

**Humanities & Social Sciences Reviews** elSSN: 2395-6518, Vol 7, No 4, 2019, pp 1353-1358

https://doi.org/10.18510/hssr.2019.74188

# ENSURING ECONOMIC SECURITY OF RUSSIA IN THE CONTEXT OF AFRICAN DEVELOPMENT TRENDS: PROBLEMS AND PROSPECTS

Pobyvayev S. A.<sup>1</sup>, Selivanov A. I.<sup>2</sup>, Silvestrov S. N.<sup>3</sup>, Starovoytov V. G.<sup>4</sup>, Troshin D. V.<sup>5</sup>

<sup>1</sup>Candidate of Economic Sciences (Ph.D.), Senior Research Officer, Financial University under the Government of the Russian Federation, Moscow, Russia, <sup>2</sup>Doctor of Philosophical Sciences (Advanced Doctor), Chief Research Officer, Financial University under the Government of the Russian Federation, Moscow, Russia, <sup>3</sup>Doctor of Economic Sciences (Advanced Doctor), Professor, Director of the Institute of Economic Policy and Economic Security, Financial University under the Government of the Russian Federation, Moscow, Russia, <sup>4</sup>Doctor of Economic Sciences (Advanced Doctor), Director of the Economic Security and Monitoring Center, Financial University under the Government of the Russian Federation, Moscow, Russia, <sup>5</sup>Candidate of Engineering Sciences (Ph.D.), Senior Research Officer, Financial University under the Government of the Russian Federation, Moscow, Russia.

Email: academy@fa.ru

Article History: Received on 25<sup>th</sup> July 2019, Revised on 01<sup>st</sup> September 2019, Published on 12<sup>th</sup> October 2019

#### Abstract

Purpose: A new scientific problem is posed and substantiated: the need to take into account the African economic development trends in the system of ensuring the economic security of Russia. In this context, in order to assess the security of the national economy and the competitive position of Russia, the results of scientific studies of the main development trends and threats in Africa, the position of various countries on the African continent are analyzed.

Methodology: The authors are based on the analysis of current scientific literature, government official documents, and statistical reports. The main methods of research are analytical review, comparison, systematic approach, cultural and civilizational approach.

Result: The article substantiates the position that taking into account the development trends of the African continent is an important component in the system of assessing the national economic security of Russia in the current period and in the future, ensuring competitiveness and strengthening the economic sovereignty of Russia, analyzing the potential of interaction with African countries in the management practice.

**Applications:** This research can be used for the universities, teachers and education students.

Novelty/Originality: The authors formulate the main directions of the activation of scientific research and concentration of practical efforts to improve the national economic security of Russia in the context of the development trend of the African continent.

Keywords: national economy, economic security, Russia, African countries, national security system, interaction, strategic management.

# INTRODUCTION

The situation and importance of the African continent are changing dynamically and will continue to change throughout the XXI century. However, in the context of emerging trends in Africa, the Russian scientific community is practically not engaged in the study of problems of national security of Russia. While, no doubt, this should be taken into account in the formation of the national economic security systems in Russia, Mutasa, C., & Paterson, M. (Eds.), (2015).

The subject area of the article: Ensuring economic security of Russia in the context of the African economy dynamics.

Purposes: To study the state of scientific support of economic security in relation to the interaction with African countries in Russian science, to develop proposals for improving the mechanisms of national economic security of Russia in the context of the emerging trend on the African continent.

Results: A dynamic transformation of the African economy makes it one of the leaders in the growth rate that will have an impact on the international division of labor in the coming years and will increase by the end of this century. Many countries of the world are actively and purposefully strengthening their positions in Africa. Russia, on the contrary, does not intensify its own activities in cooperation with African countries, which is unacceptable. With extensive experience and infrastructure for scientific research in Africa, there is no research in the area of economic security in the context of development and interaction with the African continent. Russia has its own experience in ensuring national economic security, its own scientific approaches to the study of this problem, and modern scientific areas. However, so far, they are not sufficient to solve the complex problems that Russia faces and potentially will face in cooperation with the economies and the consequences of the development of the African continent, with the interests of other countries on this continent. This requires switching the attention of the scientific community to this aspect of the problem of ensuring the economic security of Russia, intensification of research in this direction. This determines the relevance of the research problem and determines the importance of this article for the formulation of the problem. Alexander, D. (2006).



# METHODOLOGY AND METHODS

The authors are based on the analysis of current scientific literature, government official documents, and statistical reports. The main methods of research are analytical review, comparison, systematic approach, cultural and civilizational approach. Alexander, D. (2006).

# RESULTS AND DISCUSSION

### Main scientific approaches to the study of national economic security problems

For several decades, the Russian and international scientific community studied comprehensively the phenomenon of economic security – both in complex and in various relations, spheres, and industries, including such as the shadow economy, corruption, customs regulation, economic crime, criminal economy, etc. Directions and scope of research were dictated by their own national interests, priorities, goals, threats to their implementation in each country, and therefore the proportions of various aspects of economic security are various in different countries.

Today it is clear that there are internal and external threats to the national economy of any country.

Internal threats to the national economic security of different countries are about the same. The basic threats are: economic crime, criminal economy (including drug trafficking), corruption, unregistered economic relations, and the shadow economy, the export of capital to offshore jurisdictions. The internal threats to economic security should also include inefficient operational and strategic management of the economy, deformity, and imperfection of the financial system, weak control of customs space, etc.

At the same time, it is clear that the uniformity of threats does not mean their identity because the nature, subjects, and proportions of these threats are different in each country.

External threats to each country come from specific countries and economic subjects and require special study in each individual relation and context. It can be an objective threat associated with different growth rates in different countries, competition on the markets of raw materials and products, by demographics, dependence of economies on the status and prices on the world markets of raw materials and products (including products of agriculture, high-tech products, consumer goods, pharmaceuticals, etc.), scientific and technological backwardness, etc. These may be subjective, manageable threats – the threat of loss of national economic sovereignty, subordination and colonization of economies (industries) of certain countries and their financial systems to foreign entities, aimed at pumping out natural, financial and human resources, etc., including the use of socio-economic and political technologies.

These and many other aspects are well studied in the Russian scientific literature, including on the basis of Russia's own economic, legal, political and law enforcement experience, which can give new serious and practical results in the study of Africa. Swilling, M., Musango, J., & Wakeford, J. (2016).

New trends on the African continent are determined by a whole group of factors, the main of which in the economic aspect at the moment is the dynamics of population growth, the availability of various natural resources, the rapid pace of economic growth. However, there is no economic security on the list of security problems in Africa. All problems – from military and political security to demography and problems of drinking water – are discussed. In the same way, the Russian scientific literature discusses all problems except the economic security of African countries and the economic security of Russia in the context of African trends and Russian projects in African countries. <a href="Swilling, M., Musango, J., & Wakeford, J. (2016">Swilling, M., Musango, J., & Wakeford, J. (2016)</a>.

#### Positions of different countries in Africa

The United States has always been and continues to be active and is pursuing its own interests in cooperation with many African countries. The US policy in Africa, as in the world, is almost exclusively egocentric and pragmatic. It is aimed only at the realization of their own national political and economic interests. It is widely known that American cartels have been ravaging Africa for centuries, viewing it primarily as a resource base. American interests also explain the activity of the US military presence in Africa. At the present stage of history, interaction with African countries is organized at the state business level with the active use of the structure of the US-Africa summit (established in 2014). The arrival of D. Trump somewhat reduced the activity of the United States in the African direction, the current administration today does not have any holistic own African strategy, in contrast to the privileged position of Africa among the foreign policy priorities in Barack Obama's time. However, Washington does not intend to leave Africa and is taking practical steps in the African direction in the political, economic and military fields, including anti-terrorism cooperation and energy (Urnov A.Yu. (1)), as well as specific activities, especially in the financial and banking spheres (Malakhov F.V.). One of the American analysts M.T. King on the pages of the magazine The American Interest outlined three areas in which the United States can be successful in Africa: security cooperation, investment, and mediation between the conflicting parties (King, M.T.). In his opinion, this will allow taking a dominant position on the continent and influence the policy of African States in a favorable way for the United States. Swilling, M., Musango, J., & Wakeford, J. (2016).



# The European Union

The maximum trade turnover of sub-Saharan countries in Africa falls precisely in the EU. China, which follows the EU, has a twice smaller trade turnover in Africa. The Financial Times describes the current situation as a struggle for business, in which the United States, China, India, and Turkey, and, of course, the EU (The scramble for business in Africa) participate fiercely. Standing, G. (2007).

The EU views Africa as one of the key regions, on the success of policies in which to a large extent the future of Europe depends. Deputy Director of the European Centre for the political regulation development G. Laport formulated 8 main tasks in the field of the EU policy on the African continent, including:

- More coherent and consistent policies in Africa;
- Creating stronger and more self-sufficient pan-African and regional institutions;
- Increased openness in the formulation of the parties' interests;
- Organization of high-level political dialogue between summits;
- Implementation of measures to restore confidence (Mucchi V., Thijssen N.). Semyachkov, K. A. (2019, May)

At the same time, there is a certain lack of EU trade and economic cooperation with Africa. In particular, José Luis Gutierrez Aranda, an employee of the Africa Europe Faith and Justice Network notes that none of the Economic Partnership Agreements (EPAs) between the EU and African countries contain sections devoted to such categories as sustainable development, trade, human rights, transparency, equal opportunities for both sexes, the participation of civil society. The author notes that the behavior of the EU, even in the case of investing in the economy of African countries was characterized by certain selfishness (Aranda, J.L.G.).

Great Britain. On the eve of T. May's visit to Africa in August 2018, N. Westcott wrote on the website of the Royal African Society: "British relations with Africa have a long history, are very close and very important for both sides, although they were often subject to various tests. The legacy of the slave trade and decades of colonial order left a deep mark. However, Africa has now (again) been independent for about as long as it was a colony, allowing us to turn a new page in our relationship. In fact, there is a very great potential for a great relationship in the future. The Commonwealth summit demonstrated that there is strong residual sympathy for Britain as a country and its monarch as an individual" (Westcott, N.).

This situation is not a reassessment of the attitude of the people of the continent to the former colonizers – the latter are often perceived as carriers of progress. About the same phenomenon is observed in India in relation to Britain or in the former Central Asian republics in relation to Russia.

Turkey. Turkey's directed activity on the African continent is growing, large—scale Summits of the partnership "Turkey-Africa" are being held, in which more than 50 African countries are taking part, which intend to cooperate actively with Turkey in the format of intergovernmental cooperation in the areas of "security, trade and investment, health, environment and information and communication technologies" (Stupakov N.V., 8), reaching the level of strategic partnership. "Turkey "boosts the promotion" of its interests on the African continent, increasing the number of Turkish embassies in Africa to 39 over the past five years, and Turkey's trade with African countries increased from 5.5 to 20 billion dollars in 10 years". (Stupakov N.V., 11-12). Externally, Turkey acts as a donor for a number of African countries, but modern analysts often call Turkey a "wall-breaking machine" on the side of the Anglo-Saxon partners to "push" Anglo-American interests in the strategically important regions of the world for NATO (The Turkish factor of the Bosporus).

China. China's economic and other activities in Africa, its interest in cooperation with the countries of the African continent, and its dynamic policy on the continent attracted the attention of Russian science a long time ago. Wood, mineral resources (iron ore, precious metals, copper, oil, gas, energy, etc.), fishing, culture, and education – this is a wide range of Chinese cooperation with the African continent countries.

China's trade with African countries amounted to \$ 220 billion in 2014, which is almost 15 times more than the Turkish indicators. Thus, China's important interest is to solve the problem of its own food security, in this regard, participation in the development of agriculture in Africa due to the shortage of its own arable land, in the development of industry. In particular, the China-Africa Development Fund was established in 2007 to promote Chinese investment in infrastructure, agriculture, and industry in Africa. At the Forum on China-Africa Cooperation (FOCAC) in Beijing on September 2018, a new trend was clearly identified, along with the traditional one – a guide to the industrialization of Africa. The range of investment projects is constantly expanding (Ignatiev S., Lukonin S.).

However, Chinese projects have both advantages and disadvantages, can have both positive and negative effects, there are already conflict directions and zone in connection with the activity of China ( $\underline{Siontyandiobi\ S}$ .). Moreover, there are estimates that characterize the black continent as a testing ground for the "soft power" of China ( $\underline{Manukov\ S}$ .) and the formation of a new system of colonialism.



Israel. Israel, providing assistance to African countries (military assistance, assistance in the fight against terrorism, technical assistance, numerous development projects), clearly sets political, geostrategic and economic goals (Khlebnikova L.R. (2016)). African countries are interested in Israel's experience in the fight against terrorism and its innovative technologies, especially in agriculture and medicine, as well as cooperation in the field of education, sustainable development, food and water security, the fight against poverty (Khlebnikova L.R. 2017). Joint scientific events are held. At the same time, "the specifics of the Israeli aid program are that the country's leadership does not spend much money on aid, but remains an important player in sub-Saharan Africa" (Khlebnikova L.R. 2017, 800).

In addition, India, Japan, South Korea, the Islamic Republic of Iran, even Kazakhstan (Africa's New Partners) and others are very active in Africa Semyachkov, K. A. (2019, May).

# Problems, threats, and prospects of ensuring economic security of Russia in the conditions of transformation of the situation of Africa in the world

Russia on the African continent will face a) more technologically advanced producers as competitors, as in a number of industries it lags behind many countries of the world in technological development (especially the US, the EU, China); b) new threats and risks associated with the African economy and its cultural and value bases, new meanings and goals, special mechanisms for obtaining government preferences, concluding and financing large contracts in the conditions of not only commercial, but also geopolitical confrontation; c) new types of economic crime; d) new forms of interaction with the local population within the framework of labor relations; e) new mechanisms for the protection of its assets and investments, etc. However, so far in the scientific study and practical development of these threats and risks in the context of economic security, Russia is almost at zero. Putin, V. (2000).

The most important competitive advantage of Russia is its cultural and historical experience of making communication on the basis of equality, justice, selfless help to the weak. With regard to Eurasian integration, S. Glazyev outlined the basic political principles as an alternative to the Western European "Washington consensus", which should be considered as universal for Russia and the world: voluntariness, mutual benefit, equality and transparency (Glazyev S.Yu. 2018, 6-7). These principles are "rediscovery" for the entire world community of normal; we can say the classical norms of international economic relations and the formation of international cooperation institutions. The latter should be based on mutual respect for national sovereignty, harmonization of interests and responsibility of participants for achieving common goals, domination of public interests over private ones. These principles have long been aggressively violated by Western European countries in international relations, as the basis of western civilization is private interest and national selfishness. The West has long professed inequality in favor of the "chosen" countries, peoples and groups of the population, coercion in the management of society and the world, the lack of mutual benefit in any relationship, the lack of transparency and corporate backstage of individual rich groups in decision-making in society, violating the ideas and principles of Education, born in the bowels of the West. Putin, V. (2000).

This understanding can and should become the basis of cooperation between Russia and Africa. Advantages of Russia are justice in the socio-economic sphere, high culture, advanced science, high technology in the system of agriculture, urban planning, education, engineering, chemistry, materials science, nuclear energy, peaceful space (remote sensing of the Earth's surface, communications, navigation, and meteorological support), etc., including the scientific experience of Russia in the field of economic security. Other promising areas of research and practical management can be formulated as follows Semyachkov, K. A. (2019, May):

- To expand cooperation in the field of the economy with African countries, the range of services in the field of education, health, and medicine, science, culture, art, libraries, improving the quality of health services, components of cultural interaction;
- To expand cooperation in the field of law enforcement, fighting terrorism, smuggling, illegal migration, corruption, fraud, economic security;
- To expand cooperation in the construction of road networks, energy, water and sewage systems, and other infrastructure necessary to meet the needs of the growing population. <u>Pinstrup-Andersen, P., Pandya-Lorch, R., & Rosegrant, M. W. (1999)</u>.

There are other areas of cooperation. Putin, V. (2000).

#### **CONCLUSIONS**

The impact of the socio-economic dynamics of the African continent on world economic processes will continue to grow steadily over the course of this century. In this regard, the intensification of the interaction of all countries of the world, including Russia, with the countries of Africa is an objectively inevitable process. The largest countries in the world have dramatically increased their presence in Africa over the past decade.

New trends related to the transformation of the African economy, interaction with it, as well as ignoring interaction with African countries, carry advantages and new prospects, as well as new threats and risks to Russia's economic security.



At the same time, the Russian Federation has very little experience of comprehensive research in ensuring national economic security in cooperation with various countries, including African countries, as a result, there is no deep understanding of the possible negative effects for Russia in certain scenarios of interaction with this economy, as well as the forecast of the consequences of interaction with other countries in the context of Russian interests. Accordingly, this task should be seen as a special priority and a long-term one.

The solution of the problem of scientific support of national economic security in the sphere of international economic relations, of course, should be based on the available scientific experience, but this problem must inevitably be solved more comprehensively, wider than it was solved and put in Russia in relation to "internal use". The absence of such an understanding and a clear strategy based on such an understanding with regard to African countries could create additional threats and risks for Russia in the near future with a tendency to strengthen them in the future. <u>Laruelle, M., & Peyrouse, S.</u> (2015).

# **ACKNOWLEDGMENT**

The author confirms that the data do not contain any conflict of interest.

#### REFERENCES

- 1. Borovikova T.V. (2017). Methodological bases of formation of the intellectual potential of territories in the conditions of innovative economy. *Modern Economy Success*. Issue 6. P. 46 49.
- 2. Glazyev S.Yu. (2018). Conceptual proposals for the practical implementation of the idea of Greater Eurasian partnership. M., 2018. [Electronic resource] // http://www.eurasian-sp.ru/wp-content/uploads/2018/10/glazievsu.pdf
- 3. *Gnatyuk S.N.*, *Pekert N.A.* (2018). Education as a factor of sustainable development of agriculture. *Russian Economic Bulletin*. Vol. 1. Issue 3. P. 18 27.
- 4. Ignatuev S., Lukonin S. (2018). China's investment relations with African countries. World economy and international relations. 2018. № 10, Vol. 62. P. 5-12. https://doi.org/10.20542/0131-2227-2018-62-10-5-12
- 5. Khlebnikova L.R. (2016). Israel and Africa: cooperation in the field of security and development (on the example of Nigeria) // East. Afro-Asian societies: history and modernity. №6. 2016. P.52-62.
- 6. Khlebnikova L.R. (2017). Cooperation of the state of Israel with the countries of East Africa in the fields of security and development (on the example of the Republic of Kenya). Vestnik RUDN. Series: International relations. 2017. Vol.17. №4. P. 793-806. https://doi.org/10.22363/2313-0660-2017-17-4-793-806
- 7. Malakhov V.F. (2015). The possibility of permissible protectionism. Some results of the US Eximbank's activities in sub-Saharan African countries // Asia and Africa today. №11. 2015. P. 56-61.
- 8. Manukov S. (2017). China in Africa: the Black continent as a testing ground for "soft power" [Electronic resource] // https://eadaily.com/ru/news/2017/12/21/kitay-v-afrike-chernyy-kontinent-kak-poligon-dlya-ispytaniy-myagkoy-sily
- 9. Siontyandobi S. (2016). China's economic policy in Africa // Discussion. №4 (67). 2016. P. 64-70.
- 10. Stupakov N.V. (2015). Development of the Russian doctrine of international and Eurasian security in the context of strengthening the vectors of Turkish and American influence in the middle East and Africa // International cooperation of Eurasian States: politics, economics, law. №4. 2015. P. 6-16.
- 11. Urnov A.Yu. (2018). Donald Trump and Africa. Initial phase // Asia and Africa today. №2. 2018. P. 3-10.
- 12. Ayoob, M. (1995). The third world security predicament: State making, regional conflict, and the international system (pp. 41-42). L. Rienner Publishers.
- 13. Salami, A., Kamara, A. B., & Brixiova, Z. (2010). Smallholder agriculture in East Africa: Trends, constraints and opportunities. Tunis: African Development Bank.
- 14. Podolskaya, T., Medyakova, E., & Kolesnikova, N. (2020). Migration Policy and Problems of Ensuring Economic Security of Countries. In Migration and Urbanization: Local Solutions for Global Economic Challenges (pp. 63-80). IGI Global. <a href="https://doi.org/10.4018/978-1-7998-0111-5.ch004">https://doi.org/10.4018/978-1-7998-0111-5.ch004</a>
- 15. Shambaugh, D. (2002). Modernizing China's Military: Progress, problems, and prospects. Univ of California Press. <a href="https://doi.org/10.1525/california/9780520225077.001.0001">https://doi.org/10.1525/california/9780520225077.001.0001</a>
- 16. Proedrou, F. (2016). EU energy security in the gas sector: Evolving dynamics, policy dilemmas and prospects. Routledge. <a href="https://doi.org/10.4324/9781315580678">https://doi.org/10.4324/9781315580678</a>
- 17. Omotola, J. S., & Saliu, H. (2009). Foreign aid, debt relief and Africa's development: problems and prospects. South African Journal of International Affairs, 16(1), 87-102. <a href="https://doi.org/10.1080/10220460902986180">https://doi.org/10.1080/10220460902986180</a>
- 18. Roy, M. S. (2001). Russia and central Asia: Problems and prospects. Strategic Analysis, 25(3), 451-464.
- 19. Standing, G. (2007). How cash transfers boost work and economic security. UN. <a href="https://doi.org/10.1080/09700160108458968">https://doi.org/10.1080/09700160108458968</a>
- 20. Barnhart, M. A. (2013). Japan prepares for total war: The search for economic security, 1919–1941. Cornell University Press.
- 21. Mutasa, C., & Paterson, M. (Eds.). (2015). Africa and the millennium development goals: Progress, problems, and prospects. Rowman & Littlefield.



Humanities & Social Sciences Reviews eISSN: 2395-6518, Vol 7, No 4, 2019, pp 1353-1358 https://doi.org/10.18510/hssr.2019.74188

- 22. Stock, R. (2012). Africa South of the Sahara: a geographical interpretation. Guilford Press.
- 23. Alexander, D. (2006). Globalization of disaster: trends, problems and dilemmas. Journal of International Affairs, 1-22.
- 24. Swilling, M., Musango, J., & Wakeford, J. (2016). Developmental states and sustainability transitions: prospects of a just transition in South Africa. Journal of Environmental Policy & Planning, 18(5), 650-672. https://doi.org/10.1080/1523908X.2015.1107716
- 25. Semyachkov, K. A. (2019, May). Digital economy in developing countries: problems and prospects. In 1st International Scientific Conference" Modern Management Trends and the Digital Economy: from Regional Development to Global Economic Growth"(MTDE 2019). Atlantis Press. <a href="https://doi.org/10.2991/mtde-19.2019.19">https://doi.org/10.2991/mtde-19.2019.19</a>
- 26. Putin, V. (2000). The foreign policy concept of the Russian Federation. Ministry of Foreign Affairs of the Russian Federation.
- 27. Laruelle, M., & Peyrouse, S. (2015). Globalizing Central Asia: geopolitics and the challenges of economic development. Routledge.
- 28. Pinstrup-Andersen, P., Pandya-Lorch, R., & Rosegrant, M. W. (1999). World food prospects: Critical issues for the early twenty-first century.