

GLOBAL VIEWS

Editor's Note: This year marks the 20th anniversary of the signing of the China-Russia Treaty of Good Neighborliness and Friendly Cooperation. We are publishing three commentaries by renowned scholars to throw light on China-Russia economic cooperation and the joint efforts to improve global governance.

SUN ZHUANGZHI

Partners promote inclusiveness

China and Russia are joining hands to improve the global governance system

The world has witnessed dramatic changes and the emergence of new trends over the past two decades, including the development of multilateralism. Economic and technological advancements have made exchanges among countries more convenient and made countries increasingly interdependent. Safeguarding the multilateral mechanisms promoting cooperation will help humanity jointly cope with the pressing global and regional challenges, including the novel coronavirus outbreak that is ravaging the world.

Amid the challenging global situation, various international organizations and multilateral mechanisms are playing increasingly significant roles in global and regional governance. But the withdrawal of the United States from some organizations and mechanisms has disrupted the course of multilateral cooperation. Furthermore, some multilateral mechanisms or cooperation frameworks established for geopolitical purposes have not only failed to promote regional development and stability, but also created new contradictions and confrontations.

Upholding the principle of open cooperation, China and Russia have vigorously advocated on many international occasions for the improvement of the global governance system. To achieve that, the two countries have been intensifying cooperation with other countries and with international organizations and encouraging people-to-people exchanges. They have been advocating that the international community should make concrete efforts to solve urgent transnational problems and that any differences and disputes between countries should be addressed through constructive consultations on an equal footing.

China-Russia cooperation on improving the global governance system is, first and foremost, aimed at promoting dialogue and cooperation. China, Russia and other countries share a common understanding that, in face of major crises and challenges, countries should vigorously pursue the realization of common interests. More importantly, they share a basic worldview that the world should never be dominated by a handful of countries. Instead, they think that differences and disputes should be addressed through dialogue. For China and Russia, they need to synergize each other's targets and preferences on the basis of mutual trust and mutual benefit.

China-Russia cooperation on

improving and reforming the current global governance system is centered on the following aspects.

First, ensuring that all countries have equal status in the global governance system, the economic gap between developed and developing countries is narrowed and countries respect each other and communicate on an equal footing.

Second, opposing unilateralism, as it is a mode of thinking and behavior that will only do harm to the global governance system.

Third, striving to improve and strengthen the authority of the current international governance system. The authority of the UN in dealing with international affairs should be established and respected, and regional conflicts should be addressed with the purposes and principles of the UN at the core.

Finally, global governance goes hand in hand with regional governance. China and Russia are committed to establishing a new model of regional cooperation. The two countries have carried out extensive cooperation across the Eurasia continent and reached consensus on a series of major regional issues.

That being said, China and Russia have some differences in policy proposals and interests regarding global and regional governance. Compared with China, Russia has more of a Cold War legacy to deal with. China, as a developing nation, has a relatively shorter history of participating in international affairs and multilateral diplomacy. The two also have different international political thought and different strategic targets in the region and surrounding areas. However, since the two countries are able to carry out equal-footed consultation and attach great significance to policy communication, their strategic mutual trust has been constantly elevated to a higher level.

Regarding the improvement of the global governance system, both China and Russia think that it should better factor in the rise of emerging market economies and developing nations as a group in the global political landscape.

Reforming and improving the global governance system would better enable all countries to share the fruits of development.

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JIN DING / CHINA DAILY

LU NANQUAN

Growth opportunities

Developing economic and trade cooperation is helping to consolidate good-neighborly relations between China and Russia

Economic and trade cooperation between China and Russia have been on the rise in the past 20 years since the signing of the Treaty of Good-Neighborliness and Friendly Cooperation, aside from 2009 and 2015 when the trade volume declined compared with the previous year.

China has been Russia's biggest trade partner since 2010. In May 2014, the two countries set the aim of increasing their bilateral trade to \$100 billion in 2015. This was not materialized, however, due to the sanctions imposed on Russia by the West and falling oil prices in the international market. In 2018, bilateral trade reached \$107.06 billion, exceeding the \$100 billion target for the first time, which was of enormous significance to both sides, as it marked a great stride forward for bilateral trade relations and was a long-anticipated result for both countries.

Since 2018, China and Russia have seen more and higher-quality trade with a better structure and new growth areas. China imported \$3.21 billion of agricultural products from Russia, an increase of 51.3 percent over 2017. The two sides also made progress in e-commerce, trade in services and other

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fields, in some major strategic projects on energy, aerospace and infrastructure, and in emerging fields such as Arctic development and the digital economy.

The strengthening economic and trade cooperation between China and Russia over the past 20 years, apart from the important factor of greatly enhanced political relations, is attributable to the following two factors when put in the context of the strategic policy of regional cooperation.

Russia plays an important role in promoting China-EU economic and trade cooperation under the framework of the Belt and Road

Initiative. Russia is thus of great significance in the interconnectivity between Europe and Asia. In addition, the design for the Belt and Road comprises six major economic corridors, two of which involve Russia, namely the New Eurasian Continental Bridge Economic Corridor and the China-Mongolia-Russia Economic Corridor.

Russia's increasing focus on the Asia-Pacific is conducive to China-Russia regional cooperation. In his speech on Nov 10, 2014, at the Asia-Pacific Economic Cooperation CEO Summit, Russian President Vladimir Putin said that strengthening cooperation with the Asia-Pacific region is one of Russia's strategic priorities and China is Russia's key partner in the region. Russia has adopted a series of policies to accelerate the development and opening-up of its Far East in preparation for greater cooperation with the Asia-Pacific region, and it is seeking to build the Far East into Russia's center of influence in the Asia-Pacific region. It is an important component of President Putin's strategic vision to develop the entire eastern region of Russia.

Although Russia wants to expedite the development of its eastern

region, it lacks capital, technology and labor. It therefore needs to strengthen its international cooperation. China and Russia have already established two regional cooperation mechanisms, namely the Yangtze-Volga and Northeast China-Far East, and forged 140 pairs of sister cities/provinces. There is a good foundation for more economic and trade cooperation between Northeast China and Russia's Far East. With joint efforts, China has been enhancing its cooperation with Russia's Far East. China and Russia's Far East Federal District saw more than \$7.7 billion in trade in 2017. China has become the largest trade partner and the largest source of foreign direct investment in Russia's Far East.

There are bright prospects for rapid development of trade between the two countries and much potential is there to be tapped.

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KIRIL TOCHKOV

Bridges of cooperation

Cross-border exchanges on the rise as China's Northeast and Russia's Far East deepen their economic integration

Cross-border trade is an important channel for goods, services, capital and labor to generate economic growth and revitalize borderlands. The past three decades have witnessed a surge in trade agreements, free trade areas, customs unions and regional integration initiatives that have facilitated tourism, investment and the exchange of goods. This trend has given border regions a new opportunity to attract investment, update infrastructure and promote business activities. The economic development has improved the living standards of people on both sides of the border.

Regions along the more than 4,000-kilometer China-Russia border have also benefited from deepening cross-border interactions. The two neighboring countries have developed complementary economic structures, with China

emerging as a global manufacturing hub and Russia turning into a key world supplier of natural resources. It is, therefore, not surprising that the trade between them has been expanding rapidly over the past two decades. Between 2010 and 2019, China's imports from Russia increased by more than 130 percent, while Chinese exports to Russia surged by 67 percent.

However, a number of factors make it difficult to conduct cross-border trade. The lack of infrastructure means high transportation costs. Most of the border between China and Russia is formed by rivers, and currently there is not a single functioning bridge connecting the two countries. In the warmer months, passengers and goods are transported by ferries and barges, while in the long and harsh winter when the rivers freeze, cars and trucks can

cross the border on temporary pontoon bridges, which impose weight limits on freight.

Another problem is the size of the local economy. The four Russian border regions of the Russian Far Eastern Federal District, the counterparts of Heilongjiang province, have a combined population of about 5 million people, which makes them less attractive to Chinese exporters and investors than the western part of Russia where most of the population is concentrated.

Administrative barriers due to different laws and regulations, cumbersome procedures and delays in customs clearance also present major obstacles to cross-border trade and investment.

Recent years have seen major improvements in the regions on both sides of the border. Economic development and cooperation in these areas have been declared a

priority. The Chinese government has implemented a number of initiatives aimed at revitalizing the industrial base of the Northeast and deepening its economic links with Russia. The Belt and Road Initiative has boosted these efforts with a special focus on upgrading and expanding cross-border infrastructure. Granting short-term visa-free travel to Russian citizens from the border regions has allowed ordinary people to cross into China for tourism, shopping and leisure on a regular basis. A pilot plan introduced in the border city of Suifenhe allows Russian visitors to pay for purchases directly in rubles.

Excitingly, this year we might witness the historic opening of two new bridges across the Heilongjiang River, which is known as the Amur River in Russia. These will facilitate trade and economic cooperation between the border regions

of China and Russia. After several decades of planning and negotiations, the 1 km-long road bridge between Heihe and Blagoveshchensk is ready for use, replacing the ferry and the winter pontoon link. The official opening has been delayed due to border closures during the novel coronavirus outbreak. When traffic starts flowing, this bridge will not only become a symbol of the deepening economic integration between China's Northeast and Russia's Far East but also mark the start of a new period of cross-border exchanges after the pandemic brought everything to a halt.

The first international railroad bridge across the Heilongjiang River is set to be unveiled later this year, between the border town of Tongjiang in China and the Jewish Autonomous Region in Russia. It will form a new transportation corridor that will lower the import

costs of Russian natural resources and will improve the connectivity between Heilongjiang province and Russia's Far East. The 2.2 km-long bridge has two sets of rails, allowing both Chinese standard-gauge and Russian broad-gauge trains to cross one at a time. The regions surrounding the bridge are likely to develop into a major logistics hub along the border.

As economic cooperation between China and Russia continues expanding, people and companies along the shared border are set to reap more economic benefits.

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