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INSTITUTE OF INTERNATIONAL RELATIONS



MATERIALS
OF THE INTERNATIONAL CONFERENCE

"INTERESTS OF UKRAINE IN ASIA"

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Welcoming speech of Prof. Valerii Kopiika, Director, Institute of International Relations of Taras Shevchenko National University of Kyiv

Excellences, distinguished guests and colleagues!

The Institute of International Relations is happy to welcome all of you today for the very important discussion – Interests of Ukraine in Asia. We live now in a vulnerable world with rapid changes and new challenges. In this changing scenario one trend should be examined separately, and it is a “Rise of Asia”.

21-st century is widely recognized by international relations' scholars as "Asian Century," because of many factors - geopolitical position, resources, demography, a rapid economic development, rise of military potential and technological evolution. Asia is actually reinventing itself into very powerful actor in global stage, and it happened over the last two decades under the process of globalization.

As Asia is understood as the center of gravity of the global economy and politics, many Western states already adopted “The Pivot to Asia” strategy. Ukraine, being the biggest European state, at the same time could not stay away of this global trend and also should pay more attention to relationship with Asian nations.

So, the main objective of our conference is to rise the interest of deeper and constant research of Asian states policy, economics and international conduct, to attract the attention of state officials and to launch new mutually beneficial projects.

With the aim to provide some precise steps and present our vision we would like to discuss the possibility to set up a Center on Asian Research at the Institute of International Relations. The reason is the increasing interest to this part of the world from both among the professors and students. Also, it is important to notice that our students have many options to learn different languages, among them Chinese, Turkish, Arabic, Hindi, Japanese and others.

We are grateful to the Embassies of many Asian countries for their support and really appreciate the possibility to provide the exchange and to send our students to the partner universities in India, Iran, Pakistan and Kuwait. Some other options are under discussion

Our understanding is that the establishment of Asian Research Center will promote more active diplomacy towards close collaboration with Asian nations. Today we hope to discuss different areas of this cooperation and to listen to high representatives of Asian states in Ukraine. ***I wish the event all the success and fruitful results!***

TURKEY-UKRAINE RELATIONS: TIKA AS A DETERMINANT

Dr. Erman Akilli,

*Assist. Prof., International Relations Department
at the Ahi Evran University, Turkey*

After World War II, the definition of relations between nations began to change; in a bipolar world, interdependence reigned over the inter-state interactions. Meanwhile, thanks to ‘the Marshall Plan’ implemented by the USA, the concept of ‘foreign aid’ turned into a tool of diplomacy for many states. At that time, very first applications of the concept of ‘foreign aid’ envisaged direct financing of underdeveloped or developing countries by developed ones. Over the years, the concept of ‘foreign aid’ has evolved and diversified in terms of content and the number of aid providing countries. After the collapse of the USSR, many opportunities have emerged for Turkey’s foreign policy, with the new independent Turkic states becoming its destination. Thus, Turkey founded TIKA in order to seize this opportunity through providing technical assistance primarily to the new independent Turkic states of the Central Asian and South Caucasian regions. Later on, in line with the developments both in domestic politics and in the international arena, Turkish foreign aid has extended to other countries from different parts of the world. Undoubtedly, it is clear that TIKA’s uniqueness and its having a pivotal role in Turkish foreign policy have been rooted in the concept of ‘soft power’. This paper seeks to examine TIKA’s activities in Ukraine and its impact on Turkey-Ukraine relations.

“THE ASIAN CENTURY”: PROSPECTS FOR UKRAINE

Dr. Olena Bordilovska,

*Associate Prof., Institute of International Relations,
Taras Shevchenko National University of Kyiv*

Since the very beginning, the 21st century has been a period of extremely high volatility, in which humanity faces great challenges. Many scholars argue that in the age of waning dominance of the super power, the “rise of others” becomes one of the most important global trends in world politics. Among “others” we should obviously mention great Asian nations, first of all China and India – the locomotives of “the Asian century”, demographic and economic giants and old civilizations. The dramatic rise of these two countries among others has set a stage for fundamental rethinking of world politics. Not only India and China, but many other Asian countries demonstrate an extremely high economic development and

impressive social changes. As the most famous promoter of the idea of “the Asian century”, well-known scholar from Singapore Kishor Mahbubani pointed out, “that is a good reason to undermine orientalizing of the global order as one of the most important trends in current changes”.

Since globalization changed the world both economically and politically, the Asia-Pacific is understood as the center of gravity of the global economy and politics. It is also the locus of political contention between the old Western order and a new emerging one where smooth evolutionally transition from uni-polarity to multi-polarity could be visualized.

The Asian Century scenario extends Asia’s past success into the future and puts it on the cusp of a historic transformation. It assumes that Asian economies can maintain their momentum for another 40 years and adapt to the shifting global economic and technological environment by continually recreating their comparative advantages. In this scenario, Asia’s GDP (at market exchange rates) would increase from \$17 trillion in 2010 to \$174 trillion in 2050, or half of global GDP, similar to its share in the overall number of global population.

With a per capita GDP of \$40,800 (PPP), Asia in 2050 would have incomes similar to Europe’s today. Asia’s march to prosperity will be led by seven economies, two of them already developed and six fast growing middle income converging economies: PRC, India, Indonesia, Japan, Republic of Korea, Thailand and Malaysia. These seven economies had a combined total population of 3.1 billion (78 percent of the total number in Asia) and GDP of \$15.1 trillion (87 percent of Asia) in 2010. According to the Asian Century scenario, their share of population by 2050 would be 75 percent and their GDP would be 90 percent of all of Asia. They alone will account for 45 percent of global GDP, with their average per capita income being \$45,800 (in PPP) compared with \$37,300 for the world as a whole.

Crucial for an increased regional cooperation is a strong political leadership. Building Asia’s regionalism will require collective leadership that recognizes a balance of power among participants. It is well known from the previous history that Asian nations have really good traditions of collaboration, and they can teach the world how to combine the national interests’ protection with the intention to build a secure environment – under principles of peaceful co-existence and mutually beneficial cooperation. Public diplomacy and soft power of Asian powers has already become a sort of effective mechanism of international conduct, and prospects for further influence in global fora look very optimistic.

Demography and geopolitics, rich natural resources, rapid economic rise, success in modern technology development, active diplomatic efforts in global stage are the shaping factors of “Asia’s return”. The world was waiting for this process, and since the beginning of the 21st century “Pivot to Asia” has been proclaimed as a trend in eminent global actors’ foreign policy, from the EU to the US and Russia. Ukraine is still in her turning point to realize the prospects of Asian direction.

ASIAN WAY OF POLITICAL DEVELOPMENT: EXPERIENCE FOR UKRAINE

Dr. Pavlo Bovsunivskyi,

Associate Professor, Department of Regional Studies of Institute of International Relations, Taras Shevchenko National University of Kyiv

The main trend of Ukraine's political development is the fight against corruption which is considered in society as the biggest barrier to economic and social advancement of the country. Despite Ukraine's orientation towards the West and our European aspirations, it is the anti-corruption experience of Asian countries that best fits Ukrainian realities.

The first is the case of South Korea where former President Park Geun-hye was recently sentenced to 24 years in prison on corruption charges. By the way, Park Geun-Hye secured the largest vote share of any candidate in the democratic era during election in 2012. Park, the daughter of late dictator Park Chung-Hee, was arrested amid anti-corruption struggle in Asia's fourth-largest economy, where politics and big business have been closely tied for years. She was impeached by parliament in December 2017 and then sentenced as a result of the scandal combined with mounting economic and social frustrations that triggered huge candlelit demonstrations.

Last month, Lee Myung-bak who was president from 2008 to 2013 was taken to a prison in Seoul after the court issued an arrest warrant. He is accused of taking bribes from Samsung to the sum of nearly \$6 million in exchange for a presidential pardon for Samsung Chairman Lee Kun-hee who was in prison for tax evasion and stock fraud. It is alleged that this money was used to pay legal fees for DAS, a car-parts manufacturing firm owned by Lee's brother.

Thus, Lee Myung-bak became the fourth leader to be arrested in South Korea. In addition to Park Geun-hye and Lee Myung-bak, the punishment was inevitable for Roh Tae-woo and Chun Doo-hwan who were later separately charged with mutiny and treason for their roles in the 1979 coup and the 1980 Gwangju massacre. Both were convicted of treason, mutiny and corruption in August 1996; Chun was sentenced to death and later commuted to life imprisonment, while Roh's 22 years of jail sentence was reduced to 17 years on appeal. Both were released from prison in December 1997, pardoned by then-president Kim Young-sam.

The second case which has something to do with the events in Ukraine is Indonesia's experience of establishing an anti-corruption institution and its successful operation. Indonesia's Corruption Eradication Commission (Indonesian: Komisi Pemberantasan Korupsi), abbreviated as the KPK, is a government agency set up to fight corruption after the President Suharto's 32-year-long kleptocracy. Since it was launched in late 2003, the commission has investigated and prosecuted, achieving a 100-percent conviction rate in 86 cases of bribery and

grafts in government procurements and budgets. The work of the KPK is a source of continuing controversy in Indonesia. The commission is accused to be quite aggressive in pursuing high-profile cases, but NGO activists often urge the KPK to be more aggressive in its work. The similarity with Ukraine is displayed in the tensions between the KPK and the Indonesian National Police. Some high-profile investigations carried out by the KPK focused on allegations of corruption at senior levels of the police. In Ukraine, we also have conflicts between law-enforcement authorities, like National Anti-Corruption Bureau, Specialized Anti-Corruption Prosecutor's Office and General Prosecutor's Office in the situation where the establishment of Anticorruption Court has been held back by Ukrainian authorities, despite the demands from the IMF and EU. That's why Indonesian experience is quite essential for Ukraine and should come under study.

The third case is one that I want to draw your attention to. India Against Corruption (IAC) is an anti-corruption movement in India which was particularly prominent during anti-corruption protests in 2011 and 2012 in the wake of the introduction of the Jan Lokpal bill. A Lokpal is an anti-corruption authority or ombudsman who represents the public interest. The Lokpal and Lokayuktas Act was passed with amendments in the parliament in 2013, following the rise of Jan Lokpal movement led by Anna Hazare. The Lokpal is responsible for enquiring into corruption charges at the national level while the Lokayukta performs the same function at the state level. The establishment of anticorruption institutions in India became possible due to active social movement of civil society, which is a good example for Ukrainian people of how to lay an effective pressure on officials.

EMERGING TRENDS IN INDIA-UKRAINE RELATIONS: MAJOR CONVERGENCES AND REFLECTIONS

Dr. Seshadri Chari, Member, RIS Governing Council (Research and Information System for Developing countries), India

Ukraine attained political independence on August 24, 1991. As an independent sovereign country, Ukraine began the process of initiating and developing diplomatic relations with all the leading nations of the world. Almost 24 years later Ukraine had to witness a second struggle of independence in February 2014.

India attained political independence on August 15, 1947. In 75 years India has established itself as a leading nation through its strong democratic tradition, third largest economy in the world and a pioneer in world peace. Both India and Ukraine have a great role to play in the emerging geo political scenario. The socio-politico-economic aspects of the world have been undergoing constant changes and the transformation has been rather very rapid. As developing economies, both India and Ukraine have a seminal role to play in forging effective partnership for peace, progress and prosperity.

Ukraine has proved that policy reforms and economic growth under challenging circumstances is possible. Developments since 2014, albeit slow, have been hopeful. For both India and Ukraine, national economy is important but not enough to set as long term goal. We need to recognize the fact that we have a responsibility to develop not as growth islands but aim towards collective and sustainable growth through effective bilateral and multilateral partnerships.

The next few decades of this Century promises to be Asian Century, signaling the shift of economic clout from the West to the East stimulating major regional economies. India, one of the most prominent emerging economies which has attracted much recent global attention, is sharing its expertise and development experience with other developing countries in the bilateral, regional or multilateral framework.

Both India and Ukraine have an ancient historic background with deep roots in civilizational ethos yet are very modern countries committed to world peace, regional development and bilateral national interests. Our strength lies in working together and growing together.

THE ASSESSMENT OF A CURRENT STATE AND PROSPECTS OF UKRAINE-KAZAKHSTAN RELATIONS

Oleksandr Halona,

Ph.D. student,

Institute of International Relations, Taras Shevchenko National University of Kyiv

The topicality of the problem is caused by the important place Kazakhstan occupies among the foreign partners of Ukraine and by Ukraine's bid to develop comprehensive relations with this Central Asian country. It is also determined by the expediency of finding out prospective opportunities for further deepening of mutually beneficial Ukraine-Kazakhstan relations.

Ukraine-Kazakhstan relations are characterized by a consistent and systematic development of an equal and constructive dialogue at all levels concerning the whole complex of issues of common interest.

Ukraine and Kazakhstan are interested in establishing and developing an effective cooperation, which is confirmed by a significant legal basis between our countries in political, economic, security, humanitarian and other spheres during the post-Soviet period.

Bilateral relations between Ukraine and the Republic of Kazakhstan traditionally have been friendly throughout the period of independence and characterized by the mutual respect and goodwill, as well as transparency and mutual support at the international level. This has been conditioned by the common historical past, the similarity in social and economic transformation, stable cooperative relations between the enterprises of both countries and close human contacts. It is important for Ukraine that the status of Kazakhstan as a regional

leader, in conjunction with the European prospects of Ukraine, unfolds new opportunities for stepping up the bilateral cooperation between two countries in different spheres, as it is an important component in the realization of the strategic interests of Ukraine in the region of Central Asia [1, p. 222].

In 2006 the NISS experts noted that Ukraine faced the challenge of developing a pragmatic and differentiated approach to building relations with the countries of Central Asia. In this context, it described Kazakhstan as the most "pro-Western" among the Central Asian states, particularly in terms of its applying approaches that are typical of western countries [2].

In 2013, in the analytical report "Eastern Vector of Strategic Partnership of Ukraine in the Global World", Ukrainian researchers emphasized: "In March 2008 during the visit of President V. Yushchenko to Kazakhstan in the course of negotiations it was stated that Kazakhstan was a strategic partner of Ukraine" [3, p. 114]. Also the authors of the report pointed out that Kazakhstan was a prioritized partner in Central Asia and that the cooperation between Ukraine and the Republic of Kazakhstan on international issues was constructive, namely due to similar positions of both parties on the new architecture of Eurasian security, nuclear disarmament and non-proliferation, the settlement of regional conflicts, the fight against terrorism, as well as development of bilateral trade and economic relations [3, p. 107].

The retrospective analysis of bilateral trade between Ukraine and Kazakhstan suggests that after the collapse of the USSR, there were certain fluctuations in the indicators of activity and cooperation between Ukrainian business entities and Kazakh partners, especially in the trade of goods. From the beginning of the 2000s to the present day, 2008 was the peak year when the total volume of export-import commodity transactions between Ukraine and Kazakhstan reached 4951.4 million USD. It should be emphasized that since 2012 there has been a steady tendency towards reduction of the total volume of foreign trade in goods between Ukraine and Kazakhstan, and in 2016 this rate was only 834.4 million dollars USD [4].

Recently Ukraine has taken steps to stir up the political dialogue and increase the volume of mutual trade with Kazakhstan. In this context, a number of working contacts between the President of Ukraine P. Poroshenko and top management of Kazakhstan have been established, including his official visits and meetings with the President of Kazakhstan N. Nazarbayev. According to the results of bilateral negotiations which took place during the visit of Poroshenko to Astana in October 2015, he noted that Kazakhstan is one of the close partners of Ukraine and that both countries have a huge potential for expanding bilateral relations in the economic, political, humanitarian, social and other spheres. The President of Ukraine stressed on the political dialogue between Ukraine and Kazakhstan and thanked the Kazakh side for its firm and unchanging support of the territorial integrity and sovereignty of Ukraine [5].

As for the constructive aspects of the collaboration of two countries in the leading international organizations, it should be noted that the agreements were

reached between the top leaders of both countries on the coordination of positions at the Security Council during the official visit of the President of Ukraine P. Poroshenko to Kazakhstan in July 2016 [6].

The active approach to promoting foreign policy of the presidents of Ukraine and Kazakhstan speaks much about their understanding of the importance attached to further deepening of constructive partnership, realization of the existing potential and prospective opportunities for cooperation between two countries.

To sum up, based on Ukraine's desire to develop relations with Kazakhstan and on the geopolitical realities in the Central Asia, in our opinion, there are prerequisites for the realization of Ukrainian interests within the framework of collaboration between our countries according to the principles of constructiveness, pragmatism and partnership, and also for the establishment of cooperative relations with other actors in Central Asia.

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ASIAN CENTURY AND THE INTERESTS OF UKRAINE IN ASIA: A PAKISTANI PERSPECTIVE

Prof. Dr. Nazir Hussain

*Director, School of Politics and International Relations, Quaid-i-Azam University,
Islamabad, Pakistan*

At the dawn of the millennia, the scheme of balance of power used to be highly Euro and American centric. This feature no longer holds true as the hegemony which was upheld by the Western entities was broken by the Asian prowess with the abrupt rise of China. In the contemporary global theatre, China is triggering a change as it has become a prodigious economic power which is at par with the West and might even surpass it in the coming years, despite the fact that it is claimed that its growth has become slow. It is more of a claim because it is seen from one perspective; the Chinese economy has become steady and not slow.

Another change which has occurred in the international arena and affirms the blitz of the Asian Century happens to be the geo-strategic and geo-economic importance of Central Asia. The region has acclaimed reserves of energy, petroleum and a desire to access the global markets that confirms its importance by the changing political atmosphere in the Central Asian Republics (CAR's). Furthermore, because of the inherent interests of foreign powers like Russia, China and the US, Central Asia has in a way become a turning point for the global politics. Then, there is Ukraine which seems to have become an ardent part of global affairs as well. Ukraine makes for the core of the pertinent Asian schema because it has interests regarding security, stability, economy and energy, which can be met if Ukraine is keen enough to forge ties with some Asian states that can benefit it and enhance its position in Asia as well. In this context the relations between Pakistan and Ukraine which are in the development stages need to be enhanced. Pakistan happens to be a state which has emerged as a significant power in terms of strategy, managing security and even trade and economy. Pakistan happens to be one of the fast growing economies in Asia. Moreover, Pakistan has also gained a new found relevance as it has become a core protagonist in terms of regional connectivity and implanting some important energy and trade corridors in not just South Asia but the entire periphery of Asia. Ukraine can benefit from these characteristics and can harness bilateral relations with Pakistan in order to become relevant to the Asian Century.

D. TRUMP'S ADMINISTRATION AND NUCLEAR PROBLEMS OF NORTH KOREA AND IRAN: UKRAINIAN PERSPECTIVE

Prof. Dr. Sergii Galaka, Professor at the Department of International Relations and Foreign Policy Country Studies, Institute of International Relations Taras Shevchenko National University of Kyiv

We live in very dynamic international environment. With D.Trump's election and new power status of the Chinese leader Si geopolitical situation became even more affluent.

Donald Trump's administration has placed nuclear problems of N.Korea and Iran among it's highest priorities. Facing regular missile and nuclear tests, the United States has taken rigid stand in 2017, after new president's inauguration.

During Winter Olympic games in S.Korea, N.Korean delegation led by Kim John Un's sister, met with S.Korean president and N.Korean athletes participated in the games.

After Olympic games D.Trump made a surprise announcement on accepting N.Korean leader's invitation to convene US-N.Korean summit.

Prospects and challenges of future developments involve fairly unpredictable style of D.Trump's foreign policy plus another closely connector problem – that of the Iranian nuclear program. In May, 2018 D.Trump has to support or reject the 2015 Iranian nuclear deal. In case President Trump rejects the 2015 Agreement, it might hamper talks with N.Korea and the prospect of the summit with N.Korean leader.

Another unpredictable situation may develop in case inter-korean summit fails.

The risk of escalation involves possibility of renewal of nuclear and missile tests by N.Korea and growing tensions with the USA. Further risk might develop "domino theory in action" situation with S.Korea, Japan, Taiwan etc. considering development of nuclear weapons.

Ukrainian position is determined by its decision to renounce nuclear weapons. Unfortunately, Budapest Memorandum, providing security assurances, proved to be not effective with annexation of Crimea by Russia. But Ukraine is keenly interested in preserving the nuclear nonproliferation regime.

THE COUNTRIES OF SOUTH AND SOUTH-EAST ASIA IN UKRAINE'S ASIAN STRATEGY

Prof. Dr. Pavlo Ignatiev,

Professor at the Department of Country Studies, Institute of International Relations, Taras Shevchenko National University of Kyiv

Despite a considerable distance, the countries of South-East Asia are of great interest for Ukraine in terms of trade interactions and economic reforms. Today Malaysia and Singapore represent unique cases of modernization and efficient campaigns against corruption. Singapore also operates the second busiest ocean port in the world after Shanghai, as well as the most efficient airport Changi. Malaysian company «Air Asia» is the best Asian low-cost carrier. Malaysia has also created from the scratch the world's third largest LNG capacity. The countries of ASEAN in general became the magnets for Japanese corporations switching energy-consuming production abroad. As a result, Ukraine imports Japanese electronic devices and office equipment made in the member-states of ASEAN. All those success stories can be a useful example for Ukraine in its quest for modernization. Moreover, excellent air connectivity with Ukraine, liberalized visa regimes and considerable number of UNESCO world heritage sites turn the countries of the region into promising partners in the field of tourist exchanges.

On the other hand, South Asia is the region with estimated 21 per cent of the world's population where India remains an undisputable leader. This country is a promising trade partner of Ukraine with respect to generic drugs, tropical fruits, basmati rice, spices, Assam and Darjeeling teas. Ukraine in its turn supplies India with sunflower oil and wheat and, as a net exporter of workforce, it is interested in learning more about Indian experience of regulation of remittances from diaspora, the measures that led to the development of a robust IT-industry, as well as strategic steps which helped to implement Indian economic reforms under the rule of Narendra Modi.

In times of rising protectionism in the USA, lasting tense relations with Russia and popularity of populists in Europe, Ukraine has to turn towards Asia where opportunities are manifold.

UKRAINE AND EURASIA INITIATIVE

Kan Den Sik,

Professor, Kyiv National Linguistic University

Today it is quite obvious that Ukraine may ensure a huge potential for economic development in the context of "Eurasia Initiative", since the Eurasian continent accounts for almost 40% of the world's land and 70% of the world's

population. Such major world economic powers as the EU, China, Russia, the Republic of Korea, India, etc. are all located here.

Geographically, Eurasia is a single continent, but despite this, it does not represent a single dynamically developing space due to ideological, geographical, political barriers, and even on the contrary, for many years it has been characterized by isolation, disunity of a number of countries and in some cases – hostility. The Republic of Korea that strives to unite the region has put forward a new national strategy called "Eurasia Initiative". This strategy is designed to turn Eurasia into a single creative and peaceful continent. To do this, it is necessary to create such a cooperative mechanism that would contribute to a vast economic community of Eurasian countries, covering Asia and Europe on the basis of three principles:

- the unification of Eurasia into a single continent;
- the creation of new markets and jobs on the continent through convergence of information and communication technologies of science with creative ideas of peoples, actively promoting primarily economic innovations;
- the promotion of peace and prosperity of Eurasia on the basis of trustful relations.

As it is known, the exchange of civilizations between the West and the East became possible largely due to the Great Silk Road. Therefore, it is not surprising that China and the RK are striving to create an intermodal transport and logistics network for more intensive use of railways, roads, sea transport and aviation. For this purpose, the AIIB (Asian Investment and Infrastructure Bank), initiated by China in 2015, plans to invest up to 50 billion dollars in the renovation of the logistic transport system connecting Europe and Asia. Today, despite the recession in the world economy, this strategy is the driving force of the economy for many countries in Asia and Europe. However, in the light of the disunity among countries, there are no mechanisms and institutions for regional cooperation, so this task will be important in the near future.

With its most favorable geopolitical location, Ukraine stands a chance to take part in "Eurasia Initiative". Participation in the Eurasia project allows Ukraine to open new and modernize existing transport networks, develop trade relations with many Asian and European countries, create opportunities for new investments and jobs.

Thus, Ukraine's active participation in "Eurasia Initiative" will allow to develop the following key industries:

1. transport and logistics;
2. information and communication technologies;
3. power engineering.

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CHALLENGES TO PEACE-BUILDING IN SOUTH ASIA: A ROLE OF INDIA

Dr. Nanda Kishor,

MS Assistant Professor (Senior Scale), Department of Geopolitics and International Relations, Manipal Academy of Higher Education, Manipal, Karnataka, India.

South Asia has always been an important geopolitical region for the debate and discussion in international politics. It is a realm of one of the oldest civilizations in the world where people of all races and religions have coexisted for a very long time. This layering of different cultures has given it a unique identity that is unparalleled anywhere else in the world. The region lacks a coherent thinking because of inherent contradictions and different objectives. The partition of India witnessed severe contestations since the birth of two modern nations in the form of India and Pakistan. Pakistan has followed the negative path to harm and destabilize India through different methods starting from insurgency, uprisings and sponsoring of terrorism. Terrorism has been a tool of Pakistan's foreign policy, and Pakistan itself has become a victim of its own state policy. Pakistan's influence has spread its tentacles across South Asia, be it Bangladesh or its use of Bangladesh and presently the radicalization in Maldives. Pakistan's support of terrorism has posed a challenge to peace and stability in the region. India's constant effort to promote peace and maintain stability has been constantly questioned by Pakistan which derails every peace process that has been initiated in the form of confidence building measures.

The paper seeks to analyze a number of questions including: a) the magnitude of the problem of terrorism in South Asia and its consequences; b) India's efforts since 1947 to bring peace and stability to the South Asia region (an assessment will be done on building blocks and challenges for India and its effort to bring peace and stability to the region); and d) the future trajectory of the South Asian region from the peace and stability perspective which would also form a part of the research.

THE IMPACT OF POLITICAL FACTORS ON CHINA'S INVESTMENTS IN UKRAINE

Roman Kolodii,

Master's Program student at the Institute of International Relations, Taras Shevchenko National University of Kyiv

China's investments in Ukraine have two basic traits: they are little and allocated predominantly in large infrastructure projects. According to the State

Statistic Service of Ukraine, as of the 1st October of 2017 China accounted for less than 0,2% of total equity investments made in Ukraine, reaching almost \$18 million [1][2]. The second feature is that large-scale infrastructure projects happen to be the most attractive area for Chinese investors. For instance, China Railway International Group agreed to help in construction of the fourth subway branch in Kyiv and the Podilsko-Voskresenskyi Bridge (\$1.1 billion) [3][4]. This and many other projects were widely highlighted in the Ukrainian media that created impression of the country's experiencing a surge in investments from China, which is, according to the empirical data, a delusion. And these inadequacies between perception and reality are caused mainly by political reasons.

Firstly, what impedes Chinese companies investing in Ukraine is unwillingness of the Ukrainian government to provide guarantees for the funds that the Chinese are poised to allocate for joint projects. If it does cover the risks for investors, it will take additional risks for itself as a government since it "will need to service those obligations" which will end up an extra-burden for the economy in crisis [5, p.1]. Since the government wants to stabilize the economy, it cannot afford taking too much risk since it may be suspected in ill-management of fiscal mechanisms. Moreover, the government does not want to lose trust of creditors or donors, namely the IMF, who encourage thrift in using the granted loans and disapprove of extending guarantees. Why? Firstly, they might assume that since government provides guarantees, it feels rather confident in its financial capacity and thus they might refuse to give loans in the future. Secondly, they could suspect the government of engaging itself in non-transparent actions, since guarantees are often regarded as the way to "subsidize beneficiaries and projects that governments favor" [5, p.2]. This rationale averts the government of Ukraine from granting guarantees to boost investments.

As for the approach of Chinese companies, they are still much more willing to invest if the government is ready to show its care for the participation of foreign entities in projects by invoking guarantees for them. It provides a security umbrella for an investor and assures that he will not lose from a deal. It is also much safer for Chinese firms to invest with the guarantees of host governments since as recent trends indicate, the Chinese authorities try to restrict an outflow of cash which takes place when China's home banks provide guarantees for the overseas deals of Chinese businesses [6]. Therefore, the way to compensate the lack of domestic outbound guarantees is demanding some from local governments where Chinese companies are set to invest. Hence, the inability of the Ukrainian government to make the political decision of providing guarantees for Chinese investors and the reluctance of the latter to allocate funds without risk coverage from the government largely contributes to the slight amount of China's investments in Ukraine.

The *second* reason behind such realities of Ukraine-China cooperation lies in the lack of political backing of joint projects which arises from the stagnation of inter-state political dialogue. It is important for Chinese businesses deciding to invest that the host country is on good terms with the Chinese government, which

is routinely manifested by vibrant political dialogue and humanitarian exchanges. In case of Ukraine-China relations, this ‘umbrella’ is hardly to be seen. Although there have been a number of economic fora and meetings between the middle-ranked executive officials from both countries, the potential of bilateral dialogue is still to be unfolded. There were no mutual state visits since 2013. The results of short meetings between Petro Poroshenko and Xi Jinping in January 2015 in Davos marked no breakthrough in negotiating the increase of China’s investments in Ukraine. This situation discourages the establishment of a solid political groundwork upon which countries could sign new agreements or renew some of the old ones and by doing so demonstrate mutual interest in helping businesses trade more and invest in greater numbers.

This is exacerbated by the fears of Chinese businesses concerning signing contracts with their Ukrainian counterparties that emerged after the failures of several big projects in recent years. The most recent case was when Ukraine’s state company Naftogas failed to submit projects before the deadline on the 25 June 2017, for which China Development Bank agreed in 2012 to grant it a credit worth of \$3.6 billion [7]. Such examples amounted to a bitter heritage of Ukraine-China investment cooperation which led to a rising distrust of China towards the Ukrainian government’s approach to management of Chinese investments. Chinese companies which cherish long-term relations, mutual trust and government-backed initiatives pay much attention to the precedents of failures of such projects and avoid engagement in investment activities until the signal comes from China’s government that ‘now our foreign partners are reliable’.

Thirdly, the reason behind the desire of Chinese companies to invest in big projects can also be better explained from a political, even geopolitical focal point. Since One Belt – One Road initiative is designed specifically to improve transportation across continents, China is more interested in building lanes and logistic hubs along the route to service massive exports it will dispatch to European countries and beyond. Ukraine can obviously help China facilitate its trade as a storehouse of materials or as a logistic hub [8], which we already can observe in reality. In May 2016 there was opened a new-built grain terminal in Mykolaiv, becoming one of the most advanced grain warehouses in the Black Sea [9]. As for the transit potential, in January 2016 the first pilot race of a container train took place between Ukraine’s Chornomorsk and Kazakhstan’s Dostyk in 15 hours, marking a faster pace of transportation of commodities [10]. As these facts suggest, it is the benefits which China’s businesses can yield from the geographical advantages of Ukraine that define the size of the projects they finance, with large ones being significantly prioritized due to the scale of profits they can ensure for Chinese investors at the end of the day.

Conclusion. In case of China’s investments in Ukraine, political factors play a much more important role than macroeconomic ones, since China’s investing approach prioritizes political background of relations with host countries over their macroeconomic situation. According to these findings, we may offer some recommendations for the Ukrainian government in order to improve the bilateral

investment agenda with China. *Firstly*, it is important to duly interpret geopolitical interests of China, in spite of their being rather painful for Ukraine. China tries to keep friendly relations with both the West and Russia, reaping most gains from interactions with two sides. But although it is highly unlikely that it would ever join sanctions against Russia, this geopolitical reality must cease to derail political cooperation between Ukraine and China, it should be left aside and the practical issues that are beneficial for both governments should guide our collaborative activities. *Secondly*, the Ukrainian government ought to pay much more attention to the projects with Chinese investments and provide if not guarantees, which it will quite reasonably abstain from offering, than surveillance or regulatory facilitation, so that they are successfully completed and do not add to the past heritage of failed big projects. It is crucial since creating successful precedents of cooperation will surely inspire new deals. *Thirdly*, Ukraine should make the most out of its being situated very close to the New Silk Road, since it would increase the profits of our country through attracting more resources from China. Chinese entities tend to generously invest in the countries along the route, so Ukraine's government should actively merchandise its advantages that could be targets of China's surging investments.

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THE GLANCE ON PROSPECTS OF OBOR AND 16+1 FROM KYIV

Olexiy Koval,

Ukraine-China Association, Member of Board

On all maps depicting "The Belt and Road Initiative", or "One Belt, One Road" (OBOR) initiative, Ukraine is indicated as a promising route for delivering goods from China to Europe. Due to its geographical position, Ukraine is a crossroads of land, air and sea routes between Asia and Europe, as well as between the South and North of the Eurasian continent. That is why the country can be a multifunctional link in the implementation of the OBOR initiative and can enjoy vast opportunities for economic cooperation with China under OBOR. China regards Ukraine as a participant of OBOR. On the 5th of December 2017, the Action Plan for Implementation of "Silk Road Economic Belt" and "The 21st Century Maritime Silk Road" was signed in Kyiv as a result of the meeting of the 3rd Intergovernmental Commission that includes representatives of governments of Ukraine and PRC.

At the same time, no solid strategy of participation in China's OBOR initiative has been submitted by Kyiv, according to the criteria that Beijing puts forward for the participating countries. First of all, we are talking about political dialogue and coordination of the development programs of countries on a long-term basis (for 5 years or more), as projects within OBOR strategy can, in fact, lead to systemic changes in individual economies and re-orient them to the implementation of transcontinental projects between China and Europe.

The discussion in Ukraine traditionally concentrates around possibilities and options of building land transport corridors through Eurasian continent between China and Europe, which China calls the "Silk Road Economic Belt". Ukraine, at least for now, is better connected with China through maritime shipping lines than by land transport corridors.

Kyiv's aspirations and plans are not limited to participation in the implementation of only certain components of China's OBOR strategy. Ukraine is ready to consider various options of its participation in the implementation of OBOR, either in the format of bilateral projects with China or in the format of

China's multinational regional initiatives. These options also include the mechanism of China's interaction with the countries of Central and Eastern Europe within the framework of the 16+1 initiative, also known as Warsaw initiative. In broader context, Kyiv seeks to become a part of strategic cooperation network between China and the EU.

In general, however, one can agree with the opinion that still little is known about China's initiatives in Ukraine. Beijing should also take into account that as in other developing states, the Ukrainian economy is tightly intertwined with politics. Most of Ukraine's political elites have vested interests in the path of development. Under these circumstances, because of the lack of a common strategy and common approach among the Ukrainian authorities to participation in OBOR, one can find different opinions regarding how Ukraine could better use China's initiatives and benefit from OBOR.

Because of the Russian aggression against Ukraine, Kyiv, however, does not consider any options for taking part in the implementation of OBOR jointly with the Russian Federation. Obviously, Moscow maintains the same position as it realizes its participation in the OBOR initiative in a way that minimizes the chances of Ukraine (and some other countries in the region) for active participation in it.

Along with this, back then in 2012 (that is a year before the announcement of OBOR) Beijing offered the countries of Central and Eastern Europe a cooperation mechanism within the framework of 16+1 initiative (16 countries in Central and Eastern Europe + China). China singled out these countries in a separate group, they say, only by a general criterion that they were "new markets". In the light of the economic crisis that swept the EU after 2010, these countries managed to avoid a significant recession in the economy, and some even stayed in the zone of economic growth. All this let China redirect to that region a part of its commodity flows amid increasingly deteriorated trade with a number of China's key partners in America, Asia and Western Europe.

Compared with the idea of "One Belt, One Road", China is suspected to have directly used its economic weight to strengthen political influence in the CEE region. In the light of the financial crisis in the EU, this region seemed to remain on the sidelines (its problems were ignored by Brussels and large EU countries). China decided to use this moment of weakness of the European Union as a whole. Aiming to secure a foothold in its eastern part, Beijing called 16+1 the forward project for its cooperation with the EU. In fact, it aimed at penetrating the common European market.

At the same time, China clearly was willing to take advantage of the contradictions existing within the EU (between its "old" members and "new" members from CEE) in order to strengthen its positions for influencing the EU as a whole.

Thus, in Kyiv and many other capitals of Europe, the opinion is widespread that China was guided not solely by economic motives when it was choosing 16

countries, but also by certain political moments – all these countries were members of former “Socialist Block”.

Now 11 countries of the 16 participating in the initiative are relatively "new" EU members (they were accepted during yet another wave of enlargement in 2004), and in their actions towards China they are guided by the common policy of the European Union. When China tried to play on the contradictions between them and the "old" EU countries, it caused suspicion and distrust to the Chinese regional initiative "16+1" in the European governing bodies in Brussels, as well as from some individual countries of the "old" Europe.

On the other hand, China includes into its "16+1" initiative five countries (in the Balkans) that are not the EU members but can potentially negotiate accession and become members. At the same time, China did not include Moldova and Ukraine into this initiative which could also be geographically classified as Eastern Europe countries. At the moment, China considers 16+1 initiative as an integral part of the OBOR strategy in CEE countries, or in other words, the regional mechanism for implementing the OBOR strategy. However, it is worth to pay attention to substantive and fundamental differences in China's approach to the formation and development of the "16+1" initiative and to the implementation of OBOR.

"The Belt and Road Initiative" is not isolated, but open and inclusive. It will not limit other countries' participation by ideology, political system, development path or development model, and any country, region or international organization that is willing to take part in the initiative, whether inside or outside the area, could join the initiative, and promote win-win cooperation and common development through deepening comprehensive and pragmatic cooperation.

The 16+1 cooperation framework is quite special, neither group nor international organization can encapsulate its characteristics. Equal partnership, loose institutionalization, comprehensive cooperation, multi-functional arrangement and well-planned framework are main characteristics. China has expressed a desire to more actively coordinate its actions in CEE with the European Union. This resulted in the invitation of the EU representatives as observers in the "16+1" mechanism.

Kyiv is attracted by the ideas and goals of the "16 + 1" initiative since China is not just promoting ideas and principles there, but it is also trying to expand trade, create new defined projects, adapt to doing business in the new environment and conditions. Ukraine in this regard seems to be an even larger landfill than any of the 16 countries in Central Europe.

In Ukraine, this is welcomed as it creates new opportunities for practical participation in OBOR, including ones through the “16+1” mechanism.

Ukrainians see OBOR as a global integration project, an initiative to stimulate the growth of the Eurasian economy, which in general coincides with Chinese views. At the same time, it is not uncommon for OBOR to be considered only in its individual elements or through the prism of its individual projects – for example, in China's infrastructure and outbound investments.

Ukraine sees the OBOR initiative as a possible instrument for improving infrastructure in various areas, from roads and energy projects to agriculture technologies, such as grain storage and processing facilities and irrigation systems. Although there is limited knowledge in Ukraine about the OBOR initiative, stakeholders in Kyiv would like to attract investments from China.

From the point of view of Kyiv, China could focus on bringing its efforts in the CEE region to raise the level of economic development of countries to that which exists in the European Union as a whole. Especially for countries such as Ukraine, as well as the five member countries of the mechanism "16+1", which are not yet members of the EU. This would be a significant help in the implementation of the plans for European integration and preparation for accession to the EU.

In this case, the "16+1" mechanism and the ideas of OBOR would become an integral part of the national development strategies in the countries of the CEE region. Also these initiatives would contribute to the close integration and interconnection of the strategies of China and the European Union as a whole.

However, at this stage, as we see in practice, China does not set itself such an ambitious task. It is limited to only relatively small projects that are not yet able to bring any new elements to the economies of the CEE countries or change their essence.

THE DEVELOPMENT OF UKRAINE'S ASIA-ORIENTED EXTERNAL ECONOMIC RELATIONS

Dr. M. Khmara,

*Ph.D., Associate Professor of the Department of International Business
at the Institute of International Relations, Taras Shevchenko National University of Kyiv*

S. Kovalenko,

*student at the Institute of International Relations,
Taras Shevchenko National University of Kyiv*

The clear notion about the distinct features of countries' economic relations enables to level out the negative effects of the global processes on the national economic system, establish favorable conditions for its performance and guarantee the flexibility and sensitivity of enterprises' external economic activities.

Classical conceptions of formal methods and laws in the system of international economic relations were founded by A. Smith, J. Stuart, D. Ricardo, E. Heckscher, P. Samuelson, P. Krugman and others. V. Andriychuk, O. Bilorus, V. Vergun, V. Heyets, Y. Pakhomov, A. Filipenko, Y. Savelyev, T. Tsygankova and other Ukrainian economists made an important contribution to this topic.

Taking into account their regulative features, international trade forms are the reflection of the governmental policy of a country on trade and economic relations with other countries [1, p. 98].

The dynamics and results of Ukraine's external commodity trade indicate consistent negative balance which reflects negative tendency and affirms the unsuccessful economic policy of the state [2, p.188].

Ukraine's geographical commodity trade structure varies under the influence of different factors, but exports to Europe and Central Asia averaged 2/3 during the period.

Table 1

**The Dynamics of Geographical Structure of Ukraine's External
Commodity Trade, 2007-2017, %**

Indicators	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Middle East and Northern Africa	11,2	13,1	15,3	13,9	12,6	16,2	13,6	15,6	17,0	17,3	14,9
Europe and Central Asia	75,6	72,7	66,6	70,6	71,9	68,7	69,0	67,5	63,7	61,6	64,2
Pacific Rim	5,8	6,3	13,2	9,5	9,9	9,3	11,7	12,3	15,2	16,9	15,4
Other regions	7,4	7,9	4,8	5,9	5,6	5,9	5,7	4,6	4,1	4,2	5,4
Export, incl.	100	100	100	100	100	100	100	100	100	100	100
- Europe	30,0	29,5	25,9	26,9	27,0	25,4	27,0	31,8	34,8	38,4	41,4
- CIS	36,7	34,6	33,9	36,4	38,3	36,8	34,9	27,6	20,5	16,4	16,0
- Asia	21,9	23,5	30,5	26,7	25,9	25,6	26,5	28,4	32,4	33,3	29,9

One can clearly see the structural shifts in Pacific Rim direction, that is 2009 – 13, 2%, 2015 – 15, 2%, 2017 – 15, 4% of the total commodity export of Ukraine despite the lack of distinct tendency concerning the rate of export change.

The financial crisis of 2008-2009 and global financial and economic instability gave impulse to reorientation and intensification of economic relations and trade with Asian countries. Exports to Asia have been extremely relevant since 2014. Intensified by the political confrontation in the East of Ukraine, which resulted in "transit routes" of product distribution going through some CIS countries, there have been the commodity diversification and expansion of Ukraine's exports geography due to the improved trade relations with countries of South-East Asia. There are good prospects of the distribution of Ukrainian

agricultural products and foodstuffs, but underdeveloped logistic system, geographical remoteness, national mentality barriers are to be taken into account.

Ukraine has a good opportunity for the development of trade and economic relations with the Republic of Indonesia. Indonesia is the biggest archipelago in the world, a member of the ASEAN, an agrarian-industrial state with favorable demographic situation and flexible banking system. It is one of the biggest rapidly growing economies in Southeast Asia thanks to its main industries which are extraction and processing of oil and gas (raw material component) and the development of the recreational sector and domestic demand (despite the insufficient legal system, "informal" economy, the deep gap between social unity of the population). According to the World Bank Doing Business 2017 Rating Indonesia occupied 91st position out of 190 countries against 106th position the previous year.

Ukrainian export is based on the agriculture and ferrous metallurgy products but in 2014-2017 one could see a slowdown in export rates of the "milk and dairy products, poultry eggs; natural honey" product group on average by 42% annually. In 2015 the export of ore, slag and ash doubled compared to the previous year; rubber export increased 3.7 times in 2016, but the trend has slowed down. In 2016 export of the "salt; sulfur; earth and stones" product group was launched.

Ukraine shows a high demand for Indonesian fats and oils of animal or vegetable origin, products of paper and light industry. In 2016 the import of sugar and confectionery products increased almost 7.5 times.

The imports of the "soap, active organic substances" product group increased 4.6 times; "cotton wool" – 39 times, despite the fact that in 2014 this product group was absent in the structure of imports.

The Embassy of Ukraine in the Republic of Indonesia together with the State Service of Ukraine for Food Safety and Consumer Protection expanded the list of agricultural products that are allowed to be exported. In particular, 14 types of fresh berries, vegetables, fruits, cereals and legumes were added to previously authorized wheat and apples, which resulted in almost 87-times increased exports of the vegetables, fruits and nuts, as well as the products of the flour-grinding industry in 2017.

Traditionally, services are less critical in the structure of both export and import.

In 2016 the President of Ukraine P. Poroshenko visited the Republic of Indonesia at the invitation of President Joko Widodo. The parties expressed intentions to further the political dialogue at the highest level and reached an agreement on bilateral cooperation in the political, trade, economic, investment, cultural and humanitarian spheres.

Cultural and humanitarian cooperation is mainly concentrated in the field of education, science and tourism. The draft agreement between the Cabinet of Ministers of Ukraine and the Government of Indonesia on collaboration in the field of education is being worked out and it soon will form the basis for further relations.

In 2015, for the first time in the history of two states, an agreement on cooperation between Ukrainian and Indonesian higher educational institutions was signed, namely between V.N. Karazin Kharkiv National University (Kharkiv) and the Gadjah Mada University (Yogyakarta). Taras Shevchenko National University of Kyiv joined the initiative by signing a memorandum with the Telkom University (Bandung city). There is a cooperation in the humanitarian sphere, particularly a contest for obtaining the scholarship for foreign students called "Darmasiswa" which Ukrainian students take part in (2013-2014 – 7 students; 2016-2017 – 16 students), and the AIESEC program for Indonesian students. In 2015-2016 Ukraine participated in a large-scale festival "Europe on Screen", represented by "Povodyr" and "Bitva za Sevastopol" movies.

The tourism has good prospects, as the citizens of Indonesia are interested in visiting Ukraine for the purpose of sightseeing, cultural and sports exchange, for religious purposes etc. (the number of Indonesians coming in private business is increasing annually: from 12% in 2013 to 100% in 2016).

The legal basis for Ukrainian-Indonesian cooperation is the Intergovernmental Agreement on Economic and Technical Cooperation (1996), the Agreement on Cooperation between Chambers of Commerce and Industry (2009), the Memorandum on Cooperation in the Field of Agriculture (2016). During the meetings of the Intergovernmental Commission on Economic and Technical Cooperation (2005, 2009, 2018), including the business forum of the CCI, the main directions of development and the strategy of overcoming obstacles on the way of bilateral cooperation were outlined.

The Embassy organizes lectures on Ukrainian topics for teachers and students of higher educational institutions, and assists Indonesian students who write scholarly works on Ukrainian issues.

Taking into account the current trends, the development of mutually beneficial economic ties of Ukraine, the expansion of their forms is an objective necessity. The conquest of the Asian market requires strengthening of the government's efforts to create a positive image of the country, concerted approach to cultural and humanitarian issues, and the support of Ukrainian businesses abroad. All these will have a great impact on the launch of joint projects in different fields (science and technology; energy industry; pharmacy; mechanical engineering: transport, mining equipment, aircraft engineering; defense industry: military equipment, armament, armament production technologies; agriculture: agricultural technologies, livestock).

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UKRAINE'S POLICY TOWARDS CENTRAL ASIA

Dr. Olena Kovtun

*Associate Professor of the Institute of International Relations
Taras Shevchenko National University of Kyiv*

For Ukrainian policy-makers Central Asia (CA) has been traditionally a part of the post-soviet political area, and not of Asia (Middle East). The soviet period of common history and experience of coexistence within a single economic, social, cultural and political system has created the basis upon which contemporary approaches to the cooperation between Ukraine and states of Central Asia are grounded.

All communication between both sides goes through the Russian channels, therefore the mutual perception of Ukraine and Central Asia is forged through the prism of Russian policy towards Ukraine and towards the CA countries as well. The lack of a direct communication leads to inadequate evaluation of the situation, policies and core interests from both sides.

We can divide last three decades of interactions between Ukraine and CA in the following three stages:

- late 1980s (collapse of the Soviet Union) – mid-1990s, when crucial processes were decentralization, creation of new nation-states, the launch of cooperation both on bilateral and multilateral level. Main formats of cooperation were developed within the framework of the Commonwealth of Independent States.

- mid-1990s – early 2000s: main features – consolidation of the integration projects, such as the Custom Union (within the framework of the CIS), Organization of Central Asian Cooperation and GUAM group (cooperation projects); high level of competition between different international actors (Russia, the EU, the USA, China, Turkey, Iran) and organizations (the Council of Europe, BSEC, TRACECA, the Turkic Council etc.).

- 2005/6 – present day: the restructuring of cooperation in Central Asia under the leadership of Russia, incorporation of the OCAC structures and initiatives into the Eurasian Economic Community, including Uzbekistan's return to a regional cooperation; clarification of the functional division between the CSTO, EurAsEC and SCO; strengthening of Russia's role in developing cooperation with the CA countries on the part of external players.

The latest documents defining priorities of Ukraine's foreign policy refer to Kazakhstan as an important international partner (National Security Strategy of Ukraine, 2015). Other states of Central Asia are not discussed in this context.

We can also observe a certain decrease in Ukraine's attention towards cooperation with the countries of the region, which is demonstrated by the level of representatives: in two states (Kazakhstan and Kyrgyzstan) – *chargés d'affaires ad interim*, in Tajikistan – ambassador with dual accreditation (Afghanistan) and in Turkmenistan and Uzbekistan we have full-fledged ambassadors extraordinary and plenipotentiary. This situation has its implications for both the bilateral level of interactions (stagnation) and for cooperation within international organizations (UN, OSCE and others) where the CA countries traditionally adopt pro-Russian (or at best neutral) position on controversial issues engendered by the Russia-Ukraine antagonism.

FOREIGN POLICY OF UKRAINE TOWARDS CHINA AND JAPAN: CURRENT STATE AND FUTURE POTENTIAL

Dr. Olena Mykal,

Assistant Professor in Political Science at National University of Kyiv-Mohyla Academy

Presently, Ukraine does not actively pursue its foreign policy towards Japan and China. Lack of resources to develop the relations is one of the probable reasons for this. Yet, it uncovers another reason which is a lack of political will to develop these relations from the Ukrainian side. Moreover, Ukraine has officially declared its aspiration for the EU membership, but it lacks real reforms in this direction. On a big scale, Ukraine does not declare what it wants to do and how it wants to develop. Hence, other countries including Japan and China don't know and don't understand Ukraine. This situation will continue into the coming years, especially given the upcoming presidential and parliamentary elections in Ukraine in 2019.

In the best case scenario, Ukraine should actively develop its relations both with China and Japan. Since the early 1990s, while Ukraine actively developed relations with China, its relations with Japan were on hold and vice versa. In 2017 the events showed that Ukraine refrained from active policy towards both states.

This presentation argues that by abandoning active actions with Japan and China, Ukraine limits the space for maneuvering on a large scale outside Europe. To prove it, the presentation will focus on the interests that Ukraine has and potentially can have in relations with China and Japan. It will also briefly discuss the current state of cooperation with both states and finally it will dwell on the prospects and future developments of the outlined Ukrainian interests.

THE INTERESTS OF UKRAINE IN CENTRAL ASIA

Arsen Petrosian,

Graduate Student, Department of International Relations,

Institute of International Relations,

Taras Shevchenko National University of Kyiv

The states of Central Asia or the "post-soviet Central Asia" are some of the "long-forgotten" old partners of Ukraine that should be considered. Despite the long experience of cooperation during the Soviet period, the potential of bilateral relations between Ukraine and those countries, especially in the energy sector, is not fully realized yet.

However, today we can talk about the influence of the geopolitical aspect on prospects of enhanced cooperation between Ukraine and the countries of Central Asia. In other words, we are talking about recent uniform positions on a number of key issues in the post-Soviet space. Despite the assurances of the Russian political elite about the prospects of Eurasian integration, the creation of the Customs Union and the SES encompassing Russia, Belarus and Kazakhstan, these projects are strongly perceived both by Ukraine and a number of Central Asian states.

Therefore, in terms of the geopolitical situation, Ukraine can be a "window" for the Central Asian countries into the EU due to the operation of powerful ports and developed transport infrastructure in Ukraine. It is also possible to carry out transportation of products and goods from Central Asian countries through ferry services of Poti-Illichivsky, Poti-Odessa to the EU through the territory of Ukraine. In addition, Ukraine can be considered as an alternative route to one through Russia for the transportation of energy to the EU.

Apart from the Ukraine-Turkmenistan project – the Nabucco pipeline, there is a project of the White Stream gas pipeline on the Black Sea, and the existing Odesa-Brody pipeline, which can be used for the transportation of Turkmen oil through the territory of Ukraine to the EU. In fact, from a geopolitical point of view, Ukraine is the only post-Soviet state except for Russia that can play the role of a bridge between the countries of Central Asia and the EU.

In general, based on these realities, there are both positive prospects and negative barriers for modernization of bilateral relations between Ukraine and the countries of Central Asia. Their shared geopolitical interests and progressive economic cooperation are confronted with barriers which are the Russian Federation, Eurasian integration, the struggle between Russia, China and the United States for influence in the region. In any case, at this stage, the countries of Central Asia are still one of the most promising areas of Ukraine's multi-vector foreign policy.

EXPORT DEVELOPMENT OF UKRAINIAN AGRICULTURAL GOODS TO INDIA AND CHINA

Dr. Oleksandr Pidchosa,

Assistant Professor of the Department of International Finance

Institute of International Relations

Taras Shevchenko National University of Kyiv

Olha Dineha,

MSc in International Trade, Strategy and Operations

Coordinator of Chinese office

Euro-asian Ruisheng Industrial Co., Ltd

At the moment, India and China account for a significant share in agricultural export of Ukraine. Given the dynamics and trends for the development of trade relations with these countries, the purpose of this study is to explore the current state and prospects for increasing agricultural exports.

Ukraine-India Cooperation

The products exported to India mainly belong to the agricultural sector. Peas (including peas for growing peas in local plantations), soybean oil, unrefined sunflower oil and tomato paste are among the main products. Other goods exported to India include: naphthalene; polyvinyl chloride; wood (pine); and seamless pipes. If we talk about the supply of agricultural products, India is the leading importer of vegetable oils from Ukraine at the moment (China has moved to the second position).

Terms of payment for the supply of vegetable oils are primarily irrevocable letters of confirmed credit. India was the biggest market for Ukrainian agriculture products in the first 10 months of 2017, importing 11.3 per cent of exports in cash terms. The deals with India on sales of plant and other agricultural products are growing. Among the reasons are the price of the products and the delivery time. For example, freight from Ukraine to India can take an average of 18-21 days (with properly selected logistics). Freight to China will take a month. It should be noted that the purchase prices in India are higher than in the PRC. Even \$10 rates when shipping by oil tankers give a great extra profit to the exporter.

Ukraine-China Cooperation

Presently, Ukraine-China trade relations are manifested by the following products for export from Ukraine: unrefined and refined vegetable oils (sunflower, soybean, rapeseed in a smaller amount, highly oleic). Shipments are made both by tankers (10-15 thousand tons a batch, as well as in small lots due to flexi tanks of 22 tons or bottles). But Chinese companies often buy bottled oil without labels for further using their own labels. Thus, exports of bottled vegetable oils do not allow Ukrainian brands to find market promotion in China. Other export commodities include: extraction cake; dry milk (active export position, sales are growing due to the increased demand for milk and dairy products in China); grain in tankers; nuts (especially, walnuts which are very expensive in the Chinese market); barley; wheat flour (but flour export has its peculiarity – this flour does not remain in the market of China). For example, the company exports premium flour to China, the declaration gives the country of destination CN (China). The contract holder is in Korea, the recipient is in China (Dalian port), but China does not allow the import of Ukrainian flour according to the China Inspection Quarantine (CIQ), so flour cannot be imported into China.

Chinese enterprises that deal with the purchase of agricultural products are predominantly large state-owned enterprises, which have sufficient funding to carry out large-scale purchases. For example, tanker shipment of oil, grain or corn, involves significant financial resources (millions of dollars). This is quite difficult for private enterprises. China's state-owned companies, which often act as importers in China, then sell products in small batches to small Chinese factories or enterprises, often giving them deferred payments (this way they encourage the development of medium-sized businesses).

It is important to take into account that China often establishes unspoken instructions on the policy of cooperation with other countries. For example, there are periods when Chinese state companies received subsidies for cooperation with Ukrainian enterprises in the agrarian sector. There were periods when subsidies were given for cooperation with other CIS countries.

Financing of import transactions through Sinosure is practiced in China. The company proposes a program for studying the Chinese company's counterparty and its turnover with the Chinese company. This financing allows making advance payments to the supplier and receive 'insurance' from non-delivery. Chinese enterprises also work on letters of credit. But the procedure of opening letters of credit in Chinese banks for the purchase of products from Ukraine is still going on and is becoming tougher. Ukraine is on the list of countries with a higher risk. If we take into account cooperation on terms of partial prepayment (for example, 30%) and balance against a copy of the bill of lading, then the Chinese side will also have increased risks. That is why due to the complexities caused by the risks of the country, traders use offshore firms to speed up the process of establishing contractual relations and advancing the issue of payments.

There is still an important point. Corn, which China buys for the agricultural sector, began to grow in price due to the growing demand from China, but the

growth is not caused by the demand in the agricultural sector, but by the growth of bio ethanol production.

Ukrainian extraction cake has received permission to import into China, which only increases the capacity of Ukrainian exporters. Before 2018, the basic problem of supplying the meal for export was the sanitary control. At the moment, there are 7 Ukrainian firms that have the right to export to China.

UKRAINIAN CRISIS IN JAPAN-RUSSIA RELATIONS

Anastasiya Polishchuk,

Master Programme Student, International Relations (Strategic Studies)

Institute of International Relations, Taras Shevchenko National University of Kyiv

The development of Japan-Russia bilateral relations over the several past decades have followed the pattern of the USSR-Japan relations, with the ambivalence playing the key role in the states' foreign policy. On one hand, Tokyo upholds its claims to the four Northern Islands of Etorofu, Kunashiri, Shikotan and Habomai considering them an inherent part of the Japanese territory. Due to the territorial dispute, Japan and Russia have never signed a peace treaty to finish the state of war after the World War II. On the other hand, Japan has been closely cooperating with the Russian Federation in the economic field trying to facilitate the countries' rapprochement via intensified summits and public diplomacy. The Ukrainian crisis has engendered additional conundrums in the bilateral relations between Tokyo and Moscow, forcing Tokyo to develop even more adroit foreign policy manoeuvres.

In 2013 Russia and Japan came close to solving the long-lasting Northern Territories / Kuril Islands dispute when Vladimir Putin and Shinzo Abe announced the renewal of negotiations concerning the matter at issue. The political and academic circles in both states widely discussed possible options for agreement. Yet the breakthrough in Japan-Russia negotiations did not happen mostly due to the developments in international relations. The Kremlin's acts against Ukraine and Russia's involvement in the Ukrainian crisis gave rise to substantial criticism on part of the United States of America and European Union demanding from Tokyo demonstration of solidarity with the developed economies of the West. While aligning with the G-7 states and imposing sanctions on Russia, Japan made it clear to the Kremlin regime that the taken measures, mostly symbolic in their nature, should not prevent further advancement of the bilateral diplomatic interaction.

The key factors which make Russia and Japan mutually interesting include the underdeveloped economic potential for cooperation, primarily in the energy field, a growing concern about the rising China and the necessity to deter North Korea's threat. Tokyo may seem as a supplicant in the bilateral relations demonstrating more eagerness to continue the talks. Japan does need the Russian

Federation in order to move away from the low-key risk-avoiding foreign policy dependent on the United States diplomatic stance. Yet, Moscow, being ostracized by the Western world, has a higher political and economic interest in continuing dialogue with Tokyo.

The Ukrainian crisis has become the litmus test for Japan-Russia relations illustrating the ambivalent approach of both countries to their mutual relations which was re-affirmed at the Sochi “unofficial summit” in 2016. Japan wants to evolve into a full-fledged power trying to make its foreign policy active and diversified. The Russian Federation, in its turn, can tolerate Japan’s lukewarm criticism as long as Tokyo de-facto assists Russia in minimizing the risk of international alienation.

Tokyo’s cooperation with Moscow does not imply that Japan neglects its ties with Ukraine. Japan cautiously condemns the Kremlin’s transgressions of international law and does not recognize Russia’s control over Crimea, granting substantial humanitarian assistance to Ukraine via international mechanisms. Nevertheless, with the Japanese sanctions serving as a signal of Western solidarity, Tokyo is willing to escape the United States gaiatsu (foreign pressure) and further enhance its ties with Moscow. The Ukrainian crisis has elicited the emergence of Japan’s pro-active and more pragmatic foreign policy, with Tokyo aspiring to expand relations with Russia as well as with Ukraine.

MAIN DIRECTIONS AND PROSPECTS OF UKRAINE-IRAN COOPERATION

Dr. Nataliia Prorochenko,

*Senior staff scientist, Department of Asian and African countries,
Institute of World History of the National Academy of Sciences of Ukraine*

The activities of many countries in building relations with Iran within the current circumstances are abundant, which causes great competition in the Iranian market for an opportunity to participate in the process of a highly expected accelerated modernization of Iran.

The mutual interest of Ukraine and Iran in intensifying bilateral cooperation is also growing. The Iranian side is highly interested in the Ukrainian production. Due to the decision to limit economic cooperation with Russia, it is important for Ukraine to develop and expand the new markets. Agricultural sector, engineering industry (first of all, the aircraft manufacturing), conventional and alternative power production, transport, mining industry and equipment, supply, transit and preservation of energy resources are the leading dimensions of Ukraine-Iran trade and economic partnership.

Iran’s economy is the greatest among the Middle East countries. It is estimated at \$ 400 billion. The country owns one of the biggest carbon stocks (34 trillion m³ of gas). The Iran’s GDP growth will come up to 4% and 4.3% in 2018

and 2019, according to the World Bank's "Economic Outlook Iran" report. The government plans to attract \$ 30–50 billion of foreign investments per year. The main task for the country is the modernization of the oil and gas sector, transport infrastructure and the aircraft fleet. Experts estimate the total cost of the modernization of Iran's economy at \$1 trillion in the next 10 years. There is no doubt that under such conditions, Iran is interested in investments, new technologies, skilled staff and modern management methods.

The lifting of sanctions against Iran has affected the processes in the world energy market. Amir Hossein Zamaninia, Iran's Deputy Oil Minister for International Affairs, announced plans to produce gas at 1 billion cubic meters per day in the next five years (2016–2020) and to export the liquefied gas (LNG) to Europe. Iran intends to regain its share in the energy market. It was reported that the country would sell oil to Europe at a discount of \$6.5. The supply of oil through transportation by oil tankers has begun. On March 6, 2016 the first oil tanker Monte Toledo, with a million barrels of the Iranian oil, reached Europe. The cargo delivery took 17 days. The prospects for Iran to enter the European gas market, taking into account the existing vulnerability of Ukraine in the field of the energy security, should be duly considered.

An interesting example of the cooperation in the energy sector can be the intention announced by the Czech Republic to import liquefied natural gas from Iran. Bijan Zanganeh told about the opportunity for the Czech Republic to invest in an unfinished liquefied natural gas plant (LNG), as well as the interest from the Iranian side in cooperation with the Czech Republic, including storage of gas in the underground storage facilities on its territory. It seems that such projects are relevant and attractive for Ukraine as well. For example, the supply of Iranian oil to Europe through Odessa.

Looking for the new markets of energy resources, Iran is also interested in the Trans-Caucasus region. There are agreements with Armenia and Azerbaijan, Georgia is also interested in such deliveries. The gas pipelines through Azerbaijan and Georgia to Turkey and further to Europe may become attractive projects not only for Iran, but also for Ukraine as a consumer of Iranian energy resources. In this case, it is necessary to declare this interest and join multilateral consultations. Trade and economic cooperation between Ukraine and Iran before the lifting of sanctions was limited to the sphere of agriculture, particularly the export of Ukraine's food products (grain crops and products of their processing). New opportunities have been opened up for Ukraine after the sanctions were lifted (January, 2016).

On March 7, 2015 Ukraine and Iran signed a memorandum to enhance trade, economic, humanitarian and social cooperation. The document identifies directions of cooperation between Kyiv and Tehran in the agricultural and banking sectors, coal mining sector, wagon-building and aviation industries. This means strengthening efforts in developing cooperation in the oil, gas and nuclear industries, petrochemical and hydropower sectors, in the areas of energy efficiency and renewable energy. There is also a provision about stepping up cooperation in

the field of cultural heritage, cultural and artistic activities, tourism, education, health and sports.

According to the results of meetings between representatives of the Ukrainian government (Vice-Prime Minister Hennadii Zubko, Minister of Energy and Coal Mining Volodymyr Demchyshyn) and the Iranian government (Minister of Energy Hamid Chitchian), the mutual interest of both parties in realization of joint projects has been announced. This realization will be promoted through participation of the Ukrainian specialists and enterprises in the Iran energy infrastructure modernization, the construction of the electricity grids, hydroelectric power stations, the supplying of equipment for power plants. Iran is considering the possibility of transporting resources through Turkey and Ukraine to Europe. There is an agreement on the intensified modernization of the worn-out Ukrainian refineries, the participation in the oil and gas projects on the Iranian territory, furthering of scientific and practical cooperation in the field of nuclear safety within the framework of the International Atomic Energy Agency (IAEA) and the World Association of Nuclear Operators (AEC).

The agro-industrial complex is considered to be one of the vital areas for cooperation between Ukraine and Iran. Iran offers Ukraine opportunities to export dried fruits and nuts. The Islamic Republic is ready to invest in the Ukrainian agro-industry. In particular, Iran shows interest in construction of elevators and transshipment complexes in Ukraine and also in renting and using the Ukrainian agricultural soil.

The Ukrainian side has expressed its interest in supplying grain to Iran, and Ukrainian experts think that the export of poultry meat and egg powder to Iran is also a promising area for bilateral economic relations. However, the attention should be paid to the continuous monitoring of the demand in Iran's food sector and the degree of competition. In Iran, the government conducts effective control over the economic processes so that they are carried out efficiently and through procurement planning. Therefore, Ukraine should be aware of the current situation in Iran's market.

The development of agriculture in Iran, including through participation of the Ukrainian side, will surely lead to a gradual increase in the demand for mineral fertilizers which Ukraine can also supply to this country.

An important area of cooperation is the aviation industry. In particular, the designing and manufacturing of the new aircraft modifications of AN-140-100 (Fraz-140T), the delivery of civilian non-military airplanes AN-178, as well as cooperation between companies of two countries in the marketing and sales of a passenger aircraft AN-158 in Iran and in the region as a whole.

At the same time, Ukraine-Iran relations are fostered mainly on the governmental level, therefore it should be complemented by the expansion of contacts between the peoples of both countries, and the strengthening of trust and understanding between them. This can be achieved through the revitalization of cultural dialogue, reciprocal exploration of national history, cultural heritage and traditions of both countries.

BEYOND ECONOMIC RELATIONS: OPPORTUNITIES FOR DEEPENING OF POLITICAL AND SECURITY DIALOGUE WITH THE PEOPLE'S REPUBLIC OF CHINA

Karyna Rohulia,

*Master's Program student of the Institute of International Relations,
Taras Shevchenko National University of Kyiv*

Today, the tendencies of economization of the world order are intensifying, therefore we can talk about a multipolar world and the restoration of geopolitical competition with the use of qualitatively new instruments. A new stage of the development of modern international processes can be presented in two dimensions: as a new Cold War between the two great powers or as the "G-Zero", that is the world in which each country is on its own.

The dynamics of economic multipolarity neglects the leitmotif of the modern world, which is essentially represented by an asymmetric bipolarity: the United States and China are the central powers activities of which are taken into account when other actors make their calculations in the international arena. Of course, there is still a huge imbalance between these two actors, but China is profiting from America's current dysfunctions and decisions, so its policy is even more consistent in the long-term calculations.

Any economic activity of countries and large companies is considered through the prism of the US-China relations, for example, how far the PRC will go in Asia, and how much the US will resist this. Nevertheless, China has reached such an economic and political level of international trust that it alone takes its own way in both domestic and international affairs. This policy is reflected in its relations with neighbors in Asia. Therefore, the United States has to reckon with the trends that Beijing is setting.

With the realization of the "One Belt, One Road" initiative, Beijing plans to undertake a change in its foreign policy rhetoric – China is set to be more flexible to protect the sovereignty of third countries when it is profitable, or to recognize the change of borders according to the Chinese interests (in the long run it can be a dangerous signal for Ukraine).

Secondly, the PRC creates new rules of the game that the Kremlin is unlikely to violate.

Thirdly, there is the desire to fill the "vacuum in Europe", which emerged after the US President Donald Trump embarked on the implementation of the protectionist policy.

Fourthly, playing the political map in the context of the Russian scenario undermines the implementation of the "One Belt, One Road" initiative, in particular in Crimea, because originally China considered Crimea to be a transit hub, and now, taking into account the sanction regime against Russia, the realization of such projects is impossible.

To date, Ukraine-China relations are regulated by the principle "business is first". However, one should note that the external economic activity of Chinese companies has always been a part of China's foreign policy. In the dialogue with Ukraine, in fact, there is no political component – the emphasis is on economic, military and technical, infrastructural elements. In addition, China is reluctant to annoy Russia, but it is not a determining factor, as Beijing intrinsically dictates its own conditions. However, the strengthening of the economic factor in bilateral relations created favorable conditions for the actualization of political and security issues.

Considering the fundamental changes in the international system, the adoption of isolationist policies and the eastward shift of the world economic centre, it is of the utmost importance for Ukraine to develop a long-term strategy for cooperation with the People's Republic of China.

PUBLIC DIPLOMACY OF CHINA: NEW PROSPECTS FOR COOPERATION WITH EASTERN EUROPEAN COUNTRIES

Sigita Struberga,

*Researcher at the Advanced Social and Political Research Institute,
University of Latvia*

Public diplomacy as a concept has been well documented and researched over decades. There are a number of studies describing different models of public diplomacy as well as those that measure and analyse particular cases, thus underlining differences and commonalities of the phenomena. Different countries around the globe introduce their own models of public diplomacy. One of the countries which has recently extended a wide range of public diplomacy activities is the People's Republic of China. For the sake of academic debate, it is necessary to investigate what are the motives and the contribution of public diplomacy performed by China in the context of its foreign policy goals. Besides, the issue that has been neglected by academic community is the impact and benefits of the target countries which have been consumers of China's public diplomacy. Therefore, the goal of the paper is to identify the potential benefits the countries can obtain as a result of interaction with China's public diplomacy.

The paper will present an analytical framework which will be based on combination of theories related to the public diplomacy as the extension of traditional diplomacy and public diplomacy as an instrument of cultural exchanges and interactions. This approach would allow us to explore public diplomacy activities of particular political actor in the light of interactions and "win-win" calculations for both parties – a political subject itself and a receiving country. The empirical part of the paper will be based on the analysis of China's public diplomacy as an inalienable part of foreign policy strategies in general with a special emphasis on its activities performed in the Eastern Europe. Therefore, the

paper presents the new angle to look at the Chinese public diplomacy in the Eastern Europe and contributes to the discussion about the essence of the concept and models for its potential measurement.

INDUSTRY 4.0: TOWARDS UKRAINE-INDIA INDUSTRIAL COLLABORATION IN A NEW DIGITAL AGE

Dr. Andriy Zablovskiy,

Head of the Secretariat, Council of Entrepreneurs under the Cabinet of Ministers of Ukraine, Co-founder of Expert and Media Hub «Industry 4.0», PhD in History

For Ukraine and India, the Fourth Industrial Revolution brings tremendous opportunities to leapfrog many stages of development, hastening their journey towards becoming developed and highly competitive economies in the New Digital World. In many ways, the Fourth Industrial Revolution is a solid digital leveler and driver. The technologies being used in Ukraine and India will be the same as those in use in the developed world. Robots, AI, IoT, 3D printing, blockchain etc. are all technologies that transform industries in the West and are ready to do the same in our both countries.

Ukraine and India need to undertake a collaborative effort to secure technological competitiveness and pave the proper way for implementing Industry 4.0 using their own National Digital Agenda. They will need to create a long term ecosystem that will train and educate professionals and provide a joint platform between ministries, state governments and industry bodies for making the most of the technologies and opportunities of the Fourth Industrial Revolution.

Ensuring awareness about the industry, establishing a skill-building expert group and Ukraine-India industry ecosystem will help boost business and trade ties between Ukraine and India, especially taking into account the exponential way of digitalization and transformative technological changes. Potential areas for collaboration in Industry 4.0 are agriculture, automotive, aerospace, industrial engineering, pharmacy, chemical, metallurgy, transport, logistics and so on. Launching pilot projects and sharing experiences in implementing Smart Cities program in both countries would be a valuable and encouraging step for achieving success in developing Ukraine-India Industrial Collaboration 4.0.

UKRAINE AND ITS RELATIONS WITH CHINA FROM THE PERSPECTIVE OF CHINESE SCHOLARS

Dr. Zhang Yanlu,

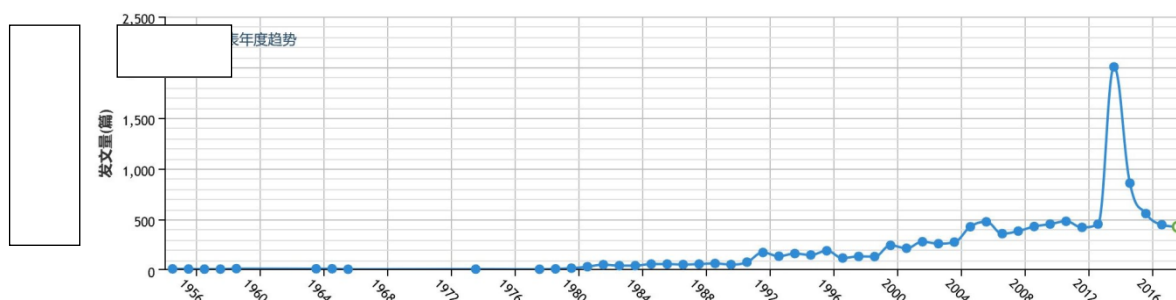
Institute of Russian, East European and Central Asian Studies, CASS, China

I. The current situation with Ukrainian studies in China

The Chinese academic community has always attached importance to Ukrainian studies. There has been a boom within this area particularly in recent years, which can be seen from the following facts:

1. The scholarly results in the realm of Ukrainian studies have increased steadily.

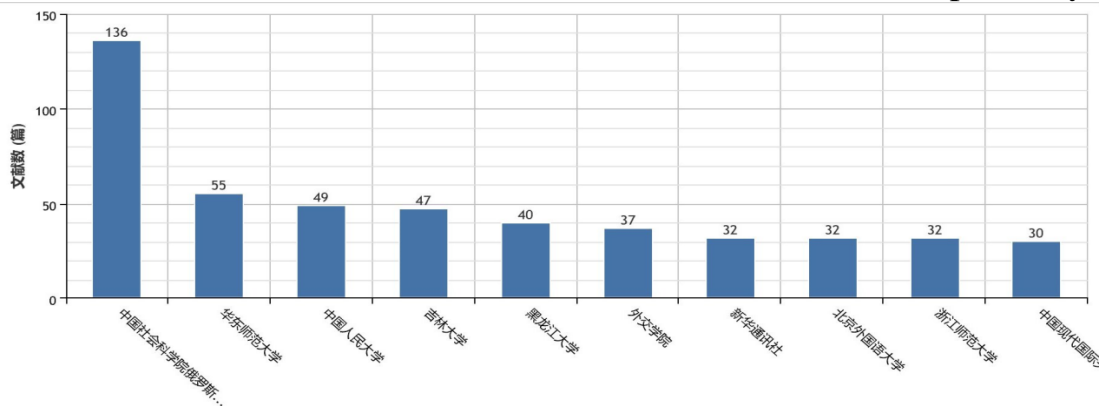
On China's largest academic search website "China Knowledge Network" there are 11070 relevant documents found by searching "Ukraine" as a keyword. Since 1992 to 2014, academic articles on Ukraine have maintained a steady growth. In 2014 there was an explosive surge in this area, when an annual amount of articles on Ukraine reached 2 000, setting a new historical record. Since then, the amount of articles released in 2015-2017 has remained at a relatively high level.



2. The Chinese academic institutions which engage with Ukrainian studies have a high level of expertise, and the number of such institutes increases constantly.

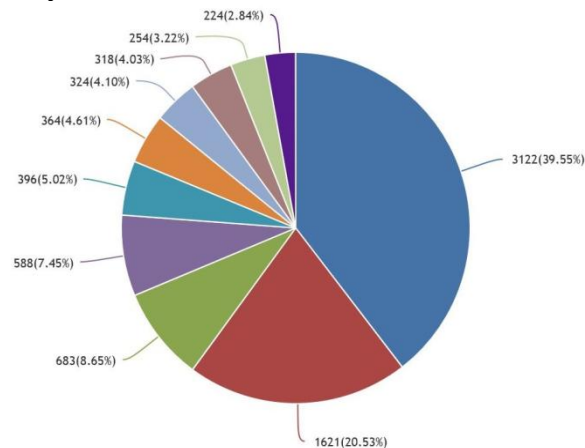
The Chinese Academy of Social Sciences is under the direct leadership of the Communist Party of China and the State Council, and has reputation of the highest academic institution and comprehensive research center of China in the field of philosophy and social science. Its subsidiary Institute of Russian, East European and Central Asian Studies is recognized as the most authoritative institution for Ukrainian studies. The office of Ukrainian studies under the Institute was established in 1992, which made it the earliest academic institution specialized in Ukrainian studies in China. It has compiled some of the earliest Ukrainian-Chinese dictionaries and published academic works such as "Guide to the World States – Ukraine", "Ukraine: The Focus of the East-West Competition", "A Research on Political Stability in Transition Countries – Theoretical Reflections on the Ukrainian Crisis", "Ukraine: Yanus in Smoke of gunpowder" etc. Apart from these, it also published a series of reports and academic articles on Ukraine. With the rise of Ukrainian studies in China throughout past decade, many Chinese universities and other institutions have established Ukrainian studies in their

research centers or departments. For example, Zhejiang Normal University, Dalian University of Foreign Languages and Shanghai University of Foreign Languages established the Ukrainian Research Center in 2010, 2012 and 2015 respectively.



3.The fields of Ukrainian studies in China are comprehensive.

The Chinese academic community has conducted a relatively comprehensive study on Ukraine. Its content is not limited to politics and economy of Ukraine, but also involves many other areas, such as culture, technology and education.



The current state of Ukrainian studies in China proves, on one hand, that China attaches importance to Ukraine, and, on the other hand, that Ukraine is an important strategic partner of China in Eastern Europe.

II. Ukraine in the eyes of Chinese scholars

For Chinese scholars, Ukraine has a wide space for development and possesses all necessary resources to achieve this.

- Ukraine's soil and landscape are fertile and flat, which is conducive to the development of modern agriculture;
- Ukraine has several deep-water and non-freezing ports on the Black Sea coast which provides favorable conditions for the development of the shipping industry;
- Ukraine's industrial base is relatively strong, especially in machinery manufacturing, metallurgy, shipbuilding, military industry, aerospace etc. There are also a group of companies with advanced technologies competitive with ones of other countries, such as the Antonov Design Bureau and Motor Sich;
- Ukraine has a long history and rich cultural resources;
- Ukrainian population is skilled, with the level of national education being

very high.

These advantages have laid a solid foundation for the future development of Ukraine.

III. Sino-Ukrainian relations in the eyes of Chinese scholars

Regarding the relations between China and Ukraine, Chinese scholars believe that interaction between two countries has always been stable and friendly. In the future, the prospects for cooperation under the framework of the “Belt and Road” initiative will be even broader.

1. Political relations between China and Ukraine are stable.

Relations between China and Ukraine have a long history. The contacts between two countries can be traced back to the period of Kievan Rus'. After the collapse of the Soviet Union, China was one of the first countries to establish diplomatic relations with Ukraine in 1992 and comprehensive friendly and cooperative relations in 2001, which were further upgraded to strategic partnership in 2011. Thereafter, in December 2013 China and Ukraine ratified the “China-Ukraine Strategic Partnership Development Plan 2014-2018” and signed the “Treaty of Friendship and Cooperation between the People's Republic of China and Ukraine” as well as the “Joint Statement of the People's Republic of China and Ukraine on Further Deepening of Strategic Partnership”. At this point, Ukraine successfully opened up the Chinese market. In January 2017, President Xi Jinping and President Petro Poroshenko met during the World Economic Forum in Davos to further enhance the relations between China and Ukraine.

2. Sino-Ukrainian Economic Cooperation Brought Fruitful Results.

Ukraine is an important bridge for East-West communication. As early as the second half of the 19th century, Odesa became an important pivot in the trade channel between China and Europe. The Ukrainian ambassador to China, Mr. Oleh Dyomin, once pointed out that Ukraine was one of the first countries to support China's "Belt and Road" initiative. Communication between China and Ukraine has become increasingly close with the promotion of the “Belt and Road” initiative.

Economic cooperation between two countries has shown fruitful results and a strong potential for enlargement. In the area of bilateral commerce, commodity trade between China and Ukraine has demonstrated a significant growth. At present, China has become Ukraine's second largest trading partner and export destination country, the largest import source country and largest trading partner in Asia. Ukraine, in its turn, is China's third largest trade partner in the CIS region.

In the agricultural sector, Ukraine's exports to China have increased substantially. Ukraine has exceeded the United States by becoming China's largest source of maize imports. In addition, China has also reinforced its efforts to open up Ukrainian market of livestock and poultry products. Since October 2015, 18 Ukrainian companies have started to export milk products to China. By 2017 the number of such companies reached 27 and now continues to expand.

There has been some advancement in cooperation in the field of high technology, energy and infrastructure. At present, the value of investment and infrastructure agreements signed between Chinese and Ukrainian companies has

surpassed US \$6 billion.

In the realm of military industry, Sino-Ukrainian cooperation has achieved a historic breakthrough. The defense industry is considered to be a core area of industrial manufacturing. In 2015, Sino-Ukrainian cooperation contributed to the construction of the national aerodynamic power industry base in Chongqing's Liangjiang New District. And this is of great significance both to the political relations between two countries and to the economic and trade cooperation, which indicates that the mutual trust between China and Ukraine has climbed to a new height.

3. Cultural exchange between China and Ukraine continues to thrive.

While achieving fruitful results in economic and trade cooperation, China and Ukraine have continued to advance their humanitarian cooperation under the framework of the "Belt and Road" initiative and have carried out active collaboration in various fields such as science, education, culture, health which resulted in a number of accomplishments. This has further consolidated the public opinion around the cause of the development of Sino-Ukrainian relations.

IV. Ukraine and "Belt and Road" in the eyes of Chinese scholars

Chinese scholars believe that the advantages of China and Ukraine are clearly complementary, and there is a vast space for cooperation under the framework of "Belt and Road" initiative. President Xi Jinping pointed out at the BRF held in May 2017 that "China will enhance friendship and cooperation with all countries involved in the Belt and Road initiative on the basis of the Five Principles of Peaceful co-existence. We are ready to share practices of development with other countries, but we have no intention to interfere in other countries' internal affairs, export our own social system and model of development, or impose our own will on others. In pursuing the Belt and Road initiative, we will not resort to outdated geopolitical maneuvering. What we hope to achieve is a new model of win-win cooperation. We have no intention to form a small group detrimental to stability, what we hope to create is a big family of harmonious co-existence". The "Belt and Road" initiative seeks to jointly build an economic cooperation framework for Eurasia through unfolding full-fledged potential of cooperation between the countries along the route. It strives to break geographical confinements through policy coordination, financial integration and people-to-people exchanges. This conforms to the interests of Ukraine and provides it with an inclusive platform for development. Chinese scholars believe that China and Ukraine can achieve integration of their interests under the framework of "Belt and Road" initiative, and jointly create opportunities for shared development and win-win cooperation.