History-economic development between Republic Kazakhstan and the Chinese National Republic in the XXI century

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Abstract. Creation right at the beginning the twenty first century (June 2001) the Shanghai Organization of Cooperation which has come in the stead of "the Shanghai Five», marks itself a new mark in relations between China and the countries of the Central Asia. From the organization which has been originally created for the decision of especially frontier questions, including border demilitarization between China, Russia and three central-Asian countries (Kazakhstan, Kirgizstan and Tajikistan), having the general border from the Peoples Republic of China, had been created the organization which purpose is not only the permission of frontier questions, but also development economic, political and a cultural contact, and also coordination of efforts in fight against terrorism business. Ethnic relations of Kazakhstan and Kazakhstan in China also can promote strengthening of these communications. Opening of a railway route between Almaty and Urumchi has opened to Kazakhstan access to seaports in the Chinese province Liaoning for trade with other world. Investments of China into oil projects in the west of Kazakhstan also promote strengthening of economic presence of China in Kazakhstan.

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Introduction

Economical upturn in China became one of the most important events in the world at the end of the last century. Within 30 years of system-structural and social and economic transformations in the context of socialism with Chinese specificity the People's Republic of China (PRC) has achieved massive success in socio-economic development and has created a highly competitive economy, which even in conditions of global crisis provides high rates of economic growth. On this round of development when many countries get in the way of modernization and reforms, specific experience of China attracts attention not only by virtue of its peculiarities, but also by virtue of preliminary results of modernization, which has put this state to the first five of world leaders on many indicators. The experience of conduct of policy of modernization in the PRC causes the huge interest based on real achievements of China within the shortest time, even by historical standards, in the context of comparison of Chinese model with reforms in countries of the former Soviet Union and other states. In the premises, it may be said that theoretical and practical relevance of research of the PRC modernization consists of possibility for scientific and public institutions, departments to use its conclusions and proposes in order to increase efficiency of economic transformations and foreign economic policy of developing countries. In our opinion all this is related to the fact that its model of modernization and development is more adapted to the solving of problems of developing countries, than models imposed by the West and practiced in the developing world.

Many scientists and researchers raise a question as to whether it is possible to use Chinese experience at carrying out of nation-wide reforms in other countries of the world. Thus, opinions are completely different on this point – beginning with recognition of the need to use this experience, especially in economic area, up to complete negation of possibility to use it due to differences in social and economic life, in political system of different countries, etc. In our opinion, studying of modernization process in the PRC should not be limited by the description of procedure for its carrying out, but should include search of a set of unified approaches applicable as a whole and for other states, getting in the way of modernization and reforms, which, no doubt, are available. Discovering the essence of social and economic processes in modern China, we dare to hope on formation of adequate ideas about the Chinese experience of reforms and its application in the Republic of Kazakhstan, as well as in many other developing countries.

Kazakhstan and China are investing in the longterm friendship and comprehensive policy, based on commerce and transnational security interests of both countries [1]. If we want to understand better the

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modernization of China, we should consider it as a process, process of changes, long term transition from one position of society to another one. In the relation to the modernization of China, this is the process of transition from the traditional agricultural society to the modern industrial society. Pluralism allows various ethnic groups to follow their own social system and maintain their own characteristics. It implies mutual interdependence, respect, and equality [2]. More than 20 years of diplomatic relations between China and Kazakhstan, the further deepening of relations with China on the principles of equality, mutual benefit and respect.

At the same time, we should take into consideration that the modernization of China occurred in certain environment not similar to the western. In spite of the fact that idea of progress is put today into question in number of concepts, the progress of China and, partly, India, bring changes in theoretical positions of those, who got used to associate the progress only with the development of the West. The concept of progress, in general, affirmed as derivative from western concept of progressive advance. It assumes a development of mind and freedom, production and material resources. But today progress gains civilization dimension, which rejects consistent model and universalization of anybody's experience, including western. As one of inseparable components of progress, the concept of "modernization" is a very popular term, widely used in different contexts and allotted with different meanings. For example, for residents of developed countries the modernization is associated with innovations and leadership, and for residents of developing countries - aspiration to achieve world level of development. For average citizens the modernization is an achievements, development, "the last word in science and technology", and for officials of the country is an urbanization, informatization and even national goal. Scientists by it mean various phenomena, global movements, subjects for researches and theoretical reflections [3]. When we are talking about the concept of "modernization" in China, many people consider it as a new concept. It is wrong. The period of transition of China to the modern times, its intensive modernization in scientific literature is dated to the first half of the XX century – 1900-1950. This is the time of Chinese establishment of modernity. Chinese state of this period is considered as a subject of liner development of the country, millennial history of China, during which the specific Chinese identity had been forming. In 1975 the prime-minister Zhou Enlai used this concept in his report, and called Chinese government to realize "Four modernizations" in the field of industry,

agriculture, national defense, science and equipment. After the end of the Cultural Revolution, China began to use the concept of modernization again as the slogan and as tasks, which should be achieved [4]. The theory of socialism construction with Chinese specificity was declared as the official ideology in the PRC during the transformations of the state scale. The policy of reforms has received a name, fixed in Constitution of the PRC – "socialist modernization": "Our country is at the initial stage of socialism. The main challenge for the nation is a concentration of efforts focused on the socialist modernization according to the theory of socialism with Chinese specificity" [5]. This path was present in China in the XVII century, and it is the one realized there nowadays, according to Arrigi's statement. He says, that, if China does not develop capitalism, it will not mean, that it has developed socialism. And in case it still builds up socialism, this will not mean that it has developed capitalism [6].

Economy modernization as the basic motive power of progress of the country is a priority direction of development in the Republic of Kazakhstan. So the example of successful development modernization processes in China can be rather useful to use in working out of the Kazakhstan national reforms [7]. Successful development of modernization processes in the People's Republic of China it is useful in carrying out national internal reforms. The understanding of specifics of political culture of China will create favorable conditions for further mutually beneficial relations between the People's Republic of China and Kazakhstan. The Chinese National Republic confirms support of the introduction of Republic Kazakhstan in the World Trade Organization, will promote deliveries of Kazakhstan production to the Chinese market and creation of favorable conditions for attraction of the Kazakhstan investments into economy of China [8].

Methods

Currently practical cooperation between China and neighboring countries in East, Central and South Asia is rapidly developing, the Shanghai Cooperation Organization, the Free Trade Area between China and ASEAN, the mechanism of trilateral cooperation among China, Japan and South Korea, as well as other multilateral formats are growing rapidly. Asia-Pacific has become an important engine of global economic recovery region for its rapid development. We can say that China's rapid development is significantly contributing to the overall prosperity and progress of its neighboring districts. During the implementation of the Chinese dream, we will continue to push forward the cooperation with our

neighbors in trade, economic, financial, energy, transport, communication and other areas, so that China's development will benefit its neighbors, and their people will feel the real benefits of joint development.

Kazakhstan is a good neighbor and a comprehensive strategic partner of China. A high level of political trust is maintained between our countries, there are profound traditional friendship and broad prospects for cooperation. China is willing to continuously expand the scope of cooperation, to raise the level of cooperation and to disclose potentials in the spirit of equality, friendship and mutual benefit with Kazakhstan partner. Let us together make unremitting efforts for the implementation of a common dream of China and Kazakhstan on the development of our countries.

The creation of the Shanghai Cooperation Organization (SCO) in the early twenty-first century (June 2001), which replaced the "Shanghai Five», marks a new milestone in the relations between China and Central Asian countries. An organization, which was originally developed to solve purely border issues, including demilitarization of the border between China. Russia and three Central Asian countries (Kazakhstan, Kyrgyzstan and Tajikistan) which have a common border with China, turned into an organization, whose purpose is not only to solve border issues, but also the development of economic, political and cultural ties, as well as the coordination of efforts in the fight against terrorism. The entry of Uzbekistan, which is undoubtedly one of the key countries in Central Asia into this organization gave a new round to its development, and in general to further development of relations between China and Central Asian countries. The purpose of this article is to show the possible development of relations between China and Central Asian countries in the twenty-first century.

It becomes obvious that with a reasonably fast growing of the economic power of China its impact eventually will spread to nearby regions, including Central Asia.

The main part

Economic growth will provide China with the necessary financial resources to expand their influence in Central Asia. Primarily, this will affect the energy sector, where China is already creates joint ventures very successfully. Thus, according to the vice-president of the Chinese Institute of International Relations Chi Tse, the cooperation in the energy sector is the starting point of the Chinese expanding cooperation in the economic and trade areas with the countries of Central Asia [9].

It is most probable that the Central Asian countries, directly bordering China, especially Kyrgyzstan and Tajikistan, can eventually get into the Chinese sphere of influence. This is already evident in Kyrgyzstan. For example, in 1994 China was the largest export market and the second import market for Kyrgyzstan [10].

According to some experts, in the coming years, China will dominate in the Kyrgyzstan economy, if we will consider informal ("shuttle") trading, which is based on barter deals [11]. China also provides Kyrgyzstan with ways to travel to seaports in Pakistan through the Karakorum Highway [12]. The recent renaming of Lenin Square into the area of Deng Xiaoping in Bishkek, the capital of Kyrgyzstan, indicates that the economic impact is followed by a widely spread political influence of China.

Economic relations between China Kazakhstan will inevitably develop. Kazakhstan today is the largest trading partner of China in Central Asia and the second in the CIS, with a sales turnover of more than 1 billion 500 million dollars annually. Ethnic relations of the Kazakhs of Kazakhstan and the Kazakhs in China may also help to strengthen these ties. The opening of the railway route between Almaty and Urumqi has opened an access for Kazakhstan to seaports in Liaoning Province of China, for trading with the outside world. China's investment in oil projects in western Kazakhstan also contributed to increasing the economic presence of China in Kazakhstan. Therefore, the economic role of China in Kazakhstan is not limited to trade. China has made significant investments in the energy sector of Kazakhstan and provided Kazakhstan with an access to seaports for international trade, not controlled by Russia.

The Republic of Kazakhstan welcomes the active participation of China in the process of industrialization and infrastructure construction in the framework of the Strategic Development Plan of the Republic of Kazakhstan until 2020. The parties will launch the implementation of the cooperation in high technology-intensive and energy-saving technologies. The two parties will consider the possibility of joint construction and other projects of industrial parks in Kazakhstan.

Cooperation in the transport sector will be developed between the two countries, to implement projects linking and connecting highways in the region. The Chinese side actively supports the implementation of the railway project "Astana-Almaty". The Chinese side also actively supports the implementation of projects for implementation of the international transport corridor "Western Europe-Western China" and the connection of the railway part "Jinghe-Yining-Horgos" in China with a part of

the railway "Zhetygen-Horgos" on the territory of Kazakhstan.

The parties support the development of the cooperation in science and technology will intensify contacts between research institutions, to cooperate in studying new technologies and their application in production, to explore the possibility of establishing joint science and technology parks in the territories of the two countries and the supercomputer center in Kazakhstan. The parties support contacts and cooperation between aerospace state agencies and companies.

The parties recognize the importance of expanding and deepening the cooperation in the agricultural field to ensure food security of the two countries. They support cooperation between the companies of the two countries in the implementation of projects in the field of agriculture, as well as cooperation in the export of Kazakhstan grain to China and its transit through the territory of China. The Parties welcome the development of the companies of the two countries, and their cooperation in producing phosphate fertilizers.

Summary

The Parties underline the importance of developing of regional cooperation. The Parties will promote the development of cross-border trade, the establishment and increasing of the role of China-Kazakh International Center for Transfrontier Cooperation "Horgos" as a key regional trade and economic "hub."

They appreciate the achievements of the two states in cooperation in the protection of the environment and they note, that the signed agreement between the Government of China and the Government of the Republic of Kazakhstan on the protection of water quality in transboundary rivers in February 22, 2011 and the Agreement between the Government of China and the Government of the Republic of Kazakhstan on cooperation in the field of environmental protection in June 13, 2011 are very important achievements in the field of environmental protection, especially in water quality insuring in transboundary rivers. [13]Sides will make joint efforts to ensure the central role of the United Nations / UN / in the world community fight against terrorism and opposition to other new challenges and threats.

The Parties express their satisfaction in the cooperation between border crossing points and in customs affairs. For further promotion of bilateral and regional trade and to create a favorable trade-economic environment the parties will expedite the improvement of legal documents, related to border

crossing points, they will continue to strengthen the construction of infrastructure in border crossings and will thoroughly promote the cooperation in this field.

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