THE ECONOMIC BELT OF THE SILK ROAD: OPPORTUNITIES AND RISKS FOR KAZAKHSTAN

Key words: the Economic belt of the Silk Road, EBSR initiative, digitalization of the Silk Road, interface with the EAEU and the SCO, risks, environmental threats, regional cooperation.

The initiative "Economic belt of the Silk Road" (henceforth referred to as the initiative or EBSR), voiced by the Leader of China Xi Jinping, touches the prospects of economic development of the whole subcontinent - Eurasia [1].

The long-term, large-scale and conceptual nature of the initiative is confirmed by the fact that in 2015 the State Council of the People's Republic of China (CPC) decided to issue a document entitled "Excellent prospects and practical actions for the joint creation of the Economic belt of the Silk Road and the Silk Road of the XXI century" for the implementation of the strategic concept "One belt - one way", which united EBSR and the Silk Road of the Sea [2].

This document declares that EBSR is open to all countries, international and regional organizations, and also creates the basis for economic cooperation between the PRC and interested countries. It is assumed that the main routes of EBSR will be from China:
- through the Central Asia region, Russia to Europe (to the Baltic Sea);
- through the Central Asia region and West Asia to the Persian Gulf and the Mediterranean Sea;
- to South-East Asia, South Asia, to the Indian Ocean [2].

The initiative is designed for several decades to come. At present, it represents one of the vectors of China's advance towards a new role of a global power. This should lead to the creation of a full-fledged free trade zone from the north-western provinces of China, Central Asia to Central and Eastern Europe.

China is carrying out large-scale multidirectional work to support and promote the Initiative. So in 2016 a special Russian-language magazine "Silk Road-Revue" was founded, which is published once a month and informs about events, events that are somehow connected with the implementation of EBSR. Only one issue of this magazine for 2018 - contains more than 20 articles, materials on this topic. Pages of the magazine are provided to experts from countries passing through the territory of the Great Silk Road.

And the Boao Forum for Asia (Boao, Hainan Province), held in April this year, in which more than 2,000 delegates from around the world participated, issued the "Annual Report on the Competitiveness of Asia in 2018". The document notes that the "Belt and the Way" initiative has become the driving force of regional economic integration in Asia, within which regional economic cooperation is constantly growing. The initiative provides a large number of jobs and higher incomes, as well as creates favorable conditions for contacts and cooperation [3].

This indicates the objectivity of the Initiative, which emerged on the transcontinental level. EBSR develops, involving countries and regions, attracting the approval of international organizations and regional structures. Against this backdrop, we can highlight some of the opportunities and risks of Kazakhstan's participation in this initiative.

EBSR as a risk of increasing environmental threats. The implementation of the Initiative is a potential source of increasing environmental threats for the Central Asian region and, in particular, for Kazakhstan. Within its framework, "dirty" enterprises will be transferred outside China [4]. Environmental risks and threats are obvious and significant. Among them are:
– large growth in traffic volumes and construction of infrastructure;
– export of environmentally harmful production from the territory of China to other countries, including Kazakhstan;
– exclusion and active exploitation of land, water and other types of natural resources.

The first threat is associated with the expansion of traffic flows EBSR. For highways, the large-scale construction of railways will lead to a significant deterioration of the environment of the countries participating in the project.

The next threat - the export of "dirty" productions to transit countries, as a result, will lead to increased pollution of the environment. This threat should be balanced by the tightening of environmental standards and regulations based on the closure of such production and improving the management of the resources used.

The third threat, the alienation of land, water and other types of natural resources must be accompanied by purposeful efforts to increase environmental standards for the technologies and industries used, as well as compensatory measures for conserving the biological diversity of natural ecosystems [5].

Therefore, the Initiative identifies the need to develop measures and effective tools to reduce environmental threats. It is proposed to build objects of "green" low-carbon infrastructure to prevent the negative impact of EBSR projects on the environment and climate [2].

To reduce the impact of environmental threats of EBSR in Kazakhstan, an important measure is the implementation of the Concept on the transition of our country to a "green" economy [6]. The concept is aimed at the effective use of natural resources and improving the welfare of citizens of Kazakhstan through economic diversification, the creation of renewable energy sources, environmentally friendly technologies. Improving the living conditions of citizens, strengthening the health of the nation and increasing the life expectancy of the population will be due to the improvement of the state of the environment. Kazakhstan has the image of a responsible member of the world community for sustainable development at the global and national levels thanks to the initiatives of the President of the country N.Nazarbayev to create institutional foundations for promoting a "green" economy in the Eurasian space [7].

**Information and digitalization of the Silk Road.** A good opportunity for Kazakhstan is the initiative proposed by the to promote the construction of a cross-border network of fiber-optic lines and other types of communication, to raise the level of international telecommunications for the construction of the so-called "Information Silk Road" [2].

The participation of Kazakhstan in this direction is objectively supported by the State Program "Digital Kazakhstan" (Program). It is aimed at including:
– acceleration of economic development;
– improving the quality of life through digital technologies;
– the creation of a digital economy in the future [8].

The Program provides for the direction "Digital Silk Road", which involves the development of a high-speed and secure infrastructure for the transmission, storage and processing of data.

The implementation of the "Digital Silk Road" involves two initiatives: 1) expanding the coverage of communication networks; 2) increased cybersecurity. The first is planned to conduct broadband Internet access to the villages, develop a new generation mobile infrastructure and modernize the satellite system. To strengthen cybersecurity, the Program envisages the creation of an institutional structure, including a coordination center and three laboratories.

In rural areas, the Internet will be conducted through fiber-optic communication lines. They will be built within PGPs in more than 1,000 rural settlements. More than 2 million people can use communication services, in state agencies and budgetary institutions. In addition, the adoption of standards for a new generation of mobile communication 5G will provide additional opportunities for the development of the "Digital Silk Road" [8].

It is expected that the Program, during its implementation until 2022, will provide a tangible impetus for technological modernization of the country's leading industries, will create conditions for large-scale and long-term growth of labor productivity. EBSR will become a driver of development, providing technological modernization of the country's leading industries and creating conditions for large-scale and long-term growth in labor productivity.
Pairing EBSR with the Eurasian Economic Union (EAEU) and the Shanghai Cooperation Organization (SCO). The One-Way, One-Way Initiative stimulates the docking of the country's development program and their cooperation and enables the creation of new forms and channels of international cooperation and a new model of global governance [7].

As part of the effective cooperation mechanisms of the Initiative, it is envisaged to strengthen and take advantage of the multilateral mechanisms, to which the SCO primarily refers [2]. Here it is necessary to distinguish the following:

1. The SCO promotes the cooperation of member countries in the areas of trade, finance, investment, infrastructure, and energy. Work is underway to develop the transport infrastructure and mutual trade, which are priorities in EBSR.

2. The SCO countries have the necessary factors for economic growth - raw materials, skilled labor, and technology. They also occupy a convenient geostrategic position with respect to existing and promising ways of world trade.

3. The SCO region is a huge and capacious consumer market, which includes three major economies of the world - China, Russia, and India.

4. Presence of institutional factors. At the summit of the heads of SCO member states in June 2017, new institutional opportunities for deepening trade and economic cooperation and strengthening the competitiveness of the region were examined to promote the economic growth of member countries.

In this regard, the SCO is an important element (platform) for the development of ESMP, strengthening of interaction and coordination of joint efforts.

As for the Unified Energy System, there is an increasing role in the development of the Eurasian continent. Experts from different countries are considering a good opportunity to interface it with EBSR. The agreement on this was achieved at the highest level. Let us highlight a number of aspects.

1. Prospects for bilateral cooperation in the framework of the EAEC interfacing with EBSR. So Kazakhstan is actively implementing the plan for the cooperation of the interface of the national program "Nurly Zhol" and EBSR.

2. The EAEC plays an important role in the development of the Eurasian continent. At the same time, the following conditions must be met for conjugation of EBSR and EAEC:
   A) Development of institutional support issues;
   B) Ensuring security and stability as key conditions for successful pairing;
   C) The development of humanitarian cooperation is one of the important priorities and elements of the foundation of EBSR. A striking example of this is the provision of annual government educational scholarships to students from countries passing along the "Belt and the Way" [3].

The conjugation of the EAEU and EBSR will contribute to the development of the process of the Eurasian partnership, open to interaction with all interested states and regional integration structures.

Summing up, it can be stated that the Economic belt of the Silk Road is an objective and evolving process, in which the current tendencies such as the digitalization of the Silk Road, interface with the regional blocks of the SCO and the EAEU are being formed. However, the impact of EBSR is also the reverse side - significant risks in the form of environmental threats.

In conclusion, I would like to note that the participation of the Central Asian countries, including Kazakhstan in EBSR, is objective. Therefore, it is necessary to continue work on the implementation of the Initiative and take advantage of the benefits of EBSR in order to promote the development of Kazakhstan's national economy, taking into account the trends and risks considered [9].

REFERENCES


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THE ECONOMIC BELT OF THE SILK ROAD: OPPORTUNITIES AND RISKS FOR KAZAKHSTAN

Аннотация. Макалала Казахстанның Жібек жолының экономикалық белдеуіне катьсуымын байланысты пайда болатын жаңа ұрыс тарықты жаңылықтарды. Шығу және ЕАЭС сияқты кәріб ұрысдардың ара катьсасы және халықаралық міндеттіліктің әр түрлі қатынастары пайда болуы таңдағанды. Казахстанның Жібек жолының экономикалық белдеуіне қатысуымын пайдалы жақтары, муғміндіктері және теуексперті жаңы әмінекіліктер әнімділігі.

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ЭКОНОМИЧЕСКИЙ ПОЯС ШЕЛКОВОГО ПУТИ: ВОЗМОЖНОСТИ И РИСКИ ДЛЯ КАЗАХСТАНА

Аннотация. В статье рассмотрены некоторые значимые аспекты и возможные подходы участия Казахстана в инициативе Экономического пояс Шелкового пути. Проанализированы формирующиеся и актуальные тенденции Экономического пояса Шелкового пути, такие как цифровизация Шелкового пути, сопряжение с ШОС и ЕАЭС. Определены благоприятные факторы, возможности и риски участия Казахстана в ЕПШП.

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