

CHINESE INVESTMENT IN ECONOMIC DEVELOPMENT OF BAIKAL REGION OF RUSSIA¹

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ABSTRACT

The paper presents an analysis of the role and place of Chinese investment in the social-economic development of Baikal region of Russia. It is noted that the region is characterized by low investment attractiveness due to the following factors: high level of investment risk, corruption, bureaucratic component, high credit and tax rates, significant level of economic crime, the lack of readily achievable investment projects, low level of socio-economic development of the region. Moreover, among the subjects of Baikal region the most favorable investment climate formed in the Irkutsk region, much worse situation in the Republic of Buryatia, Transbaikal region demonstrates the lowest position. It concludes that currently the role of Chinese investment in the economic development of Baikal region is negligible, but the development of investment cooperation between China and Baikal region, the increase of Chinese investments will be crucial for its future development.

KEYWORDS: Investment, Baikal Region, China, Russian-Chinese Cooperation, Investment Attraction, Social and Economic Development

¹ The paper was prepared as part of scientific research, held by the Council for the RF Presidential grant MK-4300.2014.6