

Eurasian Countries increasing Trade with Russia, GDP Growth forecasted by IMF

By [Uriel Araujo](#)

Global Research, February 03, 2023

[InfoBrics](#) 3 February 2023

On January 3, the International Monetary Fund (IMF) revised upwards Russia's GDP forecast, expecting it to grow by 0.3 percent this year, which is a remarkable improvement from the previous estimate of a 2.3 percent contraction, even though some sectors of the Russian economy have been having issues since the beginning of special military operation in Ukraine. In addition, the IMF now expects Russian crude oil export figures to remain quite strong even under today's \$60-per-barrel limit cap on the price it can charge for oil, as imposed by the EU.

This in itself is interesting enough but according to economics journalist Matthew Klein, co-author of "Trade Wars are Class Wars", the value of global exports to the Russian Federation in November 2022 was merely 15 percent below the pre-conflict average figures and, moreover, he [estimates](#) they might have already gone back to those figures in December last year, although much trade data for the last month is not available yet. Silverado Policy Accelerator, a Washington-based nonprofit organization, has reached a similar conclusion, in its January analysis, even suggesting Russian imports have already [surpassed](#) pre-conflict levels by September 2022.

Sanctions on Russia are part of today's [economic warfare](#). The problem, from a Western perspective, is that the Eurasian power is neither Cuba nor North Korea, and therefore it is not so simple to "isolate" it as Western political elites seem to have thought.

This is so largely thanks to Moscow's rise in trade with neighbors and regional partners and allies, according to Ana Swanson, who writes on international trade for the New York Times. In the post-sanctions world, Russia's trade has been managing to basically redirect itself to other nations. In Armenia, for instance, Swanson remarks, smartphone exports to the Eastern Slav country have surged – and the same trend is also taking place with computer chips, and a number of other products from states such as Kyrgyzstan, Kazakhstan, and Turkey. China's exports to Russia also reached a record high in December, and products from Western companies are reaching the country too, as they are supposedly being "rerouted" through nations in central western Asia, and other former Soviet republics.

The irony of these new developments is that they may boost Eurasian integration and some proposals to further expand it, aiming at encompassing the area formerly claimed by the Soviet state which is the very area British geographer Halford Mackinder famously described as the [Heartland](#). Washington's foreign policy [remains](#) largely shaped by Mackinder's ideas about controlling this core of Eurasia to dominate the globe.

The Treaty of the EurAsian Economic Union (EAEU) was signed in May 2014 by Russia,

Belarus, and Kazakhstan, which were later joined by Armenia and Kyrgyzstan. This bloc is a major player in the global arms, energy, and raw materials industry, as well as agricultural production. Some of its main goals is to develop a single market, thereby achieving free movements of people, goods, capital, and services. It also seeks to increase its trade with East Asia.

The aforementioned new trade trends may provide new opportunities for countries such as Armenia. Armenian political elites in Yerevan have long envisioned their country as a potential bridge between the EU and the Eurasian Union. Although Armenia's trade with the EU currently outweighs that with the EAEU, the country counts on Moscow for its security, especially in light of the Nagorno-Karabakh conflict. Moreover it is a Collective Security Treaty Organization (CSTO) member.

Much has been talked about an Armenian "retreat" back into the Western Atlantic camp, as reasons former Armenian deputy minister of justice Artyom Geghamyan, but one could argue that reality is much more complex as the political West has [benefitted](#) from the Nagorno-Karabakh escalation, and Europe is turning to Azerbaijan, Armenia's main rival, for energy. Moreover, Yerevan in fact has been playing a quite significant role in helping Moscow navigate Western sanctions in such a way that is mutually beneficial for both states, by increasingly implementing bilateral economic and trade cooperation.

In today's world, insulating local industries from geopolitical disputes is becoming [increasingly difficult](#). Moscow has been seeking to [strengthen](#) the Eurasian Union alongside the CSTO and the BRICS group. The EAEU focuses on Eurasian economic integration and development, while the CSTO is tasked with security issues pertaining to the territorial sovereignty of its member states. From the US perspective, such groupings and developments are a threat to American global unipolar hegemony and are therefore seen with suspicion and hostility. Thus, the challenge for countries such as Armenia will involve "balancing" their bilateral relations with an increasingly "[cold war mentality](#)"-driven West and with their Eurasian partners.

To sum it up, much has been talked about Western sanctions against Russia having largely [backfired](#), but beyond that they are also reconfiguring international trade, what may pave the way for new opportunities in Eurasia.

The original source of this article is [InfoBrics](#)

Copyright © [Uriel Araujo](#), [InfoBrics](#), 2023

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Uriel Araujo](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are

acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca
www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.
For media inquiries: publications@globalresearch.ca