

**Czech University of Life Sciences Prague**

**Faculty of Economics and Management**

**Economics and Management**



**Bachelor Thesis**

**Foreign trade between China and Russia**

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## **2 Objectives and Methodology**

### **2.1 Objectives**

The goal of the study determines the need for solutions the following tasks: give a general description of economic relations between Russia and China; and to identify the contractual basis of bilateral economic relationship.

### **2.2 Methodology**

As the methodological base of the thesis were used general scientific principles of cognition of economic phenomena - method historical and logical knowledge, the method of economic and statistical analysis and analysis of economic information, induction method, method comparisons.

### **Development of economics cooperation.**

Cooperation in the field of economics is the broadest direction and basis of strategic partnership. In 1992, its directions were identified: agriculture, energy, peaceful uses of nuclear energy, transport, infrastructure, communications, space, the conversion of military production, etc. Direct connections were allowed to regions, enterprises, and entrepreneurs.

In the early 1990s. China gained almost unlimited access to the Russian market, especially in the border regions. The introduction of barter as a predominant form of ties was dictated, inter alia, by the state of Russian industrial enterprises. In exchange for raw materials, energy, vehicles, aircraft and missiles, low-grade Chinese consumer goods were delivered to Russia.

The issue of the quality of goods was repeatedly raised at meetings of the Permanent Working Group on Interregional and Cross-Border Trade and Economic Cooperation of the Intergovernmental Commission on Trade, Economic, Scientific and Technical Cooperation, the policy of «unreasonably overpricing export prices», «treating Russia as a second-rate foreign trade partner. »

Cooperation in one of the most promising areas - the participation of Russian enterprises in the reconstruction of Chinese industrial facilities built under the technical assistance of the USSR - was transferred from the interstate level to the level of enterprises at the initiative of the Chinese side, Russian partners were invited to participate in mandatory tenders, and refusals were frequent.

Russian-Chinese economic cooperation from 1992 to the mid-1990s. did not fully comply with the principles proclaimed by the leaders of both countries. Since the second half of the 1990s, cooperation in the energy sector and in the procurement by China of other types of raw materials, mainly wood, mainly roundwood, has come to the fore; interregional cooperation between the subjects of the Russian Federation and the provinces of the PRC developed, the main content of which was the same extraction and sale of raw materials in the PRC. As successful and meeting the declared principles, we note cooperation in the field of peaceful atom.

## **Conclusion**

Decision-making in a mutual economic strategy relations between the Russian Federation and China are based on common interests on the international arena, in friendship and mutual understanding.

Within strategic partnership between coordination of their foreign policy, and with that foreign economic priorities and initiative, countries advocate for multipolarity and polycentricity of the world, neat attitude to humanitarian interventions.

Holistic analysis of the main forms of economic cooperation between the two countries showed that global economy, bilateral trade with every year is gaining momentum.

The potential of bilateral economic relations between Russia and China huge, and with a competent strategic policy of the government of both countries, we can talk about its inexhaustibility.

States intend to maintain and deepen trusting dialogue at the highest level, enhance the effectiveness of existing bilateral cooperation and, if necessary, form new ones, actively develop cooperation between regions, expanding the geography of such interactions.

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