The Chinese Challenge to Russia in Siberia and the Russian Far East

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The Soviet Union was broken up by internal forces. Today, Russia faces a potential threat to the long-term integrity of a vast proportion of its territory. That challenge is from China, and relates to all of Russia east of the Ural Mountains, i.e., Siberia and the Russian Far East. The author here examines the territorial, demographic, socioeconomic, cultural and other factors that set the context for this threat; and discusses possible scenarios for the eventual outcome.

Key Words: Russia; China; Siberia; Russian Far East; China-Russia Comparisons; China-Russia Border Dispute; Demographic Migration; Future of Siberia and Russian Far East.

The breaking up of the Soviet Union into fifteen independent states was due to internal factors, linked largely to the national bureaucracies that together comprised the bureaucracy of the USSR.¹ Now, contemporary Russia, whose official name as one of the fifteen successor independent republics² is the Russian Federation (RF), faces a serious territorial challenge to its vast possessions east of the Ural Mountains, i.e., Siberia and the Russian Far East. This challenge ³ is from the People's Republic of China (PRC), which we will refer to here simply as China. We propose to examine the current circumstances pertaining to the Chinese challenge, before speculating on the various scenarios that may evolve from it.

The Current Context

The Territorial Setting

Territorially, Russia is the largest country in the world. Its maximum distance from the west to the east is 9,000 kilometers, or 5,600 miles, and from the north to the south is 4,000 kilometers, or 2,500 miles.⁴ Its territory encompasses 17,075,000 square kilometers, or 6,600,000 square miles.⁵

The Ural Mountains (the Urals) divide Russia into two parts: the European, which is to the west of the Urals, and the Asian, which is to the east of the Urals. The Asian part of Russia, in turn, is subdivided into two regions: Siberia, consisting of Eastern Siberia and Western Siberia; and the Russian Far East.

Being enormous in size, Russia borders on sixteen countries. Fourteen

of them are linked to Russia directly by land. In its European portion, Russia is flanked by ten countries.⁶ The list of its Asian land neighbors includes four countries. The remaining two countries border the Asian part of Russia indirectly, by a water frontier. These are Japan and the United States.

Table 1

Russia versus China: Demographic Comparisons

Indicators	Russia	China	China to Russia, in times
Population, 2005, mln.9	143	1,305	9.1
In Siberia and	26 (2005) ¹⁰	250 (2003)11	9.6
The Far East, mln.			
Along the	18 (2003) ¹²	$108 (2000)^{13}$	6.0
mutual border, mln.			
Population density,	9	140	15.6
2005, people per square			
km. ¹⁴			
Including along the	$1.6 (2005)^{15}$	30.716	19.2
mutual border, people			
per square km			
Population dynamics,			
1990 – 2005, in: ¹⁷			
Mln. people	-5.0	+169.3	+174.3
Percentage	-3.5	+14.9	+18.4
The natural increase in the	-6	+6	+12
population rates, 2005, per			
1,000 people: ¹⁷			
The birth rates	10	12	+2
The death rates	16	6	-10
Expectation of life at	-4	+3	+7
birth, years, in:18			
1990	69	69	0
2005	65	72	+7
Net migration, 1990 - 1995,	+2,258	-3,231	-5,489
2000 – 2005, thousands ¹⁹			

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(Readers will want to refer to Endnote 11 for an explanation of the figure for China in the second box above. The figure includes the Chinese living in China's northern provinces that border on or are close to Russia.)

Altogether, the Russian land and water frontiers are the longest in the world. They extend for 57,792 kilometers, or 35,920 miles, of which the Russian-Chinese border is 4,200 kilometers, or 2,600 miles.⁷

Necessarily, the task of guarding a huge country which borders so many countries over such long distances presents a great problem for the Russian authorities. In this, Russia is not helped by having on its eastern flank such a giant neighbor as China.

China's "gigantism," compared to Russia, is not in its territory. The territory of China (9.6 million square kilometers, or 3.7 million square miles) is the fourth in the world, after Russia, Canada, and the USA.⁸ Where China overshadows Russia is in demographics, in the size of its economy, and in its current developmental dynamism.

The Demographic Setting

Let us use Table 1 to make demographic comparisons between Russia and China.

While territorially Russia is 11.8 times larger than China, the Chinese population is 9.1 times greater than the Russian. Indeed, China has the largest population in the world, while Russia occupies only the seventh place.

Facing this enormous Chinese population, Russia is also confronted with the problem of a very uneven distribution of its own population across its vast territory: as Table 1 reveals, less than 1/5 of its population resides in its Asian regions, which constitute two thirds of its territory²⁰.

It is true that only a small portion of China borders Russia. But in the land along this mutual frontier, there are more than nineteen Chinese per square kilometer for each Russian.²¹ What is also troubling for Russia is that while the Russian population shrinks, the huge Chinese population continues to grow. During the fifteen-year period of 1990 – 2005, the population of China increased by an amount greater than the entire population of Russia of 2005.

Why this contrast between the demographic trends in the two countries? The difference lies partly in a disparity in birth rates, but also

life expectancy. China matched the life expectations of Russians in 1990, but surpassed it in 2005 by seven years. It is also interesting to note that this change was little affected despite the fact that the last decade of the twentieth century witnessed net immigration to Russia and net emigration from China.

The Labor Resource

In one productive resource, land, Russia has an advantage over China. But the overwhelmingly larger size of the population provides China with a much greater quantity of labor than Russia.

Table 2

*The Quantitative Dimensions of Labor Resource in Russia and China, 1990 – 2005*²²

Indicators	Russia	China	China to Russia, in times
Total labor force, mln. people			
1990	77.2	650.1	8.4
2005	73.2	776.0	10.6
Change	-4.0	+125.9	
Average annual growth rate of labor	-0.4	+1.2	
force, percent			
Male labor force participation rate,			
percent			
1990	81.6	88.9	1.09
2005	75.3	87.8	1.17
Change	-6.3	-1.1	
Female labor force participation rate,			
percent			
1990	71.7	79.1	1.10
2005	67.1	75.8	1.13
Change	-4.6	-3.3	

In 2005 as compared to 1990, the enormous quantitative superiority of the labor force of China over the Russian labor force became even more pronounced. Moreover, Russia's 4.0 million decline in the size of its labor force was accompanied by China's incredible 125.9 million increase. Thus, the average annual rate of growth of the labor force was positive in China

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and negative in Russia.

Besides the fact that the Chinese population is immensely greater than the Russian population, there was an additional factor that contributed to the growing gap between the amount of the labor force in China and Russia. This was the labor force participation rate of both men and women. In both 1990 and 2005, it was much higher in China than in Russia.²³

Quantity is necessary but not sufficient to have labor superiority. We need to see whether the Chinese quantitative superiority is supplemented by qualitative supremacy. In particular, we should look at the educational achievements of the Chinese and Russian populations:

Table 3

The Qualitative Dimensions of Labor Resource in Russia and China

Russia	China	China to Russia, in times
85	36	0.42
123	118	0.96
93	73	0.78
68	19	0.28
	85 123 93	85 36 123 118 93 73

With the exception of the primary level of education, where Russia and China were equal in 2005, at all other levels Russia was ahead of China. Thus, the labor force in Russia was more educated, and in terms of education was of a better quality than the labor force in China.

It should not be overlooked, however, that the Chinese, although they may be less educated, are nevertheless better workers than the Russians. This is accentuated by the fact that, on average, the Chinese are less susceptible to alcoholism and have better work habits than the Russians.²⁵

We are inclined to conclude that, in terms of quantity and quality of labor, China has an advantage over Russia. The superiority must, of course, be even greater in some of the Chinese areas that border Russia in the east, which are more developed than western China.

Societies' functioning is *maintained* by its most active productive resource, labor. Societies' functioning is *advanced* by innovation, or

entrepreneurship. This is the third factor that should be listed in providing the background for Russia-China relations.²⁶

Entrepreneurship

One way to compare entrepreneurship as an indicator in the development of the two countries is to look at what businesses perceive to be the major obstacles to their growth and investments according to enterprise surveys:

Table 4

Business Perceptions on the Major Obstacles to Enterprise Growth in Russia and China²⁷

Indicators	Russia, 2005	China, 2003	China to Russia, in times
Major constraints, percent of			
surveyed:			
Policy uncertainty	25.8	32.9	1.28
Corruption	15.4	27.3	1.77
Courts	8.6	24.9	2.90
Lack confidence courts uphold	63.9	17.5	0.27
property rights			
Crime	9.0	20.0	2.22
Finance	21.8	29.1	1.33
Electricity	5.1	29.7	5.82
Labor skills	12.8	30.7	2.40
Labor regulation	3.0	20.7	6.90
Regulation and tax administration:			
Tax rates	21.6	36.8	1.70
Time dealing with officials,	6.3	18.5	2.94
percent of management time			
Average time to clear customs,	7.2	6.2	0.86
days			

In all types of the impediments to the investment climate cited by business managers in the surveys, China presents a much worse case than Russia. But, surprisingly, there are two exceptions.

First, Chinese enterprises spend less time on clearing their imported merchandise through customs than Russian enterprises do. Although this is

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a matter of concern to importers, it has little or no effect on those enterprises that use domestically produced materials and goods.

Second, Chinese businesses have greater faith in courts' upholding their property rights than Russian businesses do. Since prosperous businesses enterprises need to have complete confidence in the ability and willingness of the courts to defend their property rights, China would seem to provide a better environment for investment and entrepreneurship than Russia. But could it be that the reality of doing business is different from the perceptions about it? For the answer, let us turn to Table 5:

Table 5

Doing-Business Indicators in Russia and China, April 2006²⁸

Indicators	Russia	China	China to Russia, in times
Starting a business:			
Number of procedures	7	17	2.42
Time required, days	28	35	1.25
Cost, percent of per capita income	2.7	9.3	3.44
Registering property:			
Number of procedures	6	3	0.5
Time required, days	52	32	0.62
Dealing with licenses:			
Number of procedures to build a	22	29	1.32
Warehouse			
Time required to build a warehouse,	531	367	0.69
days			
Enforcing contracts:			
Number of procedures	31	31	1.00
Time required, days	178	292	1.64
Closing a business:			
Time to resolve insolvency, years	3.8	2.4	0.63

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Table 6

Indirect Representatives of Capital in Russia and China, 2005

Indicators	Russia	China	China to Russia, in
			times
Consumption of fixed capital, percent of	7.0	10.2	1.46
GNI ²⁹			
Gross capital formation, percent of GDP ³⁰	21.0	44.0	2.10

It is easier to start business, to deal with licenses and enforce contracts in Russia, but easier to register property, to build warehouses ,and to close a business in China.

The Capital Factor

Let us next look at the capital factor of production. Comparing fixed capital and gross capital formation in the two countries, we find that the Chinese reign superior to Russia as shown in Table 6.

The Natural Resources Endowment

Besides land as territory, we also need to compare the two countries' land entrails, or natural resources in the narrow economic sense of the word. In this, Russia is an enormously rich country with a "wide natural resource base including major deposits of oil, natural gas, coal . . . many strategic materials, timber,"³¹ ferrous, non-ferrous and precious metals, and others. In the amount of the known reserves of some of these resources (natural gas, iron ore, coal, asbestos, zinc, etc.), Russia occupies the first place in the world.³² Unfortunately for Russia, the majority of the resources are located in the climatically harsh areas of Asian Russia, far from the populated European parts of the country.

China possesses the world's largest hydropower potential, and is endowed with a great many natural resources, but they are not as plentiful as those of Russia.³³

The Socioeconomic Setting

We have observed the following differences between the two countries: the territorial (where Russia is superior to China), demographic (where China is ahead of Russia in the size of its population, in the quantity and, with some reservations, in the quality of its labor force) and in natural resources (where Russia has an upper hand). Let us now see how Russia and China fare with respect to some major socioeconomic aspects. Here we include the size of each of the two economies, foreign trade, and military expenditures and personnel.

Sizes of the Economies of Russia and China

Table 7

Sizes of the Economies of Russia and China³⁴

Indicators	Russia	China	China to Russia in times
GDP, total, \$mln:			
1990	516,814	354,644	0.69
2005	763,720	2,234,297	2.93
2005 to 1990, in times	1.48	6.30	4.26
GDP, 2004 – 2005, percent			
growth:			
Total	6.4	10.2	1.59
Per capita	6.9	9.5	1.38
GDP structure, percent of total GDP:			
Agriculture:			
1990	17	27	1.59
2005	6	13	2.17
2005 to 1990, in times	0.35	0.48	1.37
Industry:			
1990	48	42	0.88
2005	38	48	1.26
2005 to 1990, in times	0.79	1.14	1.44
Services:			
1990	35	31	0.89
2005	56	40	0.71
2005 to 1990, in times	1.6	1.29	0.81
GNI per capita, 2005, \$:	4,460	1,740	39.0
PPP GNI, 2005:			
Total, \$bln.	1,522.7	8,609.7	5.65
Per capita, \$	10,640	6,600	0.62

In 1990, China produced more than two-thirds of Russian GDP. In

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2005, China's total production was almost three times larger than that of its Russian counterpart. In 1990, China occupied the eleventh and Russia the seventh place in world production. In 2005, China moved up to fourth while Russia slipped to fourteenth place in this indicator's ranking.³⁵ The dramatic reversal in the size of the economy was due to much higher rates of economic growth for China as compared to Russia.

Table 8

The Extent of Foreign Economic Relations of Russia and China, 1995 – 2005

Indicators	1995	2005	2005 to 1995, in Times
Total exports from:			
Russia, \$mln: ³⁹	82,419	243,569	2.96
Including to China:			
\$mln. ⁴⁰	3,371	13,048	3.87
Percent of total exports	4.1	5.4	1.32
China, \$mln: ⁴¹	57,374	836,888	14.59
Including to Russia:			
\$mln. ⁴⁰	865	7,259	8.39
Percent of total exports	1.5	8.7	5.8
Total imports to:			
Russia, \$mln: ³⁹	62,603	125,303	2.00
Including from China:			
\$mln. ⁴⁰	865	7,259	8.39
Percent of total imports	1.4	5.8	4.14
China, \$mln: ⁴¹	46,706	712,090	15.24
Including from Russia:			
\$mln. ⁴⁰	3,371	13,048	3.87
Percent of total exports	7.2	1.8	0.25

During the fifteen-year period, the structure of production in both countries has undertaken some significant changes: it has become less agricultural and more service-oriented. But in one feature, there has been a major difference: China has only in recently become heavily industrialized while Russia accomplished that transition several decades ago.³⁶

In this respect, it is worth noting that in 2005 China still remained a

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predominantly rural (59.6 percent of the total population) country, while Russia, by that time, due to the industrial revolution, had transferred itself into an overwhelmingly urban nation (73 percent of the total population).³⁷ Although the share of agricultural employment in China in the 1990 – 2003 period declined from 53.5 to 44.7 percent of total employment, making the country less agricultural than a decade before, nevertheless, it was almost four times larger than in Russia (11.4 percent of total employment).³⁸ China still has a long way to go to become an integrated urban and industrial nation in the image of Russia.

Table 9

*The Structure of Merchandise Exports and Imports of Russia and China, 2005, percent of total*⁴²

Indicators	Tota	al Exports		Tota	al Imports	
	Russia	China	China to	Russia	China	China to
			Russia in			Russia in
			times			times
Food	2	3	1.5	16	3	0.19
Agricultural raw	3	1	0.33	1	4	4.00
materials						
Fuels	49	2	0.04	2	10	5.00
Ores and	7	2	0.29	2	8	4.00
Metals						
Manufactures	19	92	4.84	73	75	1.03

Be this as it may, at present China in its *total* production is a much more developed country than Russia. The Chinese advantage is even more pronounced if production is measured by the purchasing power parity (PPP). On the other hand, present-day China in its per capita production is still a much less developed country than Russia, although with the rate of growth of the Chinese per capita income exceeding that of Russia, the time may be rapidly approaching when China could catch up with and even surpass Russia in this indicator, as well.

Foreign Trade

Let us now turn to Table 8 and examine the extent and structure of the

foreign economic relations of the two countries.

Just as in its volume of domestic production, China also beats Russia in its foreign trade. Let us start with exports.

In 1995, China's total volume of exports was less than 70 percent of the Russian; in 2005, it was almost 3.5 times bigger than the Russian. During this period, while Russian exports to China have grown by 3.9 times, Chinese exports to Russia have increased by 8.4 times, or approximately by 2.2 times more. As a result, the share of Chinese exports to Russia has risen more than the corresponding share of Russian exports to China.

In the case of imports, here again, at the start of the period under consideration (1995), China, in total, was importing only three-fourths of the Russian volume of goods. But by 2005, Chinese imports were exceeding that of Russia by more than 5.5 times. Furthermore, Chinese imports from Russia were growing at a much slower rate than Russian imports from China, and while in 2005 the trade balance between the two countries was still positive for Russia and negative for China, the ratio of imports to exports was transforming in the Chinese favor.

Let us now see (Table 9) what these economies could offer to, and demand from, the world and each other.

The major item of Chinese exports and imports is manufactures. This comes as no surprise: China, as was pointed out earlier, is in its industrialization drive. Since, as a western student of China observes:

[a] tremendous amount of initial financial investment must be made in production of

capital goods [for industrialization] . . . [then] [i]n the absence of necessary substantial foreign loans or assistance, capital goods must be imported—these commodities must be paid for by whatever exports China can produce.⁴³

On the other hand, Russia, which is now in a post-industrial stage of actual deindustrialization,⁴⁴ sends abroad mostly raw materials (agricultural, fuels, ores and metals). Russian exports of manufactures constitute less than 20 percent of its merchandise sales to foreign markets. In exchange, Russia buys predominantly manufactures and food.

What do Russia and China trade among themselves? The Western

scholar quoted above writes:

A well-nigh perfect symmetry exists between Russian and Chinese economics and goals—Moscow needs Chinese consumer goods and China needs Russian equipment, arms, and technology.

Requiring a solid expansion of its military capability, China sought a type of rapprochement with Russia, who too was anxious to deal with China. . . . Both countries were drawn to one another by several common needs: Russia seeking markets for its products and China desiring jet fighters and military technology.⁴⁵

Military Expenditures and armed Forces Personnel

Let us ask the following question: has the overwhelming supremacy of China over Russia in number of people and size of economy been translated into military superiority?

Table 10

Military Expenditures and Personnel, 1995 – 2005⁴⁶

Indicators	Russia	China	China to Russia, in times
Military expenditures:			
2005:			
Percent of GDP	3.7	2.0	0.54
\$mln.	28,256	44,686	1.58
Armed forces personnel:			
Thousands:			
1995	1,800	4,130	2.29
2005	1,452	3,755	2.59
Arms transfers, \$mln:			
Exports:			
1995	3,273	962	0.29
2005	5,771	129	0.02
Imports:			
1995	40	523	13.08
2005	0	2,697	

Except for the percentage of military expenditures of GDP, China has a

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great advantage over Russia in the amount it spends on the military and in armed forces personnel. On the latter, it is interesting to note that the reduction of the number of people in the military from 1995 to 2005 was almost equal for the two countries.

In their arms transfers, Russia and China move in opposite directions: Russia almost exclusively exports and increases its exports; China predominantly imports and builds up its imports. In this, Russia remains the major supplier for Chinese military needs.

The Cultural Setting

One of the basic ways to define the cultural dissimilarities between China and Russia is to look at the geography of the two countries.

From the geographical context follows a specific character of the *major* inhabitants of each country. We stress "major," for Russia and China have always been multinational states whose backbones are the Russian people in Russia and the Han people in China as their respective majorities. Hence, in defining the cultural features of the Russian and the Chinese national characters, we should not forget that non-Russian and non-Han peoples of the country might not share these traits.⁴⁷

By "a specific character," or "the cultural features," we understand here the most common real (not imaginary) psychological and moral attitudes of the present-day Russian and Chinese people. "Real," that is, according to the actual behavior and habits of these peoples, and not to their mythical perceptions of themselves. "Present-day," because, with sufficient historic time, some or all of the attitudes change.

The Russian Geographical setting and its Cultural Consequences

In its European part, that is, west of the Ural Mountains, Russia is largely a "broad plain with low hills . . ." The Russian Asian terrain is covered by a "vast coniferous forest and tundra . . ." Besides the Urals, only a small portion of Russia along the country's south-western border regions includes "uplands and mountains . . ."⁴⁸

Russia lies like a sea of land between two continents, the compact, mountain-and-river-bounded territory of Europe and the vast expanse of Asia, secure behind the fastnesses of the great mountain ranges in the world. The Russian steppe is open, east and west, north and south. Time and again Russia has been invaded. No people could long inhabit

such a land without acquiring a deep and suspicious outlook of the world. Who knows when a new invader might appear beyond the distant river, beyond the low rise of land to the east which marks the almost indistinguishable boundary between Asia and Europe. The Urals are no massive range like the Alps, the Himalavas, or the Caucasus. They are a low worn rank of hills . . . Approaching them from west to east the traveler can hardly believe that this is the continental divide. Peoples living as the Russians do develop a special instinct for survival. . . . Unless one understands the geography of Russia one cannot understand the psychology of its people, particularly the attitude of Russians toward the nomads of Asia. Russia has been invaded, in its time, by the Swedes, the Lithuanians, the Poles, the Germans . . . the Turks, the French . . . the Finns, the Danes, the English . . . and a good many others. But the great and terrible scourges came from the east. It was from the east that the Scythians appeared in prehistoric days and ravaged the fat lands along the Black Sea. It was from the east that the Huns swept in, burning and pillaging. It was from the east that the most awesome of conquerors, the Mongols, came.⁴⁹

Here are the most common present-day traits of the Russian character (in italics) determined by the major elements of Russia's geography and climate (in parentheses):⁵⁰

- *A relative equableness of temperament, slowness, unhurriedness (flatness, and vast extent, of the country.)
- **Bravery* in fighting against foreign intruders, bordering on racism and xenophobia (the necessity for survival caused by the absence of natural borders).
- **Hospitality* (a necessity for survival caused by long and very cold winters) but only to those who are friends or who could be useful.
- *Dreaminess, contemplativeness (the territory, which is hard to encompass, and its harsh climate), leading to *laziness, working under pressure, lack of will* and *initiative, sluggishness,* and *unreliableness.*
- **Wide-ranging enterprise*, *generosity*, *squandering*, *and waste* (the unbearably huge territory⁵³ and limitless resources).
- *Bribery (taking and giving), corruption (can be traced to the vastness of the land in which an *atomized* individual, as a rule, does not fight the authorities to improve his/her unfavorable situation but instead bribes them in order to escape to a better position).

- *Life according to fairness, justice, not according to the law (see comments to the above feature of "bribery").
- **Noncompetitiveness* (no need to fight for a place in the enormously big, scarcely populated and resource-rich country).
- **Drunkenness* (coldness and darkness in major portions of the immensely big country over the long periods of time, resulting in bleakness, uneasiness and, as a consequence, depression and alcoholism).
- **Patriotism falling into sacrificial heroism* (as a compensation for nothingness of each separate individual, who is lost in the vastness and coldness of the country, which is profoundly loved and mildly hated at the same time).
- *An extremely dual, contradictory nature of the character (utterly continental climate): craving for absolute freedom, revolutionism when the authorities are weak, and *submissiveness of the slave*. conformism, infantilism, and evolutionism, when the authorities are strong; piety, when circumstances of life are bad, and atheism, when life presents no problem; peacefulness, due to the negative experiences in such profound "changes" as wars. revolutions, and socioeconomic reforms,⁵² and aggressiveness against those who are not like him/herself, who explicitly, one way or another, stand out (nationally, racially, socially, economically, etc.); openness and simplicity, when not challenged, and *duplicity and lies*, in order to conform to peoples' expectations; patience, mildness, kindness, willingness to suffer, if short-term suffering is unavoidable, and *impatience*. ill-naturedness, and rudeness, when confronted with long-term problems; compassion, mercifulness, and generosity in winning, and toughness and pitilessness in losing; a deep inferiority complex, caused by the misery of every-day life, and an aggressive. defiant superiority complex. compensating. supplementing and justifying the inferiority complex: atomization, in accordance with the rule "Each one is for himself, only God is for everybody" (see comments to the above trait of "bribery"), and *collectivism*, which is in reality a search for mutual support in the cold and vast country; optimism, to keep one going, and passive fatalism, or reliance on sheer luck (whose roots can be found above in the character "aggressiveness"), both of which are expressed in Russian sayings like "All that is done is done for the better" and "Hope for the better and be ready for the worst"; etc.

For our purposes, the following description is also relevant:

... the huge plain, without any natural borders, for centuries has directed the [social and political] activities of the Russian people not inward, to improve the conditions of their life, but [predominantly] outward, to defend the borders and to conquer other peoples, thus leaving the "job" of managing the country [almost] entirely into the rulers' hands.⁵⁴

The Chinese Geographical Setting and its Cultural Consequences

The Chinese landscape is "[m]ostly mountains, high plateaus, deserts in the west; plains, deltas, and hills in the east."⁵⁵

Little geographic unity exists within China. It is a very mountainous country with so many rivers and lakes that some geographers assert the country to be the most 'watered region on earth'. . . . The mountains, hills, and plateaus compose some 65 percent of its land area. Since China's territory extends deep into Central Asia, in Tibet, Qinghai, and Xinjiang, the country 'includes some of the least hospitable environment on earth'.⁵⁶

Thus, unlike Russia, China, at least in its western, south-western and north-western parts, has natural frontiers in the form of mountains and deserts. They separate China from its main rival in East Asia, India.

China's neighbors do not pose any threat to the country. They are either on friendly terms with China (Pakistan, because of its complicated relations with India) or, as compared to China, are very small or, like North Korea, need Chinese help.⁵⁷ India is the only major population center to potentially rival China, but shows little sign of doing this at the present time.

China's chief historical rival, Japan, is separated from it by the Sea of Japan. At present, Japan, although the second economic power in the world, has a constitution that allows it to have only defense forces. Living under the American military umbrella, Japan shows no inclination toward hostility against China.

What is left is Russia. China's border with Russia is divided into two parts. One is China's northwest of 24.8 miles. The other is China's northeast whose length is 2,235.1 miles.⁵⁸ (As we will see later, it is this second part of the border that is the major concern for Russia.)

While climatic conditions in the major, mountainous and desert part of

China is relatively quiet, its southern and eastern parts experience "frequent typhoons . . . damaging floods . . . tsunamis . . . "⁵⁹ Such a "distribution" of natural hazards corresponds to the distribution of the Chinese population, which, like the Russian, is distributed extremely unevenly: "About 96.31% of the Chinese population is located in the eastern half of the country, and only 3.69% reside in the southwest, northwest, and northern frontiers. The highest population density is concentrated in the lower Yellow River and Yangtze River areas."⁶⁰

The Chinese climate is extremely diverse: tropical in the south and sub-arctic in the north.⁶¹ Partially because of this, "... Chinese have many differences of customs, language, religion and physical appearance.... The villages of South China are as different from the Northern plains inhabitants as Africans from Scandinavians. [Nevertheless, the Chinese] are linked together by strong bonds of culture."⁶² The more western territories, notably Tibet and what used to be known as Chinese Turkistan, are occupied by non-Chinese indigenous people who have attempted to resist assimilation, but are dominated by the much larger Han Chinese population of the more fertile East. So it is these "strong bonds of culture" of the dominant Han Chinese, historically safeguarded by the mountains and deserts to their west, though occupying two contrasting climatic zones, that we will attempt to describe. The Han culture may be said to be characterized by:

- **A superiority complex*, caused by the long isolation of the planet's oldest surviving civilization, formed on the Yellow River 5,000 years ago.⁶³ This attitude is applied to all non-Chinese.⁶⁴
- **A belief in their own racial superiority* over those whose skin color is dark.⁶⁵
- **An inferiority/superiority complex* towards whites as a complementary feature of their racist consciousness.⁶⁶
- **Obedience within a strictly hierarchical society*, arising from a prolonged history of feudalism and expressed in the Confucian and Daoist schools of thought.⁶⁷
- *A (more recent) victim mentality*: long isolation from the rest of the world made China an easy prey to more developed nations.⁶⁸
- **A vengeance mentality* as a result of victimization by more developed countries.⁶⁹
- **Pragmatism in their life outlook* based on the need of so many people crammed into a relatively small habitat.⁷⁰

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- **Patience, cautiousness, and an ability to wait for an opportunity to solve long-term problems,* reflecting 5,000 years isolated experience of this unique civilization.⁷¹
- **Competitive struggle for survival in the absence of "true individualism,"* caused by the ancient pragmatic approach to life and reinforced by the availability of present-day market conditions to pursue monetary interests.⁷²

**Double consciousness*, from the fact of living for a long time in feudal society and only recently under foreign rulers.⁷³

**Passivity, compromise* which follow from the previous feature.⁷⁴

The list of Chinese most common traits might continue, but we believe that the list is relatively sufficient for our task.

The reader will by now have sensed one major difference in the Russian and Chinese characters: the Russians are more unstable, more uneven, while the Chinese are steadier, more balanced, and more eventempered in their approach to life.

One of the fundamental reasons for such dissimilarity is what can be called "continental belonging." The Chinese, residing in the eastern corner of Asia, be they southerners or northerners have no problem with their identity: they know that they are Asians.

By contrast, because Russia sits astride the European and Asian continents, the Russian cannot be sure of his "continental belonging." He never stops asking himself whether he is "the most easterly of western peoples ... [or] the most westerly of easterners ...,"⁷⁵ that is, whether he is a European or Asian, or maybe a mixture of both, Eurasian.

Russian Problems with China

We have presented much context as a background for Sino-Russian relations. We will now examine the impact of these settings on such relations at present. We will then attempt to forecast the character of the relations in the foreseeable future.

Border Issues between Russia and China

The border between Russia (pre-Soviet, Soviet, and post-Soviet) and China (imperial, Kuomintang republican, Maoist and post-Maoist) was for a long time a cause of very heated controversy. For instance, the border between the USSR and the PRC:

... was a legacy of various treaties [of the pre-Soviet time]... in which Russia gained over 1 million km² (400,000 mi²) of territory in Manchuria at China's expense, and another 500,000 km² in the western regions from several other treaties. These treaties have long been regarded by Chinese as unequal treaties, and the issue partially arose again with the Sino-Soviet split, with tensions eventually leading to division-scale military clashes along the border in 1969.⁷⁶

In 1991, the still-Soviet Union signed a new border agreement with the People's Republic of China. In 1992, the agreement was separately ratified by the newly established Russian Federation, Kazakhstan, Kyrgyzstan, and Tajikistan. While the 1992 border agreement, covering the 4,200 km, resolved the major points of contention about the frontier between China and Russia, there still remained a few areas whose resolution had to be determined at some other time.⁷⁷

This time came, first, in 1994, when the dispute about the remaining western part of the Russo-Sino frontier was agreed upon; and then in 2004, when Russia and China formally finalized the demarcation of their border by signing an agreement on the remaining eastern portion of the boundary.⁷⁸

As a result of the 2004 border agreement, both sides proclaimed that it

... is a 'balanced and reasonable' and 'political win-win' solution, and should be 'valued and fully affirmed.'... The border will hence become a symbol of peace, friendship, cooperation and development between the two peoples...⁷⁹

Despite its language, this hardly means that the border controversy between Russia and China no longer exists -- that the problem has been settled once and for all. That is the way Russia looks at the issue: with so small population on so large territory east to the Urals, Russia has no ability (even if it wished) to expand its territory. But that is not how China views the issue.

The Chinese have a specific outlook about the world. For China, events have a cyclical character: history repeats itself over certain intervals.⁸⁰ As a result, "balanced and reasonable," "valued and fully affirmed" today will

eventually become "unbalanced and unreasonable," "not valued and not affirmed" tomorrow.

No wonder, therefore, that at times of increasing tensions with Russia, the Chinese have sometimes stopped hiding their intentions and spelt them out very clearly:

Speaking with a group of Japanese socialists on August 11, 1964, Mao said: "There are too many places occupied by the Soviet Union. . . . About a hundred years ago, the area to the east of Lake Baikal became Russian territory and since then Vladivostok, Khabarovsk, Kamchatka, and other areas have been Soviet territory. We have not yet presented our account for this list.⁸¹

In Chinese eyes, the Russians do not belong to Asia—that is to say, east of the Urals—at all. Their place is to the west of the Urals, in Europe. Russia, for the Chinese, is a "devilish" foreign white culture. It is the remnant of the Western intrusion "into their lives and lands . . . the last beneficiary of a colonial age that has ceased to be reality for all . . . except Russia."⁸²

Migration from Russia to China

Ironically, we should start not with the people of the demographically huge China who rush to cross the border of the demographically poor Russia, but with Russians settling in China. This first happened in 1685 when Albazin Cossacks joined the Manchu imperial guard. The construction of the China Far East Railway in 1897 gave an impulse to a significant Russian immigration to China.

In the 1920s, after the Russian October Revolution of 1917, many former members of the White Army (from 100,000 to 200,000) who were fighting the Bolsheviks found themselves in China's Harbin, thus even more increasing the Russian population in China. This was the largest Russian enclave outside Russia. However, after the establishment of the PRC, the majority of them or their descendants either migrated to Australia or were repatriated to the Soviet Union.

At present, only a small number of Russians (less than 16,000) remain in China. Holding Chinese citizenship, they are mostly settled in Xinjiang, Inner Mongolia, and Heilongjiang.⁸³

Chinese Migration to Russia

At the beginning of the 1990s, the stream of migration reversed direction. When the Soviet Union collapsed and Russia emerged as a newly independent state, this opened the gates of the country not only to emigration but to immigration as well. Like anywhere in most of the world, the influx of people into Russia took two forms: legal and illegal.

Legal Chinese flow into Russia. According to the general census of the population conducted in 2002, there were 34,577 Russian citizens of Chinese descent.⁸⁴ This, however, does not tell us how many of them were born in Russia and how many migrated to Russia.

Thus, let us look at the issue not from the stationary but from the dynamic point of view. This can be done by showing not only the inflow to Russia from China but also the outflow from Russia to China over the 1995 – 2005 period. For comparison, we give numbers for total legal migration to and from Russia, which includes the movement of people to and from the former Soviet republics⁸⁵ and other countries.

Table 11

The Legal Migration to and from Russia, 1995 – 2000 (number of people)⁸⁶

Indicators			Years			
	1995	1996	1997	1998	1999	2000^{87}
Inflow (+):						
Total, including:	842,050	631,592	583,260	495,304	367,197	359,330
From China	83	26	34	44	64	1121
Outflow (-):						
Total, including:	339,600	288,048	234,284	216,691	237,967	145,720
To China	110	42	29	12	25	658
Net flow (+,-):						
Total, including:	502,450	343,544	348,976	278,613	129,230	213,610
From (+), to (-)	-27	-16	5	32	39	463
China						

In eleven years, more than 4 million people have legally immigrated to Russia and almost 2 million have legally emigrated from it. The net result is more than 2 million people who came to Russia legally.

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Indicators			Years			
	2001	2002	2003	2004	2005	Total:
						1995-2005
Inflow $(+)$:						
Total, including:	193,450	184,612	129,144	119,157	177,230	4,082,326
From China	405	410	346	212	432	3,177
Outflow (-):						
Total, including:	121,166	106,685	94,018	79,795	69,798	1,933,772
To China	156	151	86	154	456	1,879
Net flow $(+,-)$:						
Total, including:	72,284	77,927	35,126	39,362	107,432	2,148,554
From (+), to (-)	249	259	260	58	-24	1,298
China						

Table 11 (continued)⁸⁷

In this legal movement of people to and from Russia, the Chinese flow has actually been negligible: less than 0.1 percent for each inflow, outflow, and net flow. In 1995 – 2005, annually, on average, only 289 Chinese legally entered Russia, 171 Chinese legally left it, so that a microscopic number of 118 Chinese were at any time legally present in it.

Given these statistics, we see that the overwhelming number of Russian citizens of Chinese extraction was born in Russia, not migrated into it.

Illegal Chinese inflow to Russia. Some illegal Chinese migrants go to the western portion of Russia, and come mostly through Kazakhstan, whose extremely long borders with both Russia in the north and China in the west are very weak and porous.⁸⁸

Because of its illegal character, estimates of the inflow of *all* Chinese into Russia vary widely:

- *One estimate suggests that in 2002 there were between 100,000 to 300,000 Chinese in the southern regions of the Russian Far East alone.⁸⁹
- *According to another source, in the same year, the total of Russia's Chinese population reached 3.26 million people. Of them, more than 75 percent (that is, almost 2.5 million Chinese immigrants) have settled in Siberia and the Far East.
- *A Chinese official, president of the Academy of Sciences of the north-eastern Chinese province, Heilongjiang, in an interview

with the Russian information agency "Kazinform," insists that the total inflow of Chinese migrants to Russia hardly exceeds 80,000 – 100,000 persons per year.⁹¹

- *A Russian source, admitting that no reliable information on the Chinese presence in Russia exists, nevertheless rejects the widespread belief that at the end of the 1990s there were from 2.5 to even 5.0 million people from China in Russia. The source, referring to the Moscow Carnegie Center, which conducted field surveys of Chinese migration to Moscow and six regions of the Far East and Eastern Siberia, inferred that the more real number of Chinese migrants in Russia in 1999 was several hundred thousand people.⁹²
- *Still another Russian source, writing at the end of 2005 and citing a demographic study commissioned by "Kommersant-Vlast' magazine," maintains that in that year the number of Chinese migrants to Russia, both legal and illegal, will reach 500,000.⁹³
- *Yet another Russian source states that in 1998 2001, 450,000 to 490,000 Chinese entered and the same number exited Russia. This confirms the number of the preceding research. But the source also adds that 2002 saw an increase in the number of Chinese entering Russia by 55 percent (697,500 – 759,500 persons), while exiting Russia, by 52 percent (684,000 – 744,800 persons). The source maintains that "80 percent of Chinese migrants enter Russia through check points of the Far Eastern Border District; of this number, approximately 50 percent arrive from checkpoint in the Maritime Territory."⁹⁴
- *Chinese sources cite the number of Chinese migrants in Russia in the early 2000s from 680,000 to 998,000 persons.⁹⁵

The above sources make no distinction between legal and illegal Chinese migration to Russia. But since the former, as we discovered earlier, is almost negligible, the numbers must overwhelmingly reflect the size of illegal immigration from China to Russia.

Keeping this in mind, we can conclude that from the beginning of the 2000s, first, from at least 80,000-100,000 to at most 5,000,000 Chinese migrants came to Russia annually and, second, relatively few of them (13,000-15,000) remained in Russia for a relatively prolonged period. Still, at any time there were probably at least hundreds of thousands and at most a million Chinese citizens in Russia. In this respect the following two questions arise: First, are the numbers of migrants small or large? And second, do the numbers represent a threat to Russia at present or in the

near future?

The first question requires a yardstick for comparison. For this, we use the number of Overseas Chinese. In 2003, there were 37.5 million Chinese migrants abroad.⁹⁶ If we accept the Chinese assertion of between 680,000 and 998,000 Chinese migrants in Russia, we conclude that these migrants constituted only 1.8 to 2.7 percent of the Overseas Chinese population.

In regard to the second question: at the present time, Chinese in Russia represent a very small share of the total Russian population. But does this mean that Russia does not have to be worried about? No, it does not, for "China has a huge latent potentially-transient population resource, a long tradition of outward migration, backed by its rising economic position in the world..."⁹⁷

The Length of Chinese Citizens' Stay in Russia

There is no definite information as to the length of time that Chinese migrants remain in Russia. It would seem that the vast majority of Chinese citizens who enter Russia currently stay only for a short time. Statistics show that the proportion of Chinese entering Russia officially, who left on time, was 64 percent in 1994, 68 percent in 1995, and 97 percent in 1996. Beginning with 1997, the record shows that 99 percent now leave on time.⁹⁸

In 1998 – 2003, 86,400 stayed in Russia for over six years. During the same period, the number of short-term private visits to Russia by Chinese citizens increased "by almost 14 times . . . in contrast to business and tourists, [those] leaving their country for permanent residence in Russia, transit passengers, as well as trips made by service personnel."⁹⁹

But obviously there is no unambiguous definition of what presents a "short" or temporary period of time. One can simply guess that, by and large, this might extend from several weeks to several months.

Causes of the Chinese Inflow into Russia

There are two principal reasons why Chinese citizens migrate to Russia.

First, the low level of earnings in China. This was cited by the vast majority (79 percent) of Chinese migrants in Russia who were surveyed. This majority stated that they believed that it was more profitable to work in Russia than in their own country.¹⁰⁰

Second, the search for employment. This is caused by three major

factors.

- * Decentralized market reforms which "spread . . . from the originally designated economic areas along the eastern coast into the north . . ." As a result of these reforms, many Chinese workers were laid off from state enterprises, which were either closed down or restructured. The loss of their traditional livelihoods within a system that lacks a well-functioning safety net of social security caused these unemployed Chinese industrial workers to migrate not only within China but also outside of it, and especially to neighboring Russia.¹⁰¹
- * The growing lag between the agricultural resource potential of still predominantly rural China and the size of its population. It is important to point out that the amount of arable land per capita in China is 3.3 times lower than the world average, and nearly 10 times lower than in Russia. "For each person employed in the agricultural sector in the Chinese border areas there are only 0.8 hectares [around 2.0 acres] of arable land, while land on the Russian side is often uncultivated and sparsely populated."¹⁰²
- * A combination of the first two factors leading to a huge hidden unemployment in the country as a whole. According to Chinese estimates, the level of hidden unemployment in 2005 was 15 – 20 percent, which was more than the population of Russia. Just in the north-eastern part of China alone, which borders the Russian Far East, the number of unemployed was between 7 and 8 million people. This was equal to the population of the entire Russian Far East.¹⁰³ Surveys show that 15 percent of Chinese citizens come to Russia because of unemployment at home.¹⁰⁴

There are also two reasons why Chinese enter Russia as temporary visitors, and not as migrants:

- * Tourism. Usually, Chinese tourists visit Russia for not longer than 15 days.¹⁰⁵
- * Education. Many Chinese go to Russia to study at its educational institutions for three to four years, and after that period return home. Their education is entirely regulated by Ministries of Education and Science of both China and Russia in accordance with the bilateral agreement between the two countries.¹⁰⁶

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Where do Chinese Migrants to Russia Come from?

The majority of urban as well as rural Chinese migrants to Russia are from the north-eastern province of Heilongjiang. Among urban migrants of this province, 44 percent are from the city of Harbin and 10 percent from the city of Aikhoy/Khaikhe. Eight percent of Chinese urban migrants are from the cities of Jilin and Changchung of the province of Jilin, which has a common frontier with Heilongjiang.

Six percent of Chinese migrants originate from the province of Inner Mongolia; three percent, from the province of Liaoning. Both these provinces border Jilin.

In all, 96 percent of migrants come to Russia from these four northeastern provinces, Heilongjiang, Jilin, Inner Mongolia, and Liaoning. Also, one percent of the migrants are from the more distant provinces of Hebei and Zhejiang.¹⁰⁷

Where do Chinese go in Russia?

Overwhelmingly, Chinese migrate to the Russian Far East.¹⁰⁸ In this region, their major attraction is the cities of Khabarovsk, Vladivostok, Blagoveshchensk, and Ussuriysk.¹⁰⁹ But Chinese migrants can also be found to the west of these cities. Surveys show that many of those interviewed had visited cities and towns in Eastern Siberia such as Chita or Zabaykal'sk of the Chita region; Irkutsk, Angarsk or Usol'ye-Sibirskoye of the Irkutsk region; Ulan-Ude in the Buryat Republic; and Yakutsk in the Sakha Republic.

Chinese migrants have also been developing contacts in Western Siberian cities such as Novosibirsk, Omsk, Tyumen', Chelyabinsk, and Yekaterinburg.

The migrants have been able to reach even further: to the west of the Urals, that is, to the European part of Russia. Their journey has brought them to the Volga region and even to Moscow and St.Petersburg.¹¹⁰

Thus, Chinese migrants have been slowly and gradually establishing contacts with Russia from its east to its west, although so far there have been very few permanent Chinese communities in Russia. The largest such community is located in Moscow.

At the end of the 1990s, the Chinese community in Moscow numbered 20 - 25 thousand people (according to Russian estimates) or 30 - 40

thousand people (according to Chinese estimates). Its members came from most of the provinces of China. At 34 percent, they represented the highest proportion of long-term residents, that is, those living in Russia for more than three years.¹¹¹

The permanent character of the Chinese presence in Moscow was manifested by the following facts: the community was publishing four newspapers; it had two pager companies; it had created associations of entrepreneurs, women, and students; through the vast and well-developed system of specialized firms, it was providing its members with legal, financial, transport, storage, tourist, and other services.¹¹²

The second enclave of Chinese settlements in Russia includes the major urban cities of the Russian Far East: Khabarovsk, Vladivostok, and Ussuriysk. However, the total combined Chinese population in these cities is less than that in Moscow.¹¹³

What do Chinese Migrants do in Russia?

Previously, we found that Chinese migrants pursued four major goals in Russia: higher incomes, employment, tourism, and education (although, again, strictly speaking, the last two cannot be considered as migration).

From these four objectives, the following kinds of activities of Chinese migrants to Russia can be deduced. This has been done by the Carnegie Moscow Center investigation, mentioned earlier.

Of those polled, 46 percent engaged in trade, 40 percent in study or training, 14 percent worked on a contract basis. The latter were occupied as translators or teachers (3 percent), and as employees of various nonagricultural (9 percent) and agricultural (2 percent) enterprises.

But, while 45 percent interviewed entered Russia with a tourist visa, no one indicated tourism as the purpose of their staying in Russia. It could be that tourism was not the real aim of the majority of these people.

This was the distribution of those polled who found their place in Russia. But not many were satisfied with the kind of activities they were engaged in.

Two-thirds of them (68 percent) wanted to open their own business in Russia. The majority of them saw it in trade (72 percent); the rest, in a small productive enterprise (15 percent), and in a restaurant or a hotel (11 percent), with the remainder (2 percent) having no preference for a

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particular kind of business.114

Specifically, in the Khabarovsk region, Chinese migrants have been mostly engaged in retail and small trade, wood logging, and construction. Some were operating in agriculture and other kinds of activities. On the other hand, in the Jewish Autonomous District and the Amur region, which border the Khabarovsk region, Chinese migrants are mostly employed in agriculture.¹¹⁵

How do Chinese Migrants come to Russia?

Surveys reveal that any possibilities are used by Chinese migrants to work or conduct business in Russia.

The first, and the most widely utilized, is tourism. To enter the Russian Far East, it is employed by 45 percent of those surveyed. The great majority of them find themselves in shuttle trade between China and Russia.

The second way to get into Russia is studying. It is used by 31 percent of those questioned.

The rest use some other types of visa. Their goal is to be engaged in services. $^{116}\,$

The Demographic and Social Composition of Chinese Migrants in Russia

The Carnegie Moscow Center mentioned earlier also conducted a survey on the demographic and social composition of Chinese migrants in Russia. The Center interviewed a random sample of Chinese migrants in markets, high schools, agricultural, industrial and transport enterprises as well as in hotels. The results were as follows.

The gender distribution: slightly more males than females.

The age distribution: two-thirds are below the age of 30, including 17 percent below the age of 20; one-quarter are ages from 30 to 40; and 7 percent are above 50 years of age.

The family situation as an actual consequence of the age distribution: not married, 58 percent; no children, 64 percent; only one child among those with children, 73 percent. The educational level: graduates from high school (universities and colleges), 35 percent; having medium special education, 17 percent; graduates from secondary school (an equivalent of American high school), 48 percent.

Specific qualifications as an outcome of the educational level: at the

level of high and medium specialist educational institutions, 57 percent are professionals, including 18 percent economists, 7 percent teachers, 7 percent engineers, 3 percent translators, 19 percent other professionals (physicians, lawyers, journalists, librarians, managers, experts in marketing and others), 10 percent builders and highly skilled workers, and 3 percent peasants. At secondary and lower levels of education, the majority either did not answer the question about their specialization or openly stated that they had none.

The urban/rural composition: 84 percent are urban residents, and 16 percent are peasants.¹¹⁷

Cross-Border Trade and other Direct People's Relations between Russia and China

So far we have discussed only the Chinese influx into Russia. But in reality it has been a two-way movement. Since the beginning of 2004, the number of Russians entering China has far exceeded the number of Chinese coming to Russia. It must be emphasized, however, that the Russians in China, by and large, always return home, while, as we have seen, not a few Chinese in Russia remain in it.

There are two major reasons and, consequently, two major groups of Russians who visit China. The first are those who are hired by Chinese traders in Russia to bring merchandise from China. The second are those who purchase goods with a commercial or private intent.

As a result of Russians moving to China, they have established several small colonies in the country. Thus, according to the above-mentioned Carnegie Moscow Center, there is, for instance, a district in Beijing which is known as Russiatown. Its settlers, replacing each other, are Russian tradespeople, mostly from the Russian Far East. Its focal point is a large market where business signs are mostly in Russian.¹¹⁸

Although allowing the growth of some Russian centers in its country, the Chinese leadership has not abandoned the motto "Go outward," whose purpose is to increase Chinese migration to other countries. The Chinese leadership simply uses a roundabout way to achieve the same goal: by easing the conditions for entering China for Russian citizens, it forces the Russian leadership to do the same for Chinese citizens.

Consequently, just as there are two major groups of Russians visiting

China, there are two major groups of Chinese visiting Russia. One group consists of those who shuttle between the two countries either delivering goods to regular salespersons or working as temporary workers at Chinese retail outlets. Another group includes those who work in Russia on a more permanent basis, often lacking necessary legal papers for staying in the country.¹¹⁹

According to some Chinese estimates, in 2001 the volume of the Chinese-Russian people's (that is, non-governmental) trade stood at \$10 billion. The volume is determined by net incomes earned by selling Chinese goods in Russia, which, in turn, are purchased from Chinese producers with money earned by selling them in Russia.

Here is how a Chinese participant at the 2^{nd} Russian-Chinese Banking Forum in 2003 describes the most typical way Chinese firms operate in Russia: A Chinese company registers simultaneously in China by a Chinese citizen and in Russia by a Russian citizen (with no financial signature authority). The Chinese company is engaged in wholesale; the Russian subsidiary, in both wholesale and retail. Thus, goods are delivered from China to Russia and sold in the latter, with the revenue from sales sent back to China. Such a trade accounts for 40 - 60 percent of Chinese exports to Russia. These trade activities are financed by shady Chinese banks in Russia.

By accumulating the revenues of trading companies, the illegal banks use intermediary Russian firms to make purchases in Russia and send timber, nonferrous metals, and other goods to China. These goods are then sold in China, and each participant in the transaction gets his portion of the revenue. In many cases these eads to a depletion of Russia's scarcest goods, because, for instance, in the Russian Far East wood acquired by such dealers is often cut down illegally. In this endeavor, shady Chinese banks and intermediaries cooperate with their shady Russian counterparts.

It might be concluded that through such activities, Chinese migration serves as a vehicle for making Russia a supplier of resources and a purchaser of low-quality cheap products.¹²⁰ But that is not the way these things are seen in China. The Chinese see it as an aspect of the global economy.

For the Chinese, Sino-Russian migration and trade are beneficial to both countries. In the Chinese eyes, it is good for Russia, whose population

after the breakup of the USSR has been steadily declining. And it is good for China with its surplus population. Moreover, since the migration has a bilateral character, not only are there Chinese who settle in Russia and sometimes marry Russians, there are also some Russians who migrate to China, buy real estate, find work, marry Chinese and decide to stay permanently in the country. This, of course, takes place mainly in the China-Russia border regions.¹²¹

On the other hand, the Russians see their relations with China more harmful than beneficial. It is obvious that the meeting of the two very different peoples cannot have only a rosy, smooth and beneficial character. The inflow of Chinese into Russia and Russians into China has its dark sides as well.

One major problem is that of criminality. Criminal acts take various forms: illegal border crossings of and staying in one of the countries by forgeries of necessary documents (with the help of corrupt officials on both sides); illegal businesses (smuggling of drugs, weapons, alcohol, sea products, nonferrous metals, etc.); and sometimes theft, burglaries, and even murders.¹²²

The Present-Day Attitudes of Russians about Chinese and Chinese about Russians

Let us now see what, due to the constant encounter between the growing number of Russians and Chinese, especially in the Russian Far East and the Chinese north-east, these two people think of each other.¹²³

How Russians view the Chinese

- * Many Russians, while admiring China's rapid economic growth, at the same time are apprehensive about China's increasing strength and see it as a threat to Russia's eastern borders.
- * Many Russians are alarmed by the expanding Chinese presence in the Russian Far East.¹²⁴
- * Many Russians believe that the numbers of the Chinese who come to Russia plan to stay in the country permanently.
- * Many Russians have a racist superiority view of China "as extremely alien: a yellow, Asiatic, chauvinistic country..."¹²⁵
- * Many Russians despise the Chinese as unclean people, spreading diseases.¹²⁶

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How Chinese view the Russians

* Only a small fraction of Chinese sees Russia as a threat.

* Most Chinese believe that closer ties with foreign countries, including Russia, benefit China and its people, and, therefore, advocate such ties.

* Like many Russians with respect to China, many Chinese take a racist superiority view of Russia.

* Many Chinese resent the existing border lines between the two countries and want them to be changed in China's favor.¹²⁷

The Bottom Line

Obviously, these two people, to put it mildly, are not very fond of each other; but, still, they have to live side by side. Since we are interested here primarily in the Russian side, it is worth noting a contradiction within its situation, which is reflected in the following.

On the one hand, polls in the Russian Far East show that the majority of Russians look favorably on the development of relations with China. The Russians are more than happy to use China as a countervailing power against the United States. (In this, the Chinese are not different from the Russians.)

But, on the other hand, a sizable proportion of Russians oppose establishing even temporary Chinese settlements, strongly object the possibility of marriage between their close relatives and Chinese migrants, and, moreover, regard the very presence of Chinese migrants as a spoiling factor in their life. "Spoiling," because in the opinion of the Russians, the Chinese, with their low-quality, inexpensive products have a competitive advantage over Russian producers and traders; and, secondly, promote criminality among Russians.

But there is a divergence of attitudes within Russian society. The youth is less xenophobic and fearful of China than the older generation. And while the majority of the Russian population is very apprehensive about China's intentions in the Asian part of Russia, the Russian ruling "elite," on the contrary, "increasingly accept China as Russia's most important partner; the Russian ["elite"] may even be interested in a revival of the 'great friendship' of the early 1950s."¹²⁸

Russia's Fear of China's Growing Need for Resources

In addition to the above-mentioned sources for Russian anxiety toward

China, there is another extremely important reaon for such a phobia: the resources of the Siberian and Far Eastern regions of Russia.

Are these fears of Russia justified? To answer this question, we must first give the reader a sense of what Russian Asia has, and then, of what China wants.

What Russian Asia Has

In one of the earlier sections of this paper, on "The natural resources endowment," we made a comparison of the natural resources available in Russia and China. We saw that Russia possessed far more resources than China. We also pointed out that the major portion of these resources was concentrated in the Asian part of Russia. Let us now consider their magnitude in relative terms.

In June 7, 2002, the Russian government approved a document entitled "Strategies for the Economic Development of Siberia," which provided statistics on the potential resources located in Siberia.

According to the document, Siberia is endowed with the following known and explored reserves expressed as an estimate of the Russian total: oil, 77 percent; natural gas, 85 percent; coal, 80 percent; hydroenergy, 45 percent; wood, more than 41 percent; gold, 41 percent; metals of the platinum group, 99 percent; nickel, 68 percent; lead, 85 percent; molybdenum, 82 percent; and zinc, 77 percent. In the modern world where almost 90 percent of used energy is in hydrocarbons, the Siberian treasury serves as a guarantee for the future of Russia.¹²⁹

What China Wants

Let us start not with natural resources but with land. Recall that China, although fourth largest globally in terms of territory, much of this is comprised of mountains and deserts. This leads to the fact that, " [China is] incapable of supporting substantial settlement."¹³⁰

The following comparison between Russia and China highlights the contrast. In 2003 – 2005, while Russia possessed 84.9 hectares of arable land per 100 people, China had only 8.0, ¹³¹ more than ten times less.

So the Russian Far East, closely located, scarcely populated and abundant in arable land, is an area that is perfectly suited to solve the Chinese problem of providing living space and cultivatable land for its enormously huge and increasing population. At the same time, since the 1970s, China has also experienced very rapid economic growth. The leadership of the country has as its target, first, to achieve GDP parity with the USA, and then, by 2020 to become the first economic power in the world. The goal is to be attained by rapidly developing the inflow of energy resources.

That this goal is formidable is demonstrated by the following numbers. It is estimated that by 2025, China would need about 11 million barrels of oil and 6.1 trillion cubic feet of gas daily (that is, respectively, 2.2 and 35 times more than in 2002).

As in the case of agricultural, the close proximity to Russian Asia creates very favorable conditions for China to meet its growing demand for energy resources.¹³² "Favorable," for, although China is not alone in this struggle, it is very fortunate to have a resource-rich neighbor which others do not have:

Today emerging-market giants are fighting for oil, gas and metal ore in Africa as energetically as 19th century European colonists grabbed land. The Chinese have been the most aggressive, with more than 700 companies active in 50 countries . . . While the Chinese are staking ground in [for example] Africa mainly to power their burgeoning cities and manufacturing sector, Russians see the deals [in Africa] differently. Russia is the world's largest energy exporter and plenty of its own metals and minerals. But rich Russian companies want to extend their global reach while they have money . . . There is another motive [for the Russian companies], too . . . moving empires beyond the reach of the Kremlin serves as insurance against future political changes in Russia.^{*133}

In such circumstances, it would not be surprising if the Chinese attempt to aquire some of Russian Asia, and its eich energy and mineral resources.

What Lies Ahead? Possible Scenarios for the Future of Russian Asia

We have outlined various conditions under which present-day Russia and China live side by side. China is much more dynamic than Russia. Chinese have a much stronger work ethic than Russians. Overall, China is in a much stronger demographic and economic position than Russia. Since the 1970s, China has more and more dwarfed Russia.

Table 12

Population of Russian Asia: 1990 – 2006 (mln.people)¹³⁴

Countries	1990	2006	2006 to 1990, percentage change
Russian Asia, including:	29,2	26.2	-10.3
Siberia	21.1	19.7	-6.6
Far East	8.1	6.5	-19.8

Nowhere is this more evident than in Russia east of the Urals, where the two countries have common frontiers. In that region, while China's population continues to grow, Russia's, after the collapse of the Soviet Union, continues to decline, gradually depopulating Siberia and the Far East.

The decrease is due to two factors. One is common to the country as a whole: the negative natural rate of population growth. Another is migration from Russian Asia.

This description leads to several scenarios for the future of Russian Asia. The scenarios are primarily based on the internal situations, correspondingly in Russia and China.

Proposition One: the Present-Day Russian and Chinese Socioeconomic and Political Structures Remain Intact

- Scenario

The Russian demographic trend continues. Sooner or later (probably, by the end of the twenty-first century), there would be only several million Russians in Siberia and the Far East, facing hundreds of millions of Chinese across the border.¹³⁵ The situation could not be helped even if some of the millions of Russians who are now residing outside Russia in the former Soviet republics are relocated to Russian Asia.

Since "nature abhors a vacuum," Siberia and the Far East would be gradually populated by Chinese¹³⁶ and, as a result, would die out as Russian territories. Russia would shrink to the size of its European part.

As far as the remaining Russians in the area are concerned, they would face two possibilities. First, they could relocate to west of the Urals, thus

completely emptying the Russian east. Second, they might stay in Russian Asia but become Chinese in language and culture.

It is doubtful that the existing Russian corrupt authoritarian oligarchic regime, in spite of living primarily off of raw materials the country produces and sells,¹³⁷ would lift a finger to save its Siberian and Far Eastern lands. This is because, first, the regime is a direct descendant of those who, almost without blinking, agreed to the disintegration of the former Soviet Union; second, by that time, its representatives would have accumulated sufficient wealth, deposited in Western banks and real estate abroad¹³⁸ not to worry about the fate of the country and its territories; and third, the Russian people, being atomistic and slavish, without the guidance of their own native masters, would not be willing to free Russian Asia from foreigners.

The present regime under Putin and his successor is not being considered as a separate scenario, because it is an expanded version of the Yeltsin-era oligarchy.

Proposition Two: the Russian Socioeconomic and Political Structure Changes, while that of China Stays Constant

- Scenario One

The Russian military comes to power and replaces the corrupt authoritarian oligarchic regime of state capitalism by the authoritarian anti-oligarchic structure of mixed capitalism.¹³⁹ The new authorities concentrate on expropriating and renationalizing oligarchic property, especially in the raw- and energy-materials sectors of the economy; cracking down on criminality and corruption; channeling financial, material and labor resources into Russian Asia in order to reinvigorate and strengthen the region and safeguard its borders; playing Japan against China by concluding a peace treaty with Japan and returning the latter the Kurile Islands; allotting a special status to Russia's Kaliningrad region, favorable to Poland and Baltic republics, thus alleviating fears of the neighbors of Russia about its new rulers' motives; enforcing strict immigration law; assimilating Chinese, who want to remain in Russia permanently, into Russianness in terms of language and culture; and finally, moving Russia's capital from Moscow to somewhere in Siberia, say, Krasnovarsk, thus sending China a very powerful message about Russia's

intentions in its Eastern part. As a consequence, Siberia and the Far East remain Russian.

- Scenario Two

Within the new Russian authoritarian anti-oligarchic system of mixed capitalism, there develops a very strong middle class which becomes a base for a change to democracy. The socioeconomic and political structure is replaced by democratic mixed capitalism.¹⁴⁰ The new, peaceful, prosperous and democratic Russia, richly endowed with natural resources, is able to lure former Soviet republics into one socioeconomic and political entity as a unified country. Safeguarding its western and southern borders, the new country, with Russia at its core, continues: russification of Chinese on its territory, whom Russia needs to fill the labor gap; the development of Siberia and the Far East by attracting immigration from over the world and migration from Russian Europe through the abolishment of internal passports and of the system of residence registration and the introduction of very good incentives for labor, capital, and entrepreneurship; and the Far East remain Russian.

We are not considering a scenario in which there is a civilian alternative to a military assumption of power, for reasons the author has stated in his book *Socioeconomic Systems of Russia Since the 1850s*"(*pp.* 672-688).

Proposition Three: the Chinese Socioeconomic and Political Structure changes, while that of Russia Remains Intact

- Scenario

Following their narrow interests, various strata of the Chinese bureaucracy, like the Soviet bureaucracy at the beginning of the 1990s,¹⁴¹ exploit widespread and systemic corruption,¹⁴² extremely unequal provincial and socioeconomic development of the Chinese authoritarian system, magnified by linguistic barriers,¹⁴³ and break the country and its socioeconomic and political system.¹⁴⁴ Although millions of Chinese would attempt to cross the border with Russia to settle primarily in the Russian Far East, the Chinese flood would not be organized by the disoriented Chinese state and, hence, would not threaten the Russian territory. While Russia would remain corrupt and oligarchic, it, nevertheless, would retain

Siberia and the Far East.

Proposition Four: both Russian and Chinese Socioeconomic and Political Structures Change

- Scenario

The worst is behind Russia: it is democratic, anti-oligarchic, strong, prosperous, unified with former Soviet republics.

The worst is faced by China: the country has disintegrated into various parts; its socioeconomic and political structure is in disarray, torn asunder by the cynical and corrupt bureaucracy and criminal elements coming to the surface of society, with its atomistic and obedient population completely confused.

As in the scenario of the third proposition, the outcome for Russia is favorable: it is able to save its Asian territories.

Proposition Five: No Technological Changes

The above propositions and their scenarios are based on the assumption that within the twenty-first century no drastic technological changes will take place. If, however, world technology improves to such a level that will allow China, first, to tame its inhospitable west and populate it, and second, to switch from hydrocarbon energy to some other types of energy (solar, wind, atom, water, etc.), then China would not need or at least would have much less need for Russia's resources.

Proposition Six: No War

In all of these scenarios, war between Russia and China for Russian Asia is not foreseen.¹⁴⁵ In the worst scenario for Russia just cited, the one involving a gradual populating of Russian Asia by Chinese, China would not need war.¹⁴⁶ In all other scenarios, because of the relative strengthening of the Russian position against the Chinese one, China would not be able to conduct it.¹⁴⁷

The Role of the United States

Obviously, no external factor can influence the doomed (for Russia) outcome envisioned in the scenario of the first proposition. Here the Chinese penetration into Russian Asia is visualized as extremely slow and incremental, hardly visible to the outside world. In this situation, any measures for outside intervention would be inappropriate because they

would be too late.

The resolution of all the other outcomes would be helped or thwarted, depending on the attitude of one of the major players in the region, the United States.¹⁴⁸ Would it (one way or another, directly or indirectly) side with Russia, not allowing a further strengthening of China that would threaten American geopolitical interests in South-East Asia?¹⁴⁹ Or would it side with China in order to eventually divide and exploit Russia's Asian resources?¹⁵⁰

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2 The others are Armenia, Azerbaijan, Belarus, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

- 3 There still exist internal challenges to Russia's territorial and demographic integrity as well; for instance, in the Northern Caucasus. It is, however, not a subject of this paper.
- 4 See Federal'naya Sluzhba Gosudarstvennoi Statistiki, *Rossiiskiy Statisticheskiy Ezhegodnik* [The Russian Statistical Annual]. Moscow: Rosstat, 2006, p. 59.
- 5 Interstate Statistical Committee of the Commonwealth of Independent States, Commonwealth of Independent States in 2006 (digest of preliminary statistical results). Moscow: CIS Stat, 2007, p. 371.
- 6 www.Worldatlas.com informs that one of the countries, Azerbaijan, "[h]istorically . . . ha[s] been long associated with Asia and the Middle East. In recent years some sources now consider [it] to be more closely aligned with Europe based on [its] modern economic and political trends. . . . We have moved in that direction . . ."
- 7 "Russia. Global Position and Boundaries," www.Wikipedia.
- 8 See the World Bank, 2007/World Development Indicators. Washington, D.C.: Green Press Initiative, 2007, pp. 14, 16. China is without Taiwan, whose territory is 36,000 square km, or around 13,900 square mi. (www.CIA.gov/library/publications/theworld-factbook, December 13, 2007).
- 9 The World Bank, 2007, pp. 14, 16.
- 10 Federal'naya Sluzhba Gosudarstvennoi Statistiki, 2006, p. 83.
- 11 The Chinese population includes all the people who resided in the Chinese northern provinces across or close to the Russian-Chinese border. See "A Chinese 'Invasion' – News from Russia," www.gateway2russia.com/st/art.
- 12 Ibid.
- 13 The following sources are used for the four Chinese political units bordering Russia: for the Xinjiang province (2006): "Xinhua News Agency," www.China.org.cn, April 8, 2006; for Inner Mongolia: "Inner Mongolia," www.unescap.org; for the Heilongjiang province: "Heilongjiang," www.unescap.org; for the Jilin province: "Jilin Province," www.cbw.com. More troubling is that at the beginning of the 2000s, while there were tens of millions Chinese in the three regions bordering Russia in the Russian southern Far East (see the above sources of note #13), there were only five million Russians in the region bordering China (T. Heleniak, "Migration Dilemmas Haunt Post-Soviet Russia," www.migrationinformation.org, October 2002).
- 14 The World Bank, 2007, pp. 14, 16.
- 15 Estimated (using the Russian population along the mutual border, 18 mln. people) from Goskomstat SSSR, *Narodnoye Khoziaistvo SSSR v 1990g*. [The National Economy of the USSR in 1990]. Moscow: "Finansy i Statistika," 1991, pp. 68 70. The calculated area of Siberia and the Far East includes the regions of Russia as they are listed in Federal'naya Sluzhba Gosudarstvennoi Statistiki, 2006, p. 85: Siberia: the Altai Republic, the Altai Territory, the Buryat Republic, the Chita region, the Irkutsk region, The Kemerovo region, the Khakass Republic, the Krasnoyarsk Territory, the Novosibirsk region, the Omsk region, the Tomsk region, the Tyva Republic; the Far

East: the Amur region, the Kamchatka region, the Khabarovsk Territory (including the Jewish autonomous region), the Magadan region, the Primorski Territory, the Sakhalin region, Yakutia.

- 16 Calculated, using the Chinese population along the mutual border (108 mln. people) and note #13 (except for T. Heleniak).
- 17 Calculated from the World Bank, 2007, pp. 40, 42.
- 18 Calculated from ibid, pp. 116, 118.
- 19 Calculated from ibid, pp. 360, 362.
- 20 Calculated from Goskomstat SSSR, Narodnoye Khoziaistvo SSSR v 1990 g., pp. 68 70.
- 21 We refer to the people on the Russian side as "Russians" and on the Chinese side as "Chinese" according to their citizenships. In reality, there are many ethnic minorities on each side of the border.
- 22 The World Bank, 2007, pp. 44, 46. Labor force includes employed and unemployed who are 15 and older.
- 23 It can be stipulated that there are two causes for the higher participation rates in China as compared to Russia: first, public expenditures on pensions in GDP that are more than twice smaller in China than in Russia (the World Bank, 2007, pp. 70, 72), and, second, the Chinese motto, although in a weaker form than previously, during the Maoist era: "Those who do not work, do not eat."
- 24 The World Bank, 2007, pp. 78, 80. "Gross enrollment ratio," unlike "net enrollment ratio," "is the ratio of total enrollment, regardless of age, to the population of the age group that officially corresponds to the level of education shown" (ibid, p. 81).
- 25 On the well-known diligence of the Chinese, see, for instance, T. Baimukhambev, "Migratsiya iz Kitaya v Rossiyu i Tsentral'niiyu Aziyu—mify i real'nost" [Migration from China to Russia and Central Asia—myths or reality], *Kazinform*, May 7, 2007: "Labor of the Chinese workers has a favorable impact on the economic indices of the Russian Far East. The whole world knows about the Chinese industriousness"; P. Abelsky, "An Exaggerated Invasion: Chinese Influence in Russia's Far East Is Growing, but the Dangers Are Overplayed," *Russia Profile*, October 12, 2006: "... the Chinese would make perfect immigrants with their industrious work ethic and willingness assimilate"; etc.
- 26 On entrepreneurship in China and Russia, see, for instance: "Barriers to Entrepreneurship in China," www.accenture.com; M. Dutz, S. Fries and M. Vagliasindi, "Promoting Competition and Entrepreneurship in Russia," www.imf.org; and D. Liao and P. Sohmen, "The Development of Modern Entrepreneurship in China," *Stanford Journal of Eastern Asian Affairs*, Volume 1, Spring 2001.
- 27 The World Bank, 2007, pp. 268, 270.
- Ibid, pp. 272, 274. "Cost, percent per capita income" is "[c]ost of starting a business...
 as a percentage of gross national income (GNI) per capita" (ibid, p. 275).
- 29 Ibid, pp. 180, 182.
- 30 Ibid, pp. 218, 220.

- 31 "CIA-The World Factbook-China," www.cia.gov. While the Russian territory comprises eight percent of the world's land, it contains 45 percent of known world resources of natural gas, 23 percent of coal, and 13 percent of oil ("Geopoliticheskiye aspekty modernizatsii Rossii i kitaiskiy vyzov" [Geopolitical Aspects of the Modernization of Russia and the Chinese Challenge], www.mion.isu.ru, 2005).
- 32 Federal'naya Sluzhba Gosudarstvennoi Statistiki, 2006, p. 59.
- 33 "CIA-The World Factbook-Russia," www.cia.gov. In this respect, it must be emphasized that:

"China has munificent natural resources, but it has only moderate reserve of some ingredients vital to industrial manufacturing and lacks a number of nonfuel minerals without which first class commercial and military production cannot take place. China is rich in iron and coal, but most of the former is of a relatively low quality and most of the latter is not of proper coking variety. . . . While it might seem that oil production in China is massive, it is insufficient to satisfy China's ambition to become a major industrial power" (R. Paone, *Evolving New World Order/Disorder. China-Russia-United States-NATO*. Lanham/New York/Oxford: University Press of America, Inc., 2001, p. 81).

- 34 The World Bank, 2007: GDP in \$mln and its structure in percentages, pp. 194, 196; GDP (total and per capita) in percentage growth, pp. 14, 16; PPP gross national income (total in \$bln and per capita in \$), pp. 14, 16.
- 35 Ibid, pp. 194 196.
- 36 On the subject of Russian industrialization, see, for instance, Raiklin, 2008, pp. 122 127, 365 – 368.
- 37 The World Bank, 2007, pp. 126, 128.
- 38 Ibid, pp. 130, 132.
- 39 Federal'naya Sluzhba Gosudarstvennoi Statistiki, 2006, p. 724.
- 40 Calculated from ibid, pp. 724 and 726.
- 41 The World Bank, 2007, p. 246.
- 42 Ibid, pp. 202, 204 (exports), 206 208 (imports). For Russia, totals are not equal to 100.
- 43 Paone, 2001, p. 82.
- 44 On the subject of Russian deindustrialization and its negative aspects, see, for instance, E. Raiklin, "The USSR in 1990 and its Successor States in 2005: A Statistical Comparison," *The Journal of Social, Political and Economic Studies*, Volume 32, Number 4, Winter 2007, pp. 487 – 492.
- 45 Paone, 2001, pp. 103, 108. Writing about her personal experience of teaching in cities in Russian Siberia and the Far East, an American (S. Hudgins , *The Other Side of Russia. A Slice of Life in Siberia and the Russian Far East.* College Station, Texas: Texas A & M University Press, 2003, pp. 229, 230) lists, for instance, the following consumer goods sold by the Chinese to the Russians: clothing, towels, handkerchiefs, house wares, plastic toys, toilet paper. On the Chinese exports of textiles to Russia,

see also N. Alyakrinskaya, "V VTO byez nizhnego bel'ya" [Into the WTO without Underwear], *Moskovskiye Novosti*, December 15 – 21, 2006, pp. 28 – 29.

- 46 The World Bank, 2007, pp. 288, 290. The amount of military expenditures for 2005 is calculated from their percent of GDP in 2005 (see ibid.) and the size of GDP in the same year (see Table 7, columns 2 and 3 of the paper).
- 47 According to the population census of 2002, modern-day Russia includes more than 180 different nationalities and ethnic groups (Federal'naya Sluzhba Gosudarstvennoi Statistiki, 2006, pp. 90 – 91, 125). China of the 1980s was inhabited by more than fifty national and ethnic groups (*Contemporary Atlas of China*, Boston, MA: Houghton Mifflin Company, 1988, p. 100).
- 48 "CIA-The World Factbook-Russia."
- 49 H. Salisbury, *War Between Russia and China*. New York: W.W. Norton & Company, Inc., 1969, pp. 29 - 30. It must be added that Russia had been saved from intrusions from the north and east for a simple reason of having maritime borders along these geographical areas.
- 50 On the Russian mentality, see, for instance, the following: B. Birshtein, "Russian character in the aspect of reflexive comprehension," *Reflexive processes and control*, Number 2, Volume 2, 2003, pp. 25-35; N. Gorshkova, "Russkiy mentalityet" [Russian Mentality], Inform, Number 8 (156), October 2006, www.inform.nstu.ru; Y. Richmond, *From Nyet to Da: Understanding the Russians*. Yarmouth, Maine: Intercultural Press, Inc., 1992, pp. 33 61; V. Volynkina, "Vliyaniye geograficheskikh faktorov na mentalitet russkoi natsii" [The Influence of Geographical Factors on Mentality of the Russian Nation], www.rustrana.ru, January 12, 2008; V. Yatsko, "Specific Features of Russian National Character," Journal "Samizdat," www.zhurnal.lib.ru, 1.13.2005; V. Zviglyanich, *The Morphology of Russian Mentality. A Philosophical Inquiry into Conservatism and Pragmatism*. Lampeter, Dyfed, Wales, United Kingdom: Edwin Mellen Press, Ltd., 1993; D. Zykin, "Lozh' i Pravda o russkom mentalityete" [Lie and Truth About Russian Mentality], www.km.ru, January 12, 2008.
- Also, before listing the present-day Russian traits, it would be worth to remember that "[f]or many centuries geographic, cultural, and historical factors prevented Slavic peoples and Russians in particular from playing a role commensurate with their numbers in the mainstream of European civilization. Great distances, religious differences, and the Tartar occupation presented enormous obstacles to the interactions which should have normally taken place between Eastern and Western Europeans" (J.-P. Cap, *Decadence of Freedom: Jacques Riviere's Perception of Russian Mentality*. Boulder: East European Monographs, Number CXLIX, 1984, p. 11).

In the Preface to the same book, W. Brown points out that

"[h]owever hard they may be documented scientifically, we will all unhesitatingly accept the existence of national characteristics . . . Such qualities are certainly not innate—there are no specific genes for religious mysticism, parsimony, or a fantastic imagination, for example; they are the product of the innumerable components of a national culture which set it apart from all other national cultures—geography, climate . . . etc." (ibid, p. 14).

- 51 For instance, the amplitude of the temperature in some north-east parts of Russia reaches 104^o C (Volynkina, January 12, 2008).
- 52 In the twentieth century alone, due to WWI, the Russian Civil War, WWII, political purges, and post-Soviet socioeconomic reforms (accompanied by inter-ethnic and criminal conflicts, extremely low birth rates and extremely high death rates, with the latter exceeding the former), Russia lost, according to various estimates, more than 60 million people. It is no wonder that present-day Russians have developed a strong aversion to such profound "changes" as wars, revolutions, and socioeconomic reforms (Yatsko, January 12, 2008).
- 53 That is why Nicolas I used to say that "[d]istances are the curse of Russia" (Volynkina, January 12, 2008).
- 54 Raiklin, 2008, p. 694. On such negative features of the present-day Russian character as indifference, infantilism, the lack of interest, conformity, slave dependence, slyness, etc., see, for instance, A. Kachkayeva, "Natsroyeniye Rossii v 2008 godu" [The Mood in Russia in 2008], www.svobodanews.ru, January 14, 2008.
- 55 CIA-the World Factbook-China.
- 56 Paone, 2001, p. 67.
- 57 In its confrontation with South Korea.
- 58 Paone, 2001, p. 64.
- 59 See CIA—the World Factbook-China.
- 60 Hu, H, "Popline Document Number: 011722," *Renkou Yanjiu*, July 29, 1982, www.popline.org.
- 61 CIA-Factbook-China.
- 62 Paone, 2001, p. 78.
- 63 "National Cultural Profiles-China," www.Telegraph.co.uk.
- 64 "For two millennia the Chinese empire conceived of itself as the hub of civilization, the great school of the world.... The world beyond the Great Wall of China did not hold much interest, since, in the eyes of the Chinese, it was populated by barbarians." Although "[t]his is the first century in over 2,000 years in which China has not considered itself to be at the center of the universe" (J. Stoessinger, *Nations in Darkness: China, Russia, and America*. New York: Random House, 1971, p. 9), the attitude of superiority has not changed. On this, see also Tu Wei-ming, *Cultural China: The Periphery as the Center*, in *The Living Tree. The Changing Meaning of Being Chinese Today*, ed. by Tu Wei-ming. Stanford, California: Stanford University Press, 1994, pp. 1 34.
- 65 See M. Jacques, "The Middle Kingdom Mentality. At last China's culture of racism is being contested by Chinese," *The Guardian (UK)*, April 16, 2005.
- 66 "[While] Chinese people commonly believe they are superior to those of darker skin . . . [t]he attitude towards whites . . . is much more complex. They tend to acknowledge the historical achievements of the west, but at the same time resent western hegemony and despise aspects of western culture, many believing that at some point in the future the innate virtue of Chinese civilization will again assert itself. The

Chinese thus tend to display a combination of respect and envy, superiority and inferiority, towards western culture. It is difficult to think of another major culture - with the possible exception of the Japanese - that regards the west with such a sense of inner self-confidence" (ibid). On the problem of Chineseness (Chinese nationalism) versus Westernization (Chinese antitraditionalism), see Tu Wei-ming, 1994, pp. 5-8.

67 On the role of the Confucian school of thought and Daoism in what makes China Chinese, see, for instance T. Doctoroff, *Billions. Selling to the New Chinese Consumer*. New York: Palgrave Macmillan, 2005, p. 16); Wm. De Bary, editor, Wing-Tsit Chan, Burton Watson, *Sources of Chinese Tradition*, Volume I. New York and London: Columbia University Press, 1960, p. 249; and Stoessinger, 1971, p. 34. On the situational-hierarchical nature of the Chinese attitude to each other, see also Yuling Pan, *Politeness in Chinese Face-to-Face Interaction*. Stamford, CT: Ablex

Yuling Pan, *Politeness in Chinese Face-to-Face Interaction*. Stamford, CT: Ablex Publishing Corporation, 2000. Here, we believe, the Chinese are not very different from the Russians.

- 68 By 1900, the British, the French, and the Japanese had all defeated China and exacted territories and spheres of influence. Russians and Germans had followed suit and carved out extraterritorial rights with the result that, in most of China's coastal cities as well as in the capital of Peking, foreign laws reigned supreme, and the Chinese were treated as inferiors in their own country. . . . What reduced the old China to dust was, of course, the superior firepower of foreign cannon. But . . . [w]hy were [the Chinese] so slow to respond? The answer can be found in the Chinese perceptions of themselves and of the West, particularly on the matter of physical force. Throughout the entire history of the Chinese empire, the ultimate sanction of rule was virtue by example. The right conduct of the Son of Heaven [the Chinese emperor] would move all others to respect and obedience, and his virtue would command their loyalty. In all their foreign relations, the Chinese kept this myth intact, even when they were weak. Hence, when the five major Western powers intruded into China, the one thing that could have stopped the assault was lacking in the Chinese attitude: the resolution to meet force with force. . . . [But] Confucius . . . held that 'good iron is not used for nails and good men are not used for soldiery" (Stoessinger, 1971, pp. 19 - 20). See also Y. Funabashi, "China's 'Peaceful Ascendancy'. Despite its new found economic and military muscle, China promises to be a good neighbor and global citizen, not a threat," Yale Global Online, December 19, 2003, www.yaleglobal.yale.edu).
- 69 "[C]an China readily dispel the humiliation and victim mentality it has harbored since the mid-19th century? The semi-colonization and construction of foreign settlements at Canton, Shanghai, and Qingdao, and the Japanese invasion and establishment of Manchukuo are still sources of acute sensitivity. Against the background of the glorious Tang dynasty, even after 150 years these deep wounds to China's pride may yet need time to heal. Today, the Internet is so flooded with Chinese public opinion obsessed with xenophobic vengeful thoughts and Sino-centrism that a Chinese

intellectual likened it to "Dazibao" (big wall newspaper) during the Cultural Revolution" (Funabashi, December 19, 2003).

- 70 See, for instance, J. Groves, "Chinese Mentality and Chinese Identity," www.freewebs.com). As far as religion is concerned, the Chinese "is . . . practical and broadminded enough not to oppose to, but most friendly to, any other religion which he thinks can be of benefit to him. . . . Toleration of religious beliefs and the embracing of three religions [Confucianism, Taoism, and Buddhism] have done much to keep China coherent and intact" (Benoy Kumar Sarkar, *Chinese Religion through Hindu Eyes. A Study in the Tendencies of Asiatic Mentality.* Shanghai: The Commercial Press Ltd., 1916, pp. xxi- xxii).
- 71 "The concept of 'peaceful ascendancy' appears to imply a long-term strategy. A member of the Chinese People's Political Consultative Conference said: 'How did historic empires and major powers rise and what reactions did they trigger? What should we do so as not to cause excessive wariness? This is what we are currently studying internally'. . . [At present, like in the time of emperors] China has been faithfully following . . . [a policy] . . . to 'never act haughtily'" (Funabashi, December 19, 2003).
- 72 See, for instance, Doctoroff, 2005, pp. 23 24.
- 73 See, for instance, Li Qiang, "The Two Distinct Psychological Spheres' and Opinion Surveys in China," www.usembassy--china.org.
- 74 See, for instance, Bary, Wing-Tsit Chan, Watson, p. 244; and P. McBroom, "Americans and Chinese have different ways of discovering truth, finds UC Berkeley expert on Chinese psychology," Berkeley, University of California "*News Release*," June 9, 1998, www.berkeley.edu.
- 75 See Rudyard Kipling, *The Man Who Was*, cited in Y. Richmond, 1992, p. 33. Russians in their Asian part call themselves "Europeans in Asia." This duality troubles the Russian, forcing him on certain occasions to beg for respect. "Do you respect me?" is one of the most pronounced questions one Russian, when he is drunk, asks another.
- 76 See "1991 Sino-Russian Border Agreement," www.wikipedia.org. An account of the historical origins of the 1969 military clash between the Soviet Union and China can be found, for instance, in D. Middleton, *The Duel of the Giants. China and Russia in Asia*. New York: Charles Scribner's Sons, 1978, pp. 19 – 20.

77 Ibid. See also A. Barnett, *China and the Major Powers in East Asia*. Washington, D.C.: The Brookings Institution, 1977, p. 74.

- 78 Meng Yan, "China, Russia sign on borders, WTO entry," *China Daily*, October 15, 2004.
- 79 Ibid.
- 80 See Bary, 1960, pp. 191, 204 205; and also R. Keyserlingk, *The Dragon's Wrath*. New York: Vantage Press, 1982, p. 47.
- 81 Salisbury, 1969, p. 136. Apparently, the claim is based on the fact that

"... only a few centuries ago, and even in more recent times, Chinese and Japanese roamed freely—Chinese in Siberia and Japanese on the northern isles, including the Kuriles and Karafuto ... now called Sakhalin ... As Britain and Russia extended their rivalries from breakup of the Ottoman Empire in the 18^{th} and 19^{th} centuries to Asia and the Far East, each succeeded in wringing new concessions from a weakened China. Manchu impotence was coupled with rising anti-Western resentment in the Chinese people—the dragon's wrath ..." (Keyserlingk, 1982, p. vi). It must be noted that, besides Russia's lands east to the Urals, China has also laid claims (mostly to border regions) to its other Asian neighbors, such as Burma, Kampuchea, Korea, Laos, Nepal, Thailand, and Vietnam (See, for instance, V. Louis, *The Coming Decline of the Chinese Empire*, with a *Dissenting Introduction* by H. Salisbury. New York: Times Books, 1979, pp. 130 – 147, 148 – 157

- 82 Ibid., pp. 39, 40. On the facts of the long history of complicated Russian-Chinese relations since the middle of the seventeenth century until the mid- 1970s, see, for instance, H. Schwartz, *Tsars, Mandarins, and Commissars. A History of Chinese-Russian Relations*, revised edition. Garden City, New York: Anchor Books, Anchor Press/Doubleday, 1973; and Barnett, 1977, pp. 21, 22, 32, 49. See also R. Medvedev, *China and the Superpowers*, trans. by H. Shukman. Oxford, UK: Basil Blackwell, Ltd., 1986, where the author provides details of the bumpy Soviet-Chinese political, diplomatic, economic, and military relations from October 1917 to the end of the 1970s, when the Soviet Union invaded Afghanistan. Finally, see R. Quested, *Sino-Russian Relations. A Short History*. Sydney, London, Boston: George Allen & Unwin, 1984, who discusses the same problems from 1618 till 1980.
- 83 See, for instance, "Ethnic Russians in China," www.en.wikipedia.org and also "Harbin Russians," www.en.wikipedia.org.
- 84 Federal'naya Sluzhba Gosudarstvennoi Statistiki, 2006, p. 90.
- 85 The former Soviet republics are now divided into two different groups. One is the loosely organized Commonwealth of Independent States (CIS) comprising Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan. The other is the Baltic republics: Estonia, Latvia, and Lithuania.
- 86 Federal'naya Sluzhba Gosudarstvennoi Statistiki, Rossiiskiy Statisticheskiy Ezhegodnik [The Russian Statistical Annual]. Moscow: Rosstat, 2002, p. 128.
- 87 Federal'naya Sluzhba Gosudarstvennoi Statistiki, 2006, pp. 118 119.
- 88 See, for instance, Zh. Zayonchkovskaya, "Chinese Immigration to Russia in the Context of the Demographic Situation," www.gsti.miis.edu; and *Thinking Strategically. The Major Powers, Kazakhstan, and the Central Asian Nexus*, ed. by R. Legvold. Cambridge, Massachusetts: American Academy of Arts and Sciences, 2003.
- 89 Heleniak, October 2002.
- 90 "A Chinese 'Invasion' News from Russia."
- 91 See Baimukhambev, May 7, 2007.

- 92 G. Vitkovskaya, "Ugrozhayet li bezopasnosti Rossii kitaiskaya migratsiya?" [Is Chinese Migration a Threat to the Russian Security?], *The Moscow Carnegie Center*, Volume 1, Issue 08, August 1999.
- 93 V. Yasmann, "Russia: Immigration Likely to Increase, Mitigating Population Deficit," *Radio Free Europe/Radio Liberty*, www.be-think.typepad.com, November 10, 2005.
- V. Gelbras, "Chinese Migration in Russia," *Russia in Global Affairs*, Number 2, April
 June 2005 (the article was originally published in Russian in the *Otechestvenniye Zapiski* magazine, Number 4/2004). The Maritime Territory or

"Primorye . . . is located in far southeastern Russia on the shore of the Sea of Japan. It has an area of 165,900 square km, which is 1percent of the total area of the Russian Federation, and is among the medium-sized regions of the country. The territory extends 900 km from north to south and 430 km from west to east; the total length of its borders is 3,000 km, including 1,500 km of coastline" ("Primorye (Maritime) Territory," *Kommersant, Russia's Daily Online*, www.kommersant.com, February 11, 2008).

- 95 This Chinese statistics on Chinese migrants in Russia is provided, for instance, by *Overseas Chinese*, www.en.wikipedia.org.
- 96 Cheng Xi, The 'Distinctiveness' of the Overseas Chinese as Perceived in the People's Republic of China, in Beyond Chinatown. New Chinese Migration in the Global Expansion of China, ed. by M. Thuno. Copenhagen, Denmark: NIAS Press, 2007, p. 50.
- 97 Ibid, p. 51.
- 98 Vitkovskaya, August 1999.
- 99 Gelbras, Number 2, April June 2005.
- 100 C. Ganske, "Cross-Border Migration in the Russian Far East," WRITENET,
- www.russiablog.org, October 18, 2006. See also H. French, "Lives of Poverty, Untouched by China's Boom," *The New York Times*, January 13, 2008, who writes that around 300 mln. people are poor in China. They "subsist between the official poverty line and the \$1 a day standard long used by the World Bank." In fact, China "is unique as a world power, the first in modern history to be at once rich (in aggregate terms) and poor (in per capita terms)" (F. Zakaria, "The Rise of a Fierce yet Fragile Superpower," *Newsweek*, January 7, 2008, p. 39).
- 101 Beyond Chinatown. New Chinese Migration and the Global Expansion of China, ed. by M. Thuno. Copenhagen, Denmark: NIAS Press, 2007, p. 5.
- 102 Ganske, October 18, 2006.
- 103 Ibid.
- 104 Ibid.
- 105 Baimukhambev, May 7, 2007.
- 106 Ibid.
- 107 The data collected by the Carnegie Moscow Center investigation. See Ganske, October 18, 2006.

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- 108 Ibid.
- 109 Gelbras, April June, 2005.
- 110 Ganske, October 18, 2006.
- 111 "Chinese People in Russia," www.en.wikipedia.org.
- 112 Vitkovskaya, August 1999.
- 113 "Chinese People in Russia."
- 114 Since they work in those fields where Russians do not want to work or in many instances they are paid almost twice less than Russians in the same kinds of activities, Chinese are warmly greeted by many local administrators and heads of enterprises (Ganske, October 18, 2006).
- 115 Abelsky, October 12, 2006. For the reader not familiar with the Jewish Autonomous District, here is a short reference. The District is situated in the Far Eastern federal district, bordering Khabarovsk Krai and Amur Oblast of Russia and Heilongjiang province of China. It was created in 1934 during the Soviet time. It was to allow the Jewish population of the USSR to have its own territory, where the Jews could pursue their Yiddish cultural heritage within a socialist framework (see "Jewish Autonomous Oblast," www.en.wikipedia.org). Not many Jewish people of the USSR settled in the District. At present, it is "Jewish" more in name than in reality.
- 116 Ganske, October 18, 2006.
- 117 Ibid.
- 118 "Ethnic Russians in China."
- 119 Gelbras, April June, 2005.
- 120 Ibid. See also Hudgins, 2003, pp. 229, 230; and Abelsky, October 12, 2006, who writes that "Cheap Chinese imports of foodstuffs and consumer goods steered the Russian Far East through the severe socioeconomic crisis of the past decade." But the same source complains that

"[t]he imbalances of the Russian-Chinese relationship extend beyond the yawning demographic disparity. While commerce and cross-border traffic of goods developed at a remarkable pace throughout the 1990s, the nature of trade between the two countries shows the long-term liabilities for the economy of the Russian Far East. China is the chief foreign trade partner for the Khabarovsk region . . . The . . . 2005 data shows that oil products made up the bulk of the regions exports . . . Unprocessed lumber comprised the . . . other substantial sales category . . . The Chinese trade output, on the other hand, encompasses a diverse range of products that points to the Russian Far East's growing dependence on China for a set of essential goods . . . [such as] [t]extiles, clothing and shoes . . . [Thus,] increasing numbers of Russian businesses rely on their relationships with Chinese partners, while their economic ties with the rest of Russia loosen."

121 See Baimukhambev, May 7, 2007; S. Sokolov, "S okrainy Vladivostoka—v elitnyi raion Pekina: rossiiyane pokupaiut zhil'ye v Kitaye" [From the Outskirts of Vladivostok to the Elite District of Peking: Russians Purchase Dwellings in China], www.svoboda.news.ru, 2008. According to V. Larin, "Russia's Eastern Border: Last Outpost of Europe or Base for Asian Expansion?" www.rusrev.org,

"Increased travel between the Far East and China has become an important show of human exchange, especially with China. According to public opinion polls, every third adult inhabitant of the southern part of the Russian Far East has been to China at least once, and about 90% of residents have encountered Chinese on their home territory."

- 122 Vitkovskaya, August 1999.
- 123 See, for instance, Barnett, 1977, pp. 20 87; "Chinese People in Russia"; Hudgins, 2003; Ganske, October 18, 2006; H. Salisbury, *The Coming War between Russia and China*. London: Pan Books Ltd., 1969; D. Shlapentokh, comment "Unhealthy Competition: Ordinary Russians Fear the Impact of Chine's Expansion," Special to *Russia Profile*, October 16, 2006, www.russiaprofile.org; Zayonchkovskaya, www.gsti.miis.edu.
- 124 But it needs to be emphasized that the fear of the Chinese is more prevalent in European Russia (where there are relatively few Chinese) than in the Russian Far East (where Chinese are mostly concentrated). For this, see, for instance, "Chinese People in Russia"; V. Pozdnyakov, "Kitaiskiye strashilki" [The Chinese Scarecrows], www.zavtra.ru, November 21, 2007; and V. Pozdnyakov, "Provokatsiya migratsii [The Provocation of Migration], Zavtra, December 5, 2007).
- 125 Barnett, 1977, p. 61. See also Salisbury, *The Coming War between Russia and China*, 1969, p. 36; and Salisbury *War Between Russia and China*, 1969, pp. 31 32, 33, where he explains the consequences of the Mongol yoke on the Russian feelings about the "yellow race."
- 126 See, for instance, Hudgins, 2003, pp. 229, 230,231.
- 127 Here is the Chinese account of the problem:
 - "Long ago all the great powers yielded their special privileges, their territorial concessions, their unusual perquisites gained from China in the days of her great weakness . . . When the Chinese Communists came to power, the great cities where the foreigners had held sway came back to China . . . the treaty ports, and all the rest. Hong Kong and Macao were special cases because that was what China wanted. But this did not happen with the Russians . . . They did not hand over in 1949 [when the Communists came to power in China] the territories and resources which they had grabbed along with other imperialist powers when the old empire was weak. They hung on to them" (Salisbury, *War Between Russia and China*, 1969, pp. 42, 43).
- 128 Shlapentokh, October 16, 2006.
- 129 "Geopoliticheskiye aspekty modernizatsii Rossii i kitaiskiy vyzov" [Geopolitical Aspects of the Modernization of Russia and the Chinese Challenge], 2005.
- 130 Salisbury, War Between Russia and China, 1969, p. 139. See also Paone, 2001, pp. 70 71.
- 131 See the World Bank, 2007, pp. 126, 128.

The Chinese Challenge to Russia in Siberia and the Russian Far East

132 "Geopoliticheskiye aspekty modernizatsii Rossii i kitaiskiy vyzov" [Geopolitical Aspects of the Modernization of Russia and the Chinese Challenge], 2005. It needs to be emphasized that even now

"[o]n issue after issue, China has become the second most important country on the planet. . . . In 2007 China contributed more to global growth than the United States, the first time another country had done so since at least the 1930s. It also became the world's largest consumer, eclipsing the United States in four of the five basic food, energy and industrial commodities" (Zakaria, January 7, 2008, p. 38).

- 133 O. Matthews, "Racing for New Riches. Russian and Chinese investors are battling for African resources to fuel their growing empires," *Newsweek*, November 19, 2007, p. E18.
- 134 Federal'naya Sluzhba Gosudarstvennoi Statistiki, 2006, p. 83. One of the major reasons for the continued depopulation of Russian Asia is that "[u]nder the market conditions that are emerging in Russia, the previous level and

type of development of the northern regions have proved to be unsustainable. The dramatically rising cost of living and the shrinking economy resulted in mass outmigration from the northern regions to [European] Russia . . . [At the same time] [m]any people who wish to leave the north, however, do not have the means to do so, creating an enormous social problem for Russia. . . . Attempts to tie the region in with the more prosperous Pacific Rim countries have not produced desired results, and the regional economy continues to stagnate. Meanwhile, efforts to induce people within Russia or returnees from abroad to settle in the Far East . . . have failed" (Heleniak, October 2002). See also Vitkovskaya, August 1999; and "Geopoliticheskiye aspekty modernizatsii Rossii i kitaiskiy vyzov" [Geopolitical Aspects of the Modernization of Russia and the Chinese Challenge], 2005. That is why, according to the latter source, there are some in Russia who think that, since "... . vast 'cold' Siberian spaces exhaust Russian strength and create big problems for the economic competition and effective management," it would be better for Russia to give up its Siberia. Such an attitude of some Moscow "bosses" leaves a bitter feeling among the majority of residents of Russian Asia who complain that, like in the pre-Soviet and Soviet times, it remains a colony of Moscow, a colony of European Russia.

- 135 "According to the most recent set of United Nations population projections, the population of Russia in 2050 will be 113 million according to the high scenario, 104 million in the medium, and 96 million in the low. Most of these projections do not fully incorporate the full impact of possible AIDS mortality in Russia, which has had one of the steepest infection rates in the world in the past few years. Others project the population of Russia to fall to 70 million by mid-century" (Heleniak, October 2002).
- 136 Some Russian observers who oppose further Chinese migration to Russia sound the alarm: by 2010 they might be up to 8 10 mln. Chinese residing in the country. "This would make the Chinese Russia's second-largest ethnic group" (ibid.).
- 137 See, for instance, Raiklin, 2008, pp. 481 484, 630 632.

138 We make this conclusion from the situation as it exists at the beginning of the twentyfirst century. On this account, see, for instance, M. Goldman, *The Piratization of Russia. Russian reform goes awry*, London and New York: Routledge Taylor & Francis Group, 2003, p. 24. See also A. Piontkovsky, "Does Russia want to keep its Far East?" *The Russia Journal*, Number 33 (126), August 24, 2002, where he sarcastically but with a great pain presents the thinking of Russian raw-materials oligarchs about the future of Asian Russia:

"The combination of gradual and ongoing aging of the population and consequent [Russian] migration away from the region means the only way to prevent depopulation of the huge Siberian and Far Eastern territories is through immigration . . . Given that immigrants are already arriving from the Asian-Pacific region, principally from China, this immigration should be seen as socially significant and should be welcomed by the state. . . . Given that Chinese immigration (and immigration from other Asian countries in the future) is inevitable, a targeted information and propaganda campaign should be organized to change public opinion, calm its fears of the 'yellow peril' and form a positive image of Asian immigrants.

"The project's sponsors . . . should be happy with their product. The aging Russian population with its unsuitable sex and age structure isn't good enough for the region's future masters as cheap labor. The fate allocated to these people is to follow the three directions of population decline. Meanwhile, Chinese immigrants . . . will milk the region's resources and fill the oligarchs' foreign bank accounts with billions of dollars.

"In another 10 or 15 years' time, when the demographic situation in the region will have become obvious, Russia will withdraw from first the Far East and then Siberia, first *de facto*, then *de jure*.

"The equally distant oligarchs will flee from Russia to the West, taking to its logical conclusion the model created by Chukotka Gov. Roman Abramovich, who already today sleeps in Alaska."

- 139 On this topic, see, for instance, Raiklin, 2008, pp. 672 694.
- 140 See ibid, pp. 730 731.
- 141 See ibid, pp. 444 464, 695 706.
- 142 On the danger of corruption for the stability of China, see, for instance, Minxin Pei, "Corruption Threatens China's Future," *Carnegie Endowment for International Peace*, *Policy Brief*, 55, October 2007.
- 143 "While Mandarin is the standard language (based on the Beijing Dialect), other major languages in the country include Cantonese Shunghainese, Fuzhou, Hokkien-Taiwanese, Xiang, Gan, and Hakka, and a number of more local dialects. Although these languages are derived from a common base, varied different pronunciation and linguistic structure among dialects make most of them mutually unintelligible and also presently a national problem in the People's Republic of China" (Paone, 2001, p. 66).

The Chinese Challenge to Russia in Siberia and the Russian Far East

- 144 On the Chinese regime losing control over its own country because of decentralization, see, for instance, Zakaria, January 7, 2008, pp. 38 39. On the number of superrich in "socialist" China, see also O. Matthews, "Tourists Who Stay Close to Home," *Newsweek*, November 19, 2007, p. E20, who states that "[c]urrently, there are 320,000 millionaires in the country, worth a total of \$1.6 trillion . . ." On some forms of the unruliness of Chinese localities, see, for instance, H. French, "Choking on Growth, Part V," *New York Times*, November 24, 2007.
- 145 Not everybody would agree with this assessment. See, for instance, P. Rainow, "If War Will Come Tomorrow," in *The Russian Military into the Twenty-First Century*, ed. by S. Cimbala. London/Portland, OR: Frank Cass Publishers, 2001, pp. 37, 43 – 44. According to the author, Russian analysts foresee

"[t]he possibility of Russia's involvement in a future 'war of resources' . . . in a period after 2010 – 15. A large-scale war between the two nuclear powers for the territory and resources of Northern Asia could emerge from a number of potential conflicts . . . [such as] Chinese reclaim of its lost territories in Russia's Amur region and Maritime province . . . [e]thnic conflict between the Chinese . . . in the Russian Far East and the local population . . . [p]ossible Chinese and Russian involvement in a Central Asian conflict on opposite sides . . . If the war occurs, Russia is expected to lead a coalition, also including Kazakhstan and Kyrgyzstan, whereas Pakistan would join China, but Mongolia and Uzbekistan would try to remain neutral."

146 "Chinese scholars and government officials are studying the lessons of history to avoid repeating the mistakes that led the USSR and the US into a protracted, dangerous Cold War. Choosing a path of 'peaceful ascendancy' . . . China's leaders are trying to wisely steer their country to greatness, not planning to make a brash play for power as some critics fear. Whether the government in Beijing is successful in this venture, however, will depend on how well it is able to manage the sentiments and aspirations of its people" (from Funabashi, December 19, 2003).

Meanwhile, following the path of "peaceful ascendancy," Chinese offer Russians such a strategic form of cooperation as

"... the integration of northern-eastern provinces of China with Siberia and the Far East. The Chinese propose to lease to Chinese peasants ploughed fields, pastures, reservoirs, farms, forests, issue licenses to explore seafood products in the Far East. For all this, they say that, within the frame of the cooperation, 'the might of Siberia will grow by China, and of China, by Siberia . . ." ("Geopoliticheskiye aspekty modernizatsii Rossii i kitaiskiy vyzov" [Geopolitical Aspects of the Modernization of Russia and the Chinese Challenge], 2005).

In this respect, Chinese strongly "encourage" Russians to allow larger Chinese migration to Russia by asserting that

"[a]lthough the number of Chinese migrants in Russia is growing, but actually such a growth already does not meet the requirements of the socioeconomic development of regions remote from the center of Russia. The number equals to 1/10 of real Russian needs in labor force" (Baimukhambev, May 7, 2007).

- 147 It appears that in its anti-American stance, by selling modern weaponry to China, Russia wants to commit suicide. That is the way the Kazakh leadership, for instance, sees the weaponry trade between the two countries (V. Naumkin, "Russian Policy Toward Kazakhstan," in *Thinking Strategically. The Major Powers, Kazakhstan, and the Central Asian Nexus*, ed. by R. Legvold, Cambridge, Massachusetts: American Academy of Arts and Sciences, 2003, p. 44).
- 148 "Much in Sino-Russian relations will depend on what happens in the United States" (Quested, 1984, p. 166).
- 149 Keenly aware of Russia's apprehension of its economic and military ascendancy, China, therefore, is very suspicious about American movements close to its border in Afghanistan as indirectly helping Russia. For this, see, for instance, R. Legvold, "U.S. Policy Toward Kazakhstan," in *Thinking Strategically. The Major Powers, Kazakhstan,* and the Central Asian Nexus, ed. by R. Legvold, Cambridge, Massachusetts: American Academy of Arts and Sciences, 2003, p. 102.

On the other hand, China cannot but be grateful to the United States for its support for the independence of former Soviet Central Asian republics, which objectively even further weakens Russia, while at the same time "contributing to the stability and security of China's Northwest region" (Xing Guangcheng, "China's Foreign Policy Toward Kazakhstan, in *Thinking Strategically. The Major Powers, Kazakhstan, and the Central Asian Nexus*, ed. by R. Legvold, Cambridge, Massachusetts: American Academy of Arts and Sciences, 2003, p. 108).

150 Geopolitical analysis in the United States is split in its attitude to the Russo-Sino relations. Some think that it is in the interests of the country to rebuild the Russian economy in Asian Russia and, thus, to strengthen Russian sovereignty there. But

"[t]his point of view is opposed in the United States by a different current of political analysis that views the geopolitical model of the 21st century as a sort of condominium of two superpowers—the United States and a greater China. This view believes that the United States should not get in the way of China's move to increase its zone of influence on the Asian continent" (Piontkovsky, August 24, 2002).