of the cooperation centers is the “Suofenhe-Border” industrial and commercial complex. The complex is located in the Russian Federation (3 square kilometers) and the People’s Republic of China (1.53 square kilometers). The total investment in the project since 2006 was US\$1.2 billion. In the border economic cooperation zone there are more than 400 companies, large-scale trade markets, and border crossings for cars and trains. The economic basis of the border economic cooperation zone is border trade, clothing production, and wood processing. The transportation base in the border area is the railway border port Roger Kovo (Russia) - Suifenhe (China). In the six months of 2014, more than 4.5 million tons of goods were transported through border inspection sites, which was 13.4% more than in 2013, and total shipments are expected to exceed 12% based on the year. About 70% of total imports from Russia are transported through border inspection sites - wood, followed by rolled steel, coal, cellulose, fertilizers, reverse transported machines and equipment, textiles, construction materials, and agricultural products. It must be noted that at the end of December 2013, the Russian ruble in Suifenhe could be used in conjunction with the Chinese Yuan to pay for goods and services.

The Hunchun border economic cooperation zone was established in 1992 and borders Russia (Zarubino) and the Democratic People's Republic of Korea. Among the border economic cooperation zones are the Hunchun Open Frontier City, Hunchun Production Export Zone, Hunchun-Russia Semiconductor Manufacturing Industrial Park, Textile Processing Zone, and Wood Processing Zone. Since 2008, each year has announced the establishment of a tax-free zone. The cooperation zone aims to trade with Russia, South Korea and Japan. The volume of trade in 2012 set a new record, exceeding US\$500 million, which is 25% more than in 2011. According to the summary of nine months in 2014, the freight turnover between Jilin Province and the Russian Federation was US\$430 million. The Heihe Cooperation Area is located in Heihe City, Heilongjiang Province and was established in 1992. It covers an area of 41.5km² and is aimed at the development of the Amur Reservoir Area. The first is the forest wealth. In the border economic cooperation zone, there are wood processing complexes, logistics parks, and petrochemical complexes. Overall, the key project is the construction of a bridge between Heihe and Blagoveshchensk because of limited transportation infrastructure. Border trade was conducted through the Black River border inspection site Blagoveshchensk opened in 2005. Trade between Heihe and Russia was in the first quarter of 2014 [58].

The amount of the transaction was US\$453 million, an increase of 14.12% compared to the same period in 2013. Russia's Far East has abundant timber reserves and its annual production capacity is 30 million cubic meters. The Far East provides Russia with more than half of its fish and seafood. Nearly half of the timber, fish and seafood are shipped to other parts of Russia and abroad. Food, vegetables and meat produced in the Far East can meet less than half of the regional needs, and the other half

must be imported from abroad or imported from other parts of the country. Jilin Province provided Russia's Far East with something completely opposite to its natural resources. It protects itself with food, vegetables and meat, and there is still food. Food, vegetables and meat can be exported to Russia. The total fish production in Jilin Province is only 100,000 tons, while half of the fish products in the Far East are produced in the Primorsky Krai bordering Jilin. In other words, both sides have great potential for complementarity in the natural resources field [60].

The Far East owns large quantities of coal, non-ferrous metals, and diamonds to produce fertilizers and cellulose; however, it is not enough to meet consumer demand for light industry and food industry products. Jilin Province has advantages in the production of living materials: automatic control of manufactured products, chemical industrial products, and light industrial and food industry products. As a result, relative deficiencies are felt in the production of production materials. Therefore, there is a high possibility of complementarity in different product name fields, and the potential for barter trade is very high. Russia's Far East lacks labor in agriculture and forestry, fisheries and mineral extraction. Annually in Jilin Province

There are more than 100,000 "unemployed" personnel. The dispatch of labor from Jilin to Russia is conducive to the development of the Russian Far East economy and the reduction of the employment situation in Jilin.

The fisheries, forestry and mining industries in the Russian Far East have developed very well, while the light and food industries have lagged behind. Jilin Province has advantages in these two fields. The two parties may establish joint ventures in light industry and food industry, such as: breweries, dairy products, cold drink production plants, fruit production plants, fast food noodle production plants, fish processing plants,

and wood processing plants and brick factories. In the service area, service management projects and hospitals may be jointly established. In addition, joint venture sales markets for fish, timber and minerals may be opened.

Jilin Province can provide technology and equipment for the light industry and food industry to the Far East, complete the technical re-equipment and prepare the technology re-equipment program. Russia's Far East may be provided with production lines, fine woodworking furniture, packaging containers, toilet paper, canned beverages, biscuits, preserved fruit, bean products, and instant noodle production lines and production technology. Jilin Province may import Russia's advanced exploration and mining technologies for precious metals and non-ferrous metals from Russia's Far East.

4.3 Russia's Far East Economic Cooperation: Problems and Solutions

In the economic relations between Russia and China, the use of Chinese migrants' labor as an important resource to revitalize the economy and make up for the shortage of labor resources is of increasing significance. In recent years, the total population of the country has been seriously reduced, and the population problem has become one of the major problems in the country. Therefore, when assessing the geopolitical situation in the Far East, the population problem can be regarded as one of the key issues. The Far East Federal District has a population density of 1.2 people per square meter, which represents 36.4% of the total territory of the Russian Federation. A total of 5% of the Russian population live here. The northeastern part of China, which borders Russia's Far East, has a large number of idle labor resources of 7-8 million people. This can be compared with the population of the Far East Federal District. According to the Russian

Bureau of Statistics, the population of the Federal District is 3,211,384 (January 2015). The population density was 1.01 person/cm² (January 2015). The urban population is 75.44% (January 2015).

According to Russia's 2002 national census data, there were 6,692,865 people living in the Far East Federal District on October 9, 2002, which was 4.61% of the population of the Russian Federation. In 2010, 6,293,126 people lived in the Federal District. As a result, the population of the Far East Federal District has decreased by 400,000 over the past eight years. January 1, 2012 [61].

Russia is not a priority for global Chinese immigrants. The Deputy Director of the Far Eastern Institute of the Russian Academy of Science, Balgakov, pointed out in the article “Russian Vectors in Global Chinese Immigration” that the migration flow in China is not concentrated in China. Therefore, the Chinese to Russia does not have the purpose of “strategy”. The Far East of the Russian Federation is not the main direction of China's migration flow. They are mainly for Southeast Asia, the United States, Canada, and Australia. Usually, the Far East is only an opportunity for Chinese migrants to do business. Moreover, practice has proved that such business activities are essential for both countries. According to Avdiyev, the manager of the Regional Design Institute of the Pacific Strategic Research Center, “using foreign immigrants to produce food on their own territory is more advantageous to us than to transport food from abroad and subject to foreign sellers”. On September 23, 2009, the presidents of China and Russia signed the cooperation program between the eastern region of Russia and the region of northeast China before 2018. The program is: The Middle Ages will establish a company in the Siberian region. According to some media views, the establishment of the company will also have Chinese workers settled in Siberia. In 2014, the total

number of laborers in the Far East China did not exceed 30,000. In 2002, 14,000 people worked in the Far Eastern Federal District and 12,000 in 2001. According to Professor B. Gorlbolas, professor of the Institute of World Economics and International Relations of the Russian Academy of Sciences, there are 29,400 foreign workers in the Far Eastern Federal District, of whom 10,600 are citizens of the People's Republic of China. In the early 21st century, the speed of attracting foreign workers to the Far East rose sharply. According to experts' estimates, 1 out of 7-10 illegal workers is legal, which is related to the serious shortage of quotas for attracting legal foreign workers to the Far East. Immigration coming in the labor market is currently not a Russian competitor because they want to occupy their own territory and complete jobs that the local residents of the Federal District are less interested in." The migrant workers who came to the border area were first sent to the field of material production – building, industry, and agriculture. China and France are preparing to dispatch 20,000 to 300,000 people each year to the Far East of Russia (the purpose is to cultivate vegetables in open fields, establish greenhouse cultivation fields, produce vegetables in winter, etc.). According to Academician Zitarenko's comments, "The negative aspects of China's migration are first and foremost because Russia lacks the basis for strict legal and legal relocation policies and the weaknesses of law enforcement agencies that have the responsibility to regulate the process of migration in Siberia and the Far East. At the same time, it should be noted that there are no factors in proving that China's political goals have been passed by the population expansion policy that occupies Russia's Far East." Experts believe that the development of raw materials base is difficult to reach and remote areas with poor weather conditions can only rely on foreign investment. The country's financial and human resources are not enough [62].

The economist Julia Lian Nina believes that instead of fearing China's threat, residents are better said to be afraid of the authorities themselves. "China's large companies have just shown their intention to do business in Russia, and some people have begun to promise it out of thin air, but in reality, they are not permitted anywhere. In recent years, China has actually acquired a large number of oil fields throughout Africa and South Africa. That investment conditions are better than Russia. In 2012, all of our projects in the Far East were to build bridges on the Russian islands and establish the infrastructure for atomic thermal power stations there. I came up with the establishment of a university on the island. For the question "Who will go to school there?" Someone answered: Chinese. Moreover, the Chinese are more willing to provide Harvard trainers for Russian universities." Experts all believe that China's goal is not to occupy a piece of our territory but to advance to the top of the world in terms of economic potential by 2020-2030. But if the Chinese start building their own cities, factories, and roads here, this will not be the worst solution. The establishment of the Middle East Railway in the last century was also a Russian-China expansion policy. Russian experts unanimously stated their opinions on conducting strict quarantine inspections and approving the use of chemical agents by Chinese agricultural workers. Maslov, leader of the China Center for Strategic Studies, elaborated on this conclusion.

There are about 1 million hectares of agricultural land in the Far East. The reason is a serious shortage of manpower. Only a quarter of 6.5 million people live in rural areas. In order to open up its fertile land, Far East needs at least 1 million workers. Therefore, land that has not been planted is leased to Chinese farmers. They cultivated soybeans, wheat, corn and vegetables on 300,000 hectares of land. On the one hand, most of the crops in this field are in our country, which means that the food problem in the Far East

has been partially solved. On the other hand, although leasing is not for sale and land is owned by Russia first, we are still taking great risks. The problem is that extensive farming is done in China: farmland does not rest and sprays them with “pesticides,” so that crops can be harvested several times a year. To this end, Oriental farmers use rice varieties that can withstand four times the fertilizer load that we exceed. This means that the soil will be rapidly barren. Our consumers put a lot of compensation on Chinese products. For example, inspections by the Russian Plant and Animal Inspection and Quarantine Bureau showed that the temptation of the small cucumbers of China’s own hues is due to the use of toxins that we have banned.

At the same time, in China, the quality of products has also received strict supervision. Goods exported to the United States and Europe has even received penalties for their quality decline. No one will pay special attention: what will go into Russia (and what they cultivate in us). At this point we are also at fault. It should be noted that Chinese farmers will use the means of purchasing officials that have become vulgar to avoid inspections. And if this is not successful, they will disappear and no one can impose fines. 2009-2018 cooperation project plans between the Far East and Eastern Siberia regions of the Russian Federation and the northeastern part of the People's Republic of China in 2009: Large Chinese farmers can assure us of compliance with the technical requirements. But now there is no money to implement this project. Chinese companies are also preparing to provide loans to agricultural projects that are already in China. As everyone knows, whoever provides the funds will control it. The same dependence of the Far East on China’s agricultural production is a threat to food security in Russia. In order to change this situation, large-scale development projects in the region are needed" [63].

Most of the experts questioned think that the import of labor from China must be restricted in the medium-term and more distant prospects. What do you think about your work on the future use of Chinese workers? In this issue, almost two-thirds of the respondents will answer: They can continue to attract them, but within the limits; nearly one in five believe that using them is only a temporary measure. There are far fewer supporters of the need to rapidly increase the size of manpower imported from China – 4.0% in the Siberian region and 7.6% in the Far Eastern Federal District. According to the opinion of the main expert group (more than 3/4 people are asked), in order to protect the Russian labor market, from the perspective of individual occupational groups, quotas for recruiting and using Chinese labor will be appropriately determined in the areas where a large number of Chinese emigrate. Because illegal Chinese immigration and the grey economy are closely linked, China's labor migration policy should be tightly tied with the shadow economy's resistance policy. In the policy of regulating Chinese emigration, special attention must be paid to strengthening emigration supervision. The first issue is the issue of the short-term migrants who come here to do business and engage in small businesses. The comments on expanding the Chinese population's demographic, economic, and socio-political influences, and the contradictions of Chinese citizens' policy of emigrating to their country, have always attracted the attention of researchers from the perspective of Russia's future development and have become regular sociopolitical The object of discussion. This situation has determined the importance of a comprehensive and well-thought analysis of the Chinese emigration to Russia and the possible end result of these processes. The existing domestic management system for the entry and exit of Russian Federation and Chinese citizens in their territories cannot reliably track the relocation process from

China, nor can they grasp the objective data on Chinese relocation to Russia.

In the past five years, under the conditions of population crisis and migration, the scale of migration from China and the Chinese living in eastern Russia has increased dramatically. The main migrants are divided into the following categories: business immigration, contract workers, students and illegal migrants. The vast majority of Chinese in the Russian region are short-term labor migrants. Most of them are systematic trips to China and return to Russia. In the economic structure of labor migrants from China, occupations such as traders, vegetable growers, agricultural workers, and architects are dominant. In addition to trade and small businesses, the most important areas of business for Chinese immigrants are agriculture, construction, forestry and wood processing, and public catering and services. In the past five years, the scale of illegal relocation in the Far East has risen sharply. The illegal Chinese relocation in the region is a sharp issue that needs to be taken quickly based on adequate decisions. In the way of illegally residing in the Russian Federation, due to the neglect of the prescribed registration rules, the illegal residence of Chinese immigrants has been the most widespread. Labor contracts, studies or transit visas should be illegally residing after they expire. The main illegal immigrants are tourists who do not have visas to enter Russia shortly. According to the general comments, the ratio of legal and illegal Chinese migrants is estimated to be 2:1. Obviously, China's relocation is not so much a problem as it is today. It will be the socio-economic and geopolitical issue of the country's development prospects. Due to the substantial reduction in the number of residents with labor capacity in recent years and the increase in demand for additional labor in the Russian economy, it is inevitable to increase China's labor relocation and strengthen its influence on the labor market in Russia. According to the information of

the Russian Federation's Immigration Bureau, only 260,000 foreign citizens moved into the Far East Federal District in the first half of 2013, and 150,000 of them moved to Primorsky Krai. More than 240,000 people gave immigration statistics and there were 107,000 people in the coastal area. In 2014, one-eighth of the coastal areas were foreigners. How many people have obtained legal status and acquired nationality? ! According to the information provided by the local agency of the Federal Bureau of Statistics of the Primorsky Krai, at the end of 2013, there were 1982,000 people from 100 different nationalities living in Primorsky Krai. The second largest number of foreign laborers came from the Democratic People's Republic of Korea to the Far East. Russia and the Democratic People's Republic of Korea have accumulated mutual cooperation experience in this area, both positive and negative. The legalization of residence of North Koreans in the Russian Far East is reflected in the law. November 2009 [64].

The 25th Federal Assembly agreed to the federal law on the "Agreement between the Government of the Russian Federation and the Government of the Democratic People's Republic of Korea Approving the Temporary Work of a Citizen of a Country to Another Country." The intergovernmental agreement was signed in Moscow on August 31, 2007. The main purpose of the agreement is to establish an organizational and legal framework to adjust the temporary labor of the citizens of the Russian Federation in the Democratic Republic of Korea and the temporary labor of the citizens of the Democratic Republic of Korea in the Russian Federation. The agreement allows adjustments to the labor procedures of North Korean citizens that attract and use labor in the Russian Federation, as well as to the labor procedures of Russian citizens working in the Democratic Republic of Korea, to strengthen social protection in the labor process

in China and to consolidate their legal safeguards. The agreement includes provisions for the adjustment of the basic rights and freedoms of persons and citizens, and other regulations stipulated by the law. The traditional direction of cooperation between Russia and the Democratic Republic of Korea is to attract North Korean workers to work on logging, construction and agriculture in the Amur region and the Khabarovsk Krai. Cooperation projects between Russian and North Korean companies are carried out in the fields of vegetable cultivation, residential construction and industrial construction, as well as co-fishing and fish processing along the coast of Primorsky Krai.

According to different sources, the total number of North Korean workers and experts employed in Russia is 1.5 to 25,000 [65]. In 2013, Russia moved to 6,500 North Korean workers. This shows that the labor migration from the Democratic Republic of Korea is growing. Moreover, due to the harvested forest resources and their overseas sales, North Korea's exports to Russia have been formed on a large scale. Each year, more than 450,000 cubic meters of timber are used by the Democratic People's Republic of Korea for export. They purchase petroleum products and machinery from Russia and pay for the work of their workers. At the same time, there is a lack of incentives for labor productivity growth, and therefore Russia proposes to turn into a contract-monetary form of labor experience.

CONCLUSION

1. The economic relations between Russia and China consist of two phases: the period of Soviet-Chinese cooperation and the post-Soviet period. These two periods have profound differences in the content and the results achieved. During the Soviet era, as China did not join the Economic Mutual Aid Committee, the Soviet Union and China's foreign economic relations only developed on a one-sided basis and had limitations, which caused serious economic losses to the two countries. It is only from 1980 that it has gradually adopted new forms of bilateral cooperation: border cooperation, scientific and military cooperation, integrated education, and various forms of cooperation in Shanghai Cooperation Organization.

In the post-Soviet period, after the standardization of inter-state relations on the border issue, and because of Russia's foreign policy swiftly turned to resume cooperation with former socialist camp partners: Vietnam, Mongolia and China, a sudden change occurred. Therefore, although the relations between Russia and China have a long period of time, only after signing the Treaty of Good Neighborliness and Friendly Cooperation in 2001 did they begin to develop on the principles of peaceful coexistence, good neighborliness and friendship, strategic partnership and mutual cooperation. .

2. The 2001 Sino-Russian treaty set an example for the development of relations with other countries. This model was reflected in the preparation of new international law documents and promoted closer cooperation between Russia and China in an international organization such as the United Nations. It also promotes the cooperation between the two countries under the specifications of Russia, India, China and the BRIC countries.

In the scope of cooperation between the two sides, the treaty has opened the way to coordinate the Russian employees and the economic development plans of Siberia and Northeast China. It has also created conditions for attracting and improving Russian technology in China. The growth rate of total bilateral trade in 2010 exceeded 50%, reaching a level of 60 billion U.S. dollars per year.

In the joint document of China and Russia, it was emphasized that in the first decade of the 21st century, the relations between the two countries reached their highest level in the entire history of development. Since Medvedev arrived at the position of President of the Russian Federation, he has conducted more than 10 separate summits with Chinese and Russian leaders. In these meetings, there have been two full-scale summits, namely in May 2008 and June 2009, as well as meetings at international conferences, including the November 2009 APEC Summit in Beijing and Beijing in September 2010; During the visit of the President of the People's Republic of China Hu Jintao to the Russian Federation in June (2009), eight cooperation documents in different fields were accepted. In October 2009, Russian President Putin successfully visited China. In recent years, the leaders of Russia and China have stated that the status quo of the relationship between the two countries is the best in its 60-year history. Russia and China, the largest countries with long borders and mutual economic interests, are objectively strategic partners. The purpose of developing mutual cooperation is illustrated in the joint statement on the comprehensive strengthening of Sino-Russian relations signed during the official visit to China of Medvedev in 2010. The relationship between the two countries in the declaration is characterized by a cooperative and strategic cooperative relationship between partners. The principle of partnership between Russia and China is of great significance in determining that it does not join a military alliance that may be

directed against a third country.

3. In the first decade of the 21st century, China and Russia's rapid approach to economic complementarity and cooperation has shown an effect on the politics of the entire world. In scientific terms, there is no synonymous assessment in Russia. Some Russian analysts believe that China will become a geopolitical opponent of Russia, especially in Central Asia. Others have noted that geopolitical friendship with China, including Asia, is inevitable for Russia. The topic of "Chinese Adversaries" has also become even more uncontroversial: China has expanded its economic influence on Russia's Far East and East Siberia; Russian experts are worried about the "Spanning" of Russia's border with China. As a result, the fact that about 1.5 million Chinese people illegally live in the Far East and in the outer Baikal has made an argument for their own benefit. It cannot be denied that the development of the partnership between Russia and China and the rapid economic development of China and the United States have been carried out at the same time. This has caused Russia to be troubled by its technological links with China. Some analysts of US foreign policy, including Kissinger, believe that the stable future of the world depends only on whether the United States and China can abandon their differences of opinion and whether they can adjust the structural relationship. The conclusions of American scholars and journalists boil down to: The future global order will depend on the characteristics of mutual cooperation between the United States and China.

The proximity to Beijing can solve many of the international tasks faced by the United States. China believes, for example, that Brzezinski helped to promote the adjustment of North Korea's nuclear issue. China helped Washington to fight the world crisis and directly joined the American dialogue with Iran to become a mediator of the

conflict between India and Pakistan and even participated in the Near East's Adjustment. Accepting China and other most influential countries, we should also use the dialogue between the EU and Japan as an example to create the "Two-State Group" from the United States and China.

4. The good-neighbor policy is the main policy in Russia and China's economic priorities in Asia. Relations between Russia and China and Central Asian countries have a rich history. In this history, politics, economy and security are closely intertwined. The traditional tendency of Central Asia is one of the keys to Russia and China's foreign policy. Considering that the region is located in the center of Central Asia, which is the interface between the geographical and political, economic, and security interests of the two major powers, this is naturally proposed. It cannot be ruled out that the realization of the interests of narrow nationalism in Russia and China in the 21st century, and that any of the two major countries will strive to make Central Asia into its own political influence track.

5. The multifaceted forms of economic relations between Russia and China in the Asia Pacific region are being extended to APEC and ASEAN. Russia is one of the initiators of the establishment of a multi-faceted cooperation mechanism in response to emergencies in regional countries under the APEC framework. However, for APEC, Russia has become a tedious and economic partner. Russia's share in the foreign trade volume of APEC economies is 1%. At that time, the share of APEC economies in Russia's foreign trade volume exceeded 15%. The reason is that Russia may mainly export raw materials. Russia was first interested in producing high-tech products in APEC countries. As for the producers of complex technology-intensive products in Russia, they are hardly available to APEC because of their low competitiveness.

6. The promising areas in which China and Russia collaborate on various aspects may be to coordinate global efforts such as reforming the world financial system, jointly protecting the economic interests of developing countries, safeguarding the world's food, energy security, and jointly resisting global climate change.

The BRIC countries have demonstrated the growing power of the world's large-scale economy in the current configuration of the four-nation alliance. So far, this is not yet an independent, organizationally formed alliance. Within the BRIC countries, Southeast Asia, Africa, and Oceania are other rapidly growing large markets may join in cooperation. Therefore, the BRIC countries have the opportunity to become the core of the most influential multi-polar world non-Western interests in the 21st century.

7. The strategic partnership between Russia and China refers to the coordination of its foreign policy priorities and initiatives, but it directly touches on the scope of mutual benefit of its economic relations. For example, under the form of energy dialogue, that is, in the form of joint negotiations, investment, and development of the rich energy fuel resources of Eastern Siberia and the Far East in Russia, it is difficult for China to maintain its energy security without energy fuel resources, without which China's investment will lead. Russia has achieved economic modernization in the Far East and East Siberia. In this case, economic partnerships have narrow pragmatism and national interests.

8. Comprehensive analysis of the main forms of economic cooperation between Russia and China shows that although the consequences of the world crisis have had an impact on the economy, in 2010 the trade between the two countries returned to pre-crisis levels, and in China and Russia to the actual economic sectors, construction, There has been a huge breakthrough in the scale of joint investment in transportation

and services.

9. The weakening of the world crisis and the U.S. dollar's status as a world's reserve currency could be one of the reasons why Russia's trade with China has been transformed into settlement in the local currency. Both common interests and export opportunities allow this mechanism to be used in commodity trade as well as in future energy carrier trade.

10. Most promising form is the large-scale scientific and technological cooperation based on the results achieved by the two countries in this field. Leading universities and research centers in Russia and China have successfully developed the latest forms of contractual cooperation in nanotechnology, cosmic research, and new technology promotion programs for industrial production. The first place is the active units in science parks and free economic zones.

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