
**ГОСУДАРСТВЕННАЯ ПОДДЕРЖКА ЭКОНОМИЧЕСКОГО И
ПРОСТРАНСТВЕННОГО РАЗВИТИЯ. GOVERNMENT SUPPORT OF ECONOMIC
AND SPATIAL DEVELOPMENT**

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**THE CURRENT STATUS OF SINO-RUSSIA BILATERAL TRADE
RELATION**

Abstract:

This paper attempts to clarify the most prominent aspects of Sino-Russian current trade directions and indicates how two giants could globally impersonate an indispensable actor in the geo-economics prosperity. Furthermore, the mutual trade relations signify that both countries would accomplish accretions to sacrifice the western nations full of contradictions.

Keywords:

Geo-Economics, mutual trade, trade directions, Sino-Russian collaboration

Scholars who studied the nature of bilateral trade partnership connecting the countries believe in a certain truth, that interest governs the relationship. Since the interests are interchangeable by nature, relationships must also be reciprocal to serve those interests. Recently, the Sino-Russian relations are at their best historical level can be understood from two perspectives. Preeminent ties linking the two countries could not reach the natural frontier before the beginning of the current century due to the polarization and politics that forced them to compete with each other in the race to lead the world's communist bloc [5]. However, since the beginning of the 21st century, the rise of China, the development of the digital economy has set new standards for the strategies of the relationship between Beijing and Moscow in particular, in the face of Western technical pressures and attempts to establish future alliances in which technology plays a crucial role in those strategies.

The most prominent characteristics of the Sino-Russian trade cooperation are based on tangible material aspects; the area of China and Russia (26.6 million square kilometers) transcends the scope of the US and Europe by about 6 million square kilometers. Also, Russia and China share a border of 4,300 km in length, meaning historical and geographical interdependence [6]. Therefore, there exist advantages to develop a strong trade relationship with a heavy demand for raw materials and massive economic projects. In contrast, Russia's \$1.7 trillion economy pales in comparison to the European economy (\$18.2 trillion), China's (\$13.6 trillion), or America's (\$20.5 trillion) [2].

This comparison suggests that the potential Sino-Russian partnership will involve amounts more incredible than these figures in the future. Further, the continuous rise of China and coordinated Russian initiatives to participate in global political affairs and developments have overwhelmingly reshaped the global concept of economic and political power.

China has enhanced its economic cooperation projects with Russia depending on Russian energy resources. This background explains why Russia's partially state-owned multinational Gazprom remained willing to strengthen its trade links with China through massive projects to extend gas and oil cooperation. In addition, the bilateral search for energy markets, led by Russia,

has become a cornerstone of Russia's energy diplomacy with China. Thus, this integrated trade partnership between China and Russia includes the energy market as an indispensable cornerstone for developing Sino-Russian economic ties.

In the digital economy, the two giants work on the path of developing the digital Silk Road. The two-government initiative is to delegate a China-Russia partnership to oversee Chinese development efforts in artificial intelligence, quantum tech, e-commerce, and financial technology. Hence, this explains why the Mosco Public-Private financing fund continued to invest in 2020 under a joint venture (Alibaba Group) to operate in Russia at a 52% level [3]. A final agreement on this joint venture reached in 2020, with the announcement by the fund, the Alibaba Group, Mega Phone, and the Russian Mail.ru Group to launch the China/Russia Joint Venture, a pioneering and cross-State project, to operate legitimately within the two countries, and to distribute economic and voting rights to the two countries based on the interests of the shareholders, after several rounds of negotiations.

Unitedness of the association's key objectives is to implement a common mechanism to standardize tariffs and cargo traffic, provide a supply chain and shipping systems, and enhance the predominant magnetism concerning Chinese leviathans like Huawei, Lenovo, ZTE, Xiaomi, and companies called BAT as Baidu, Alibaba, Tencent, to bring two-sided commerce to \$200 billion by 2025 [3]. Based on this rule, the Sino-Russia Digital Silk Road proposes to raise the convertible digital economic development through strengthening the digital conversion efforts, measured through mobile users and the populace's possession of fiber-optic e-connections.

Sino-Russia's growing economic partnership stems from a practical reality linked to its natural leadership and sovereignty over Asia. Such collaboration remained reinforced by the demonstration concerning the Asia-Pacific commercial conference under the 1993 agreement, Singapore. The two giants' expectations could build on the future of the Eastern Hemisphere, laying on the economic role of the Asia-Pacific trade integration.

In evaluating the status quo of Sino-Russia trade relation, the Russians are betting on substantial economic gains from strengthening the relationship with China, whose economy is about 14 trillion dollars, compared to 1.7 trillion dollars for the Russian economy [4]. As China's role rises its geopolitical relations with the West shift, Russians in the trade partnership with Beijing may find support and shield in the face of developments in the concept of power in international politics. Undoubtedly, it is subject to economic power and the ability to face emergencies, including disasters, as shown by dealing with the COVID-19 pandemic. Nevertheless, critical common trade interest in the Beijing-Moscow association has always been to counter U.S. and Western policies in general.

What is new in this relationship is the confirmation by both parties at the end of 2020 that they had reached unprecedented levels. The two sides stressed the mutual determination to continue to deepen joint action in all directions, including implementing large projects in the energy and industrial sectors within the framework of the Agreement on Good Neighborliness, Friendship, and Cooperation between Russia and China, which marks the twentieth anniversary of its signing.

The observer of the growing Sino-Russian relations can notice increasing strategic coordination between the two parties. Although in the current conditions China and Russia are yet unable to build a free trade zone, pilot projects for creating smaller-scale cross-border free trade zones and bonded areas can lay the foundation for more extensive cooperation in this sphere [7]. In addition, a special economic zone will ensure a more balanced development of the region, enhance its competitiveness and business infrastructure, so as to improve the living standards of the population in the region [1].

In a nutshell, the Sino-Russia trade-grown partnership and synergy serve continuous coordination, including interaction and strengthening commercial and digital standoffs. Admittedly, building a single economic partnership demonstrates their state of the asymmetric markets and trade capacities amid the ever-increasing burden by the West nations. Modern technologies impose new rules on decision-makers in formulating strategies for cooperation

among States regarding the role of modern technologies in cross-border economic activities. Proceeding from this fact, the positive natural factors between China and Russia gain their importance in setting the general frameworks for trade relations between Beijing and Moscow.

The virtual trade cooperation between the two giants has entered a new phase that observers could describe it as the best in the history of relations between them. Both parties' interaction on the world stage for a long time has become one of the most critical factors for ensuring stability in international affairs thanks to active cooperation in various fields.

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