

## Not in line with Kipling

Russia's relations with territories in Central and North Asia has long been (they still remain) the key ones in its foreign affairs. Over time, the relations had grown and deepened – from tea and fur trade (XVI–XVIII cc.), transport route development, access to raw resources and market outlets for manufactured goods (XIX c. – the beginning of XX c.)<sup>1</sup> to integration into the system of cooperative relations (the USSR period). The modern period is different from previous ones so that instead of a multitude of separate khanates the former republics are now sovereign states.

One may get a good idea of the motives for developing economic ties between Russia and Central Asia from a discussion of this issue at a session of the Society in support of Russian industry and trade in November 1872<sup>2</sup>:

“There are two radical opinions about Asian trade that require not only attention but direct involvement of government for political and geographical reasons... Some believe that our Asian trade is so insignificant that it does not justify sacrifices done by the government... Others think that to achieve affluence of internal regions of Russia is only possible on the condition that Russia will become from an agrarian colony of Europe an independent European power where the manufacturing industry... will allow them (agrarians – author) to acquire means for improving their position”. In a sense, the questions discussed today concerning a degree of Russia's involvement in economic processes in North and Central Asia are in many ways close to statements made 150 years ago.

Besides geographical and geopolitical arguments for broader cooperation with sovereign states of North and Central Asia, the fact is that during the Soviet period there were unique manufacturing, technological and infrastructural objects built of their and Russia's territory and these objects may serve as the basis of efficient cooperation. Some of them are:

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<sup>1</sup> Moscow trade expedition to Mongolia в Монголию. М.: Print shop of P.P. Ryabushinski. 1912. 353 p.

<sup>2</sup> N. Sharov. On routes for Russian trade with Asia // Report delivered to the Society of support of Russian industry and trade. St. Petersburg: Printshop of I.I. Glazunov. 1873. 86 p. [P. 2].

- a high voltage electric line (with a voltage of 1150 thousand volts) “Siberia (Itat-Barnaul – Kazakhstan (Ekibastuz)-Urals” (today it is out of commission – many sections are dismantled);

- the main pipeline network that supplies hydrocarbons both from Russia (Siberia) to oil processing plants in Central Asia (Pavlodar, Shimkent, Chardzhou refineries) and from Kazakhstan to Russia (to Orsk refinery);

- “exchange” deliveries of polymetallic ore from Mongolia to Russia and electric power from Russia (East Siberia) to Mongolia, etc.

Representing the nature of such systems in the context of “Moscow arm” operation would be far from understanding how cooperation works in the industrial economy. The mentioned objects and modes of their operation allowed smoothing out seasonal peaks in consumption of this or that resource (water, electricity, various metal ores) and also using in the best way possible advantages of each participant.

Alas, the attainment of political sovereignty that happened in a short time frame was accompanied by an accelerated privatization of the said unique assets and systems (Russia not being an exception here). The new owners sought to manage the acquired property so as to procure financial rewards as soon as possible. As for systems built earlier, forming and improving cooperation on new economic foundations and on new political terms have been assigned a low priority.

As time passed, many of the previous systems and ties ‘went west’ for good (like aircraft IL-76 built at a Tashkent plant). New projects and new opportunities are arising (in particular those linked to the growing economic presence of China in the countries under consideration). Among the examples there is the construction of a gas pipeline Turkmenistan – Xinjian and the development of a transport corridor China – Kazakhstan implemented as part of the global strategy “One belt – one way”.

This being said, one cannot say that the countries of Central and North Asia (including Russia) ignore the importance and necessity of developing and broadening integration and cooperation despite the changed economic and geopolitical conditions (the paper by A. V. Makarov, Ye. V. Makarova, A. B. Andreyev).

There are many successful examples of companies from Russia and other countries under consideration working on each other’s

markets. Thus, a distributor of the Uzbek auto industry “Keles rus” sets one of its priorities in coming to the Siberian federal district<sup>3</sup>. An Uzbek drilling company Eriell<sup>4</sup> is among the leading contractors in oil and gas projects in Siberia. Agricultural producers in Siberia are actively expanding grain deliveries to China via Kazakhstan. “Due to the absence of a single system of traceability, illegal supply of grain via Kazakhstan only from Siberia reached from 700 thousand to 1 mln tons.”<sup>5</sup>. Labor migrants from Central Asian countries make a large contribution to the Russian labor market and correspondingly to the GDP of Russia and their respective countries (the paper by E. S. Veselova).

At the same time, the emerging picture of mutual ties and interactions is not as univocal as one would wish from the point of view of sustainable development in the modern unstable world. A major part of projects and contacts arise and go forward ‘despite’ rather than ‘thanks to’ consistent efforts to further integration and cooperation. Precisely this made the whole situation look rather chaotic: “In the latter years the region turned out to be a complicated arena where national interests of countries coexist with interests of principal regional powers, i.e. Russia, the USA and China” (the paper by G. M. Duisen, D. A. Aitdzhanova, P. N. Teslia).

In many cases, it is the narrow interests exacerbated by clannish considerations that dominate and prevail. Mutual participation in projects and programs takes place not due to appreciation of long-term bilateral benefits from cooperation but rather as a result of limited opportunities of selecting alternative routes and solutions within the macro-region North and Central Asia or impossibility to find other markets.

The most important feature of Central and North Asian economies is its landlocked character. That is why, there are two aspects of critical importance – transportation routes from the closed territory to external markets and mutual trust – both between countries and partners in various projects.

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<sup>3</sup> A. Reznikov Uzbek autos march in Siberia. Continent-Sibir. 2020. September. № 35–36.

<sup>4</sup> URL: <https://www.eriell.com/company/about/>

<sup>5</sup> T. Karabut Initiative. Russia will create the system of grain quality control from field to border // Rossiyskaya Gazeta. 18 September 2020. № 210.

It is spatial isolation that caused internal strife and conflicts in the past and remains the source of distrust and egotism at present<sup>6</sup>. This is depicted with great precision by the “minstrel of colonial wars” of the century before last, Rudyard Kipling in his “Ballad of East and West”<sup>7</sup>:

“Oh, East is East, and West is West, and never the twain shall meet,  
Till Earth and Sky stand presently at God’s great Judgment Seat;  
But there is neither East nor West, Border, nor Breed, nor Birth,  
When two strong men stand face to face, though they come from  
the ends of the earth!”

In today’s situation, there is no need to await “the Judgement day” – “the meeting of strong men” may well take place where there are partner relations built on trust and disposition towards mutually beneficial collaboration. In this case, “one on one” does not mean an uncompromising feud but rather various forms of partners’ interaction (including cross-ownership of assets).

Under the conditions of closed space, the premises of “new economic geography” change – instead of spontaneous leaning of economic activity towards a few centers – a gradual transcendence of this space in the course of its transport infrastructure development.

The key condition for success, in this case, is the synchronization of internal development with the processes of mainline infrastructure formation (both internal and external). It also requires an understanding of primal peculiarities of economic object operation in the above-described conditions in conjunction with the advancement and sequence of steps of its formation.

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<sup>6</sup> “The commission of Eurasian economic union considered Kazakhstan’s actions of a breach of competition”, writes RBC. URL: [https://ria.ru/20200902/kazakhstan-1576639291.html?utm\\_medium=referral&utm\\_source=infox.sg&utm\\_campaign=exchange](https://ria.ru/20200902/kazakhstan-1576639291.html?utm_medium=referral&utm_source=infox.sg&utm_campaign=exchange)

<sup>7</sup> *Oscar Wilde*. Poems. Picture of Dorian Gray. Gaol confession; *Rudyard Kipling*. Poems. Stories. Translated from English. V. 118. M.: Fiction, 1976. 767 p. [P. 366].











