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Managing editor:

Tatyana Kuznetsova
tikuznetsova@kantiana.ru
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POLITICS AND INTERNATIONAL RELATIONS

TWYFJX

EU IN SEARCH OF A RUSSIA POLICY? MULTIPLE STREAMS FRAMEWORK, DECOLONIZATION, BALTIC ENTREPRENEURS

T. A. Romanova^{1, 2} 



¹ Saint Petersburg State University,
7–9 Universitetskaya Emb., Saint Petersburg, 199034, Russia

² HSE University,
20 Myasnitskaya St., Moscow, 101000, Russia

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The start of the Special Military Operation (SMO) created a conceptual vacuum in the European Union's policy toward Russia. By classifying Moscow as a strategic threat, Brussels curtailed all contacts with it, instead prioritizing sanctions and support for Ukraine. The aim of this article is to examine how decolonization, understood as a socio-political category, has become the ideational foundation of the EU's Russia policy and to highlight the role of Baltic entrepreneurs in shaping this discourse. Theoretically, the analysis is informed by the multiple streams framework; empirically, it draws on EU policy documents and political speeches delivered between 2022 and the present.

Three distinct interpretations of decolonization are identified. The first highlights the previously limited agency of the Baltic States and Poland in shaping EU–Russia policy, which has now given way to Brussels' acceptance of the most uncompromising 'Baltic line' on Russia. The second emphasizes inter-imperiality, understood as both the liberation of post-Soviet Eurasia from Russian influence and the emancipation of states in this region through deeper and more equitable cooperation with the EU. This interpretation underpins the EU's revision of its enlargement policy, the additional legitimation of anti-Russian sanctions, and the creation of a new hierarchy of actors in the post-Soviet space. The third, currently marginal, interpretation focuses on restoring subjectivity to Russia's peoples and regions. While EU policymakers rarely elaborate on this perspective, its very existence reinforces a negative backdrop that constrains the possibility of dialogue between Russia and the EU. The article demonstrates the central role of Baltic entrepreneurs in advancing these interpretations of decolonization and underscores the

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differences in their technical feasibility. In conclusion, the three interpretations are compared and briefly assessed in terms of their implications for the potential restoration of Russia—EU relations.

Keywords:

European Union, multiple streams concept, decolonization, Russia / Russian Federation, Ukraine, Baltic States

Introduction

After February 24, 2022, the European Union (EU) abandoned its previous course in relation to Russia. Having declared Moscow “a major strategic threat”,¹ Brussels concentrated on previously launched policies [1], restrictive measures (sanctions) against Russia [2] and support for Ukraine.² This policies’ choice signaled the shortage of ideas about the EU’s long-term relations with Russia.

Recently, however, the EU began to fill this vacuum regarding the concept of its future ties with Russia. A noticeable role in this process is played by decolonization as a socio-political category [3]. In this article, decolonization is understood as a reassessment of conventional perspectives in favour of previously marginalized political and geographical ideas. This process entails revising the hierarchy between actors that once defined the norm and those excluded from it, while restoring agency to the latter. This definition of decolonization aligns with the postcolonial tradition, which has often been criticized for overlooking ‘real’ factors, adopting a postmodern perspective on domination, and giving only peripheral attention to Europe’s role in the colonization of Africa and Asia [4; 5]. However, such an interpretation of decolonization reveals the pluralism of current EU debates regarding possible policy approaches toward Russia.

This article seeks to identify how decolonization, understood as a socio-political category, functions as an ideational basis for the formulation of the EU’s policy toward Russia, and to underscore the role of Baltic entrepreneurs in this process. The analysis is grounded in the multiple streams framework (MSF), with particular attention to the ways in which ideas are reformulated and translated into policies. The focus is on how the notion of decolonization is being adapted to the EU’s prospective Russia policy. The article does not claim that decolonization is the sole concept shaping Baltic or EU approaches to Russia. Rather, it aims to demonstrate the ambiguity of the concept and its growing prominence, as reflected in the increasing number of references in EU documents.

¹ Joint White Paper for European Defence Readiness 2030. 2025, *High Representative of the Union for Foreign Affairs and Security Policy, Brussels*, 19.3.2025 JOIN(2025)120final, URL: https://defence-industry-space.ec.europa.eu/document/download/30b50d2c-49aa-4250-9ca6-27a0347cf009_en?filename=White%20Paper.pdf (accessed 06.06.2025).

² EU support for Ukraine, *Europa.eu*, URL: https://european-union.europa.eu/priorities-and-actions/eu-support-ukraine_en (accessed 06.03.2025).

Empirically, the article is based on the statements of the EU's national and supranational leaders, as well as on the documents of EU institutions from 2022 to the present, processed through discourse analysis. In accordance with it, any conceptualization "should also be grounded in prior interpretations of empirical analyses" and their subsequent verification on a larger dataset [6, p. 14]. Consequently, at the initial stage, in a small number of academic articles, EU documents and media reports, three interpretations of decolonization in the EU's Russia policy were outlined, and their keywords were defined (see Table). At the second stage, the empirical base was broadened through the use of these keywords, resulting in a dataset of approximately 100 texts and video materials. The search was first made on the official EU portal (europa.eu), and then the Google search was used to draw on other resources (primarily mass media outlets). In addition, key EU appointments were taken into account because they potentially contribute to the promotion of the interpretations of decolonization in the EU's Russia policy. Such data selection and their processing correspond to MSF [7, p. 44].

Three interpretations of decolonization in the European Union

Criteria for comparison	Decolonization in the EU	Decolonization in the post-Soviet space	Decolonization of Russia
Keywords in EU documents	Listen, unity, policy-takers vs. policy-makers	Imperialism, empire, neocolonial	Refederalization, indigenous people, national minorities, discrimination
Essence, problem stream	Agency of EU member-states inside the Union	Agency of states of the post-Soviet Eurasia (Ukraine)	Agency of peoples and regions of Russia
Politics stream and policy entrepreneurs	Researchers (mostly from the Baltic States and Poland), politicians — representatives of new EU member states, mass media	Researchers (western, post-Soviet), politicians (from Ukraine, Baltic States, Poland, the West), mass media	Researchers (western, post-Soviet), policy analysis, politicians (from the Baltic States and Poland, Ukraine, a part of the Russian emigration), mass media
Connections with EU policies, policy stream	Implementation of the EU's treaties, including equality among member-states, EU internal policies	Reform of the EU's enlargement policy, sanctions, assistance to Ukraine, EU external policies	Imposition of policies on Russia, the EU's normative power
Results	"Estonization" of the EU, increased influence of the Baltic States in EU institutions	Preservation of sanctions and assistance to Ukraine, reform of the EU's enlargement policy, new hierarchy of EU partners	Search for an alternative vis-à-vis in Russia, complicating any reboot of the dialogue between Brussels and Moscow

From the theoretical point of view, the novelty of the study lies in demonstrating how an idea is interpreted and reframed in the course of policy development, how value acceptability and technical feasibility contribute to the policy development. From a practical point of view, it will be shown how the EU seeks to fill the conceptual vacuum in its policy toward Russia.

At first, the article summarizes the MSF and determines its elements in application to the EU and its Russia policy. Furthermore, three interpretations of decolonization in the EU's Russia policy are described (decolonization of the Baltic countries / new member states¹ in the formulation of the EU's policies; decolonization of the post-Soviet space / Ukraine; decolonization of Russia). In conclusion, three interpretations are briefly compared, their consequences for the reboot of the dialogue between Brussels and Moscow are outlined, and areas of possible future research are highlighted.

Multiple streams framework: history and key elements

The 'garbage can' concept is a forerunner of the MSF. Its authors, Cohen, March and Olsen, concluded that any organization "operates on the basis of a variety of inconsistent and ill-defined preferences", choosing options "through action" rather than acting "on the basis of preferences" [8, p. 1]. To visualize it, scholars used the metaphor of the garbage can where various 'types of waste' mix: politicians arbitrarily combine problems and possible solutions. Participants of any political process can be seen as rational actors, as affected by emotions, or as socialized in some paradigms [9]. In fact, the 'garbage can' concept tried to explain, why and how a decision is made [10, p. 323].

In the MSF J. Kingdon improved the 'garbage can' concept. He clarified the connection between ideas and their implementation, showing why and when the 'time' for an idea comes [11, p. 1]. The MSF distinguishes five elements in the decision-making process.

¹ Hereinafter, 'new EU member states' mean states that joined the Union as of 2004. Despite the fact that more than 20 years have passed since the big-bang enlargement (May 1, 2004), the division into old and new EU members is preserved both in practical policy and in EU studies. This is the result of deep political and economic differences among EU countries. See, for example, EU enlargement, *European Union*, n/d, URL: https://european-union.europa.eu/principles-countries-history/eu-enlargement_en (accessed 07.06.2025) ; The 20th anniversary of the EU enlargement, *Eurostat*, 01.05.2024, URL: <https://ec.europa.eu/eurostat/web/products-eurostat-news/w/edn-20240501-1> (accessed 07.06.2025) ; 20 years since the EU welcomed 10 new Member States: what lies ahead for those waiting to join our Union, *European Movement International*, 30 April 2024, URL: https://europeanmovement.eu/policy-focus/20-years-since-the-eu-welcomed-10-new-member_states/ (accessed 07.06.2025).

The problem stream is what needs to be solved. It is defined by various indicators (for example, budget deficit), by focusing events or previously made decisions. Problems contain “perceptive, interpretive element” [11, p. 110], that is, they suggest interpretation by decision-makers.

The politics stream is formed by national culture, pressure groups, the rotation of elected politicians and administrative personnel. In the case of the EU, N. Zahariadis proposes to consider the Council of the European Union, the European Parliament and the “European mood”, that is, the preferences of citizens [12, p. 518]. In our opinion, analysis of the European Council and European Commission, other key EU institution, is to be added.

The policy stream consists of “a ‘soup’ of ideas that compete to win acceptance” [13, p. 72]. An idea may take the form of a specific political decision, a paradigm or value justification of some actions [14, p. 260]. The viability of ideas depends on their “value acceptability”, “technical feasibility”, as well as on the strength of the political network, lobbying the corresponding decision [13, p. 72].

Political entrepreneurs are actors connecting the problem, politics and policy streams [13, p. 74]. Their power determines access to decision-makers, available resources (financial, ideological, informational, temporal, etc.), as well as applied strategies (they inter alia might take linguistic, emotional, normative forms).

Kingdon also considered policy windows as an opportunity to combine problems and solutions (policies), but this article does not consider them.

Multiple stream framework: the EU, Russia and decolonization

How can MSF be applied to the EU’s Russia policy?

The problem stream. The special military operation (SMO) provoked the EU’s severe critique. The European Council qualified Moscow’s actions as “undermining European and global security and stability”,¹ initiated support for Ukraine and introduced massive restrictive measures against Russia. As a result, most previously existing concepts of EU-Russia relations lost their relevance [15]. Thus, the problem stream consists in the EU’s ideational vacuum regarding how to interact with Russia in the long-run. The SMO constitutes a unique focusing event; but the EU specifies this very problem in a variety of ways, as will be shown below.

The politics stream. EU institutions reacted to the SMO in the same way. EU members (and, consequently, the European Council and the Council of the EU) supported a tough restrictive line against Russia.² The previously existing

¹ European Council conclusions. 24 February 2022, *Europa.eu*, URL: <https://www.consilium.europa.eu/en/press/press-releases/2022/02/24/european-council-conclusions-24-february-2022/> (accessed 23.01.2025).

² Informal meeting of the Heads of State or Government. 10 and 11 March 2022, Versailles Declaration, *Europa.eu*, URL: <https://www.consilium.europa.eu/media/54773/20220311-versailles-declaration-en.pdf> (accessed 23.01.2025).

“friendliness to Moscow” gradations of EU member-states disappeared. Despite the periodic challenge from Hungary or Slovakia, EU restrictive measures have been regularly extended, their number has steadily grown, and Ukraine has continued to receive new forms of assistance (most of these decisions require unanimity among EU member states). The European Parliament, known for its normativity, took the most critical position,¹ which the 2024 elections did not shake. The European Commission consistently adheres to the anti-Russian line both discursively and in practice.² Thus, a tough line in relation to Russia is the subject of an inter-institutional consensus in the EU. The opinion of EU citizens about Russia also sharply deteriorated.³

The policy stream. Reflections on decolonization and relevant studies have come a long way [4; 5]. In Europe, they predominantly adopted a postmodern shape [16]. Rethinking of member states’ colonial legacy plays an important role both in theory and EU practice [17]. In Western universities, decolonization as a change in the “way of thinking about the world” [18, p. 2] became an important component of training [19], forming the culture of the politically correct. Thus, decolonization became an integral part of the EU’s normative system.

These circumstances determine value acceptability of decolonization ideas for the European Union in its external activity. This article understands decolonization in line with this perspective as a revision of conventional views in favor of previously marginal (political, geographical) ideas, which entails a revision of the hierarchy between actors who previously determined the norm and other actors, as well as the return of agency to the latter.

In parallel, decolonization ideas were strengthened in the research of Russian literature and history [20—22]. Decolonization ideas in the context of the SMO provided in the West an “ethical turning point for international relations, serving to problematize geopolitical thinking; the analysis of competing interests; and the presumed preference for scholarly detachment” [21, p. 3].

At the same time, technical feasibility of these ideas depends on how innovations are integrated into EU policies. At the moment, three different — although mutually reinforcing — interpretations with varying (potential) policy consequences are proposed in the EU.

¹ For example, Russian aggression against Ukraine. European Parliament resolution of 1 March 2022 on the Russian aggression against Ukraine (2022/2564(RSP), *Europa.eu*, URL: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:-52022IP0052> (accessed 23.01.2025).

² For example, 2023 State of the Union Address by President von der Leyen. 13.09.2023, *Europa.eu*, URL: https://ec.europa.eu/commission/presscorner/detail/en/speech_23_4426 (accessed 23.01.2025).

³ For example, The EU’s response to the war in Ukraine. Eurobarometer Report. October–November 2024, *Europa.eu*, URL: <https://europa.eu/eurobarometer/surveys/detail/3215> (accessed 23.01.2025).

Several categories of *political entrepreneurs* promote decolonization as the basis of the EU's new Russia policy. The first one includes representatives of academia, specifying the decolonization ideas for the region. The second category consists of analysts, who help to technically flesh out certain ideas, to make them applicable in EU policies. The third category includes national and supranational leaders. They introduce ideas into the EU's political process, contribute to their implementation in practice. The last category of entrepreneurs is the mass media that popularize certain concepts. These entrepreneurs are specified below for each decolonization interpretation.

The next section considers in detail the three interpretations that have taken shape in the EU at this stage. We focus on how the decolonization problems in the EU's Russia policy are formulated, what is the proposed (practical) role of the EU, as well as who acts as political entrepreneurs, in particular from the Baltic countries and Poland (see also Table).

Three interpretations of decolonization in the EU

Decolonization of 'new' EU member — states

In the first interpretation of decolonization, the problem of the EU's Russia policy is specified as previously insufficient attention to mostly critical, suspicious views on Russia, promoted by representatives of Poland and the Baltic countries. These views were rather qualified as a result of their historical trauma [23]. This position was even dubbed a "unique version of orientalism", the essence of which, in the perception of representatives of Poland and the Baltic countries, was that they are viewed as "simpletons", "racist", "primitive, yet honourable" [24].

As a result, according to this interpretation of decolonization, expert knowledge of post-Soviet Eurasia (including Russia) within the EU has remained limited to ideas originating in Western Europe [25]. Accordingly, the decolonization in this interpretation consists in the emancipation of the Baltic States and Poland (and wider — all new EU members) within the Union.

Most often, this interpretation is associated with such tropes as 'listening', 'unity' (in the EU's position), and differences between policy-makers and policy-takers. The word *westsplain*¹ plays an important role; it describes representatives of the West, criticizing countries of Central Europe for their distrust to Russia. This category gained real popularity in 2023, when it was defined as "the methodological error of overlaying abstract theories onto unique historical and political contexts" [26, p. 619]. This category emphasises that the paradigms previously applied by the EU to Russia were incomplete, as they disregarded the knowledge of Russia possessed by the Baltic States and other Central European countries as a result of their historical relations with it (and previously the Soviet Union).

¹ It is a combination of the words "west" and "explaining".

Three categories of policy entrepreneurs can be distinguished here. Fundamental researchers (mostly from the Baltic region) developed the specificity of the peripheral, liminal position of the Baltic States [23; 25], the westspaining category [26], the theme of vicarious identification of the Baltic States with Ukraine [27]. These interpretations were supported by the Baltic and Polish politicians.¹ Finally, the mass media played an important role, emphasizing the emancipation of Central European states within the EU.²

From the point of view of practical policy, this interpretation presupposes higher equality among EU member states in the European Council and the Council of the EU. De-jure this is already a part of the EU's law; it just requires better implementation, which ensures value acceptability and technical feasibility of this interpretation. Inability of the EU to foresee the start of the SMO, Brussels' shock from this conflict gave an additional 'moral' weight to the arguments in favor of the increase of the role of new EU member states (traditionally suspicious about Russia) in the EU's decision-making. After 24 February 2022, Baltic politicians have constantly stressed that they had warned about the danger coming from Russia. Western politicians, for their part, acknowledged that they had been wrong in failing to take into account the views of the Baltic States, which were grounded in their historical experience.³

This interpretation led to several results. Firstly, the European Commission and 'old' EU member states admitted that they underestimated the input of the Baltic States and Central Europe, in general, into the EU's Russia policy.⁴ Baltic States and Poland regularly initiated new sanctions against Russia⁵ as well as additional defense measures.⁶ Many of these ideas have then been implemented by the EU. Dynkin aptly characterized these policy results as 'Estonization' of the European Union [28].

The second policy result of this interpretation is the increase in the representation of Baltic States in EU institutions. The most vivid illustration is

¹ East-West divide over von der Leyen's Russia mea culpa. 14.09.2022, *Politico*, URL: <https://www.politico.eu/article/von-der-leyens-russia-mea-culpa-gets-kremlinology-treatment/> (accessed 07.03.2024). Politico was included into the Register of mass media, banned in Russia on 25.06.2024.

² Ibid.

³ Ibid.

⁴ Ibid. See also, for example, President Macron: "Poland was right about Putin's Russia, Angela Merkel and I were wrong". 2025, *BritishPoles.uk*, URL: <https://www.britishpoles.uk/president-macron-poland-was-right-about-putins-russia-angela-merkel-and-i-were-wrong/> (accessed 07.06.2025).

⁵ For example, Poland, the Baltics and Ireland to push for harsher Russia sanctions. 2022, *Euractiv*, URL: <https://www.euractiv.com/section/europe-s-east/news/poland-the-baltics-and-ireland-to-push-for-harsher-russia-sanctions/> (accessed 07.03.2025).

⁶ For example, Poland, Baltics call for EU defence line on border with Russia, Belarus. 2024, *Reuters*, URL: <https://www.reuters.com/world/europe/poland-baltics-call-eu-defence-line-border-with-russia-belarus-2024-06-26/> (accessed 07.03.2025).

the appointment of Estonian Kaja Kallas to the position of High Representative for Foreign Affairs and Security Policy in 2024. During the EP hearings, she underlined that her native country “has long told others that Russia’s imperialistic dream never died”.¹ Another noteworthy nomination is that of former Prime Minister of Lithuania, Andrius Kubilius, who became Commissioner for Defence and Space.

In sum, the problem in this interpretation of decolonization is defined as insufficient accounting of the knowledge of new member countries in the EU’s Russia policy, and the need to decolonize them when developing further EU steps. All EU institutions turned out to be open to this interpretation, which was facilitated by the Baltic entrepreneurs, by the value acceptability of a new vision, and by its technical feasibility. This interpretation resulted in the ‘Estonization’ of the EU, as well as in the increased influence of new member states in institutions that develop the EU’s Russia policy.

Decolonization of policy towards the post-Soviet Eurasia

The key problem in the second interpretation of decolonization is to overcome the interimperiality [29] of the post-Soviet Eurasia. On the one hand, it means the historical and cultural influence of Russia on this region. Here, decolonization is a project for the construction of nation states in post-Soviet Eurasia. On the other hand, intrerimperiality is a struggle with a Western vision, in which the post-Soviet Eurasia appears as “a partially modernized but not entirely civilized periphery of Europe” [29, p. 175]. Consequently, here the focus is on the return of agency to the states of post-Soviet Eurasia, as well as on their right to join the West/EU as equal partners [25; 29]. Ukraine became, as of 2022, the quintessence of this interpretation of decolonization in the EU’s Russia policy.

In this context, EU leaders activated the use of ‘empire’ and ‘neocolonialism’ tropes to describe Russian policy [30]. An important academic category in this interpretation is that of “epistemic imperialism”, that is, the desire to apply to the region categories that larger actors formulated [31]. In policy analysis, the category westsplaining played an important role; it was interpreted in a more specific way (compared to the first interpretation), for example, as a criticism of Moscow’s justification of the SMO (ensuring Russia’s security) and its acceptance by some Western politicians [32].

This interpretation of decolonization also had a wide circle of entrepreneurs. Representatives of the academia are noteworthy here, both Western and post-Soviet. The studies of Russian literature gave the first impulse [20; 33]. Another reference point was provided by the conclusion that postcolonial tools can be

¹ Questionnaire to the Commissioner-Designate Kaja Kallas, High Representative for Foreign and Security Policy, no date, *Europa.eu*, URL: https://hearings.elections.europa.eu/documents/kallas/kallas_writtenquestionsandanswers_en.pdf (accessed 07.03.2025).

used in historical research of the post-Soviet area [34–36]. Academic works that reinforce this interpretation, as well as policy analysis operationalizing this approach, have grown exponentially since 2022 [22; 29]. These developments were backed up by the demands to decolonize the very studying process of the post-Soviet space [37]. Some politicians, for their part, suggested qualifying the SMO as a colonial war and, at the same time, positioned Ukraine as defending EU values. President of the European Commission Ursula von der Leyen,¹ High Representative for Foreign Affairs and Security Policy Josep Borrell [30, p. 11, 41], representatives of the Baltic States and Poland [27] resorted to this idea. Ursula von der Leyen went so far as to define Kyiv as “the beating heart of today’s European values”.² The ‘colonial’ interpretation of the SMO also became the norm in the western mass media [21; 29].

In the EU’s practice, this interpretation presupposed at least three policy directions. The first, long-term one, was the EU’s formal decision to incorporate Ukraine as an EU member. Kyiv received the candidate status. Experts also initiated discussions on ways to simplify the accession process, primarily for Kyiv (see, for example, [38; 39]), which is a radical innovation for the EU. In relation to other states of the post-Soviet Eurasia, the EU policies vary from the recognition of enlargement prospects (for Moldova, for example) to the promise to deepen cooperation with countries of Central Asia. The second EU policy direction consists of strengthening the sanction pressure on Russia, while the third one comprises military and financial assistance to Ukraine.

This second interpretation of decolonization forms an additional legitimization of the decisions that the EU has already taken. This approach guarantees both value acceptability and (partial) technical feasibility of this interpretation. The EU’s enlargement, however, remains questionable.³ The candidate status does not mean automatic accession; the preparation process might take years as the case of Turkey illustrates. In addition, the EU in this approach substitutes its Russia’s policy with the policy on Ukraine. Moreover, support by other states of post-Soviet Eurasia for the EU’s policy on Ukraine becomes an essential component of

¹ Putin wants to see empires, autocracies back in Europe, warns von der Leyen in Poland. 2024, *Euractiv*, URL: <https://www.euractiv.com/section/politics/news/putin-wants-to-see-empires-autocracies-back-in-europe-warns-von-der-leyen-in-poland/> (accessed 07.03.2025).

² Press statement by President von der Leyen with Ukrainian President Zelenskyy. 2023, *Europa.eu*, URL: https://neighbourhood-enlargement.ec.europa.eu/news/press-statement-president-von-der-leyen-ukrainian-president-zelenskyy-2023-05-09_en (accessed 07.03.2025).

³ See, for example, Germany, France make EU reform pitch ahead of enlargement talks. 2023, *Euractiv*, URL: <https://www.euractiv.com/section/enlargement-neighbourhood/news/germany-france-make-eu-reform-pitch-ahead-of-enlargement-talks/> (accessed 07.03.2025).

their relations with Brussels. As a result, the hierarchy in the post-Soviet Eurasia does not disappear in the EU's policy. Rather, this hierarchy is revised with the centre now being placed in Kyiv (instead of Moscow).

In sum, the problem in the second interpretation of decolonization is inter-imperiality. As a result, decolonization means both the weakening of the dependence of this region on Russia and a fundamental revision of the EU's views on the region. EU institutions were open to this interpretation, whereas academic entrepreneurs supplied the basis for a simplistic stigmatization of Russia, which made its way into speeches of EU (particularly Baltic) politicians and in the mass media. The discourse on Russia's imperialism created a normative legitimization for the decision that the EU had already taken (restrictive measures, support for Ukraine). Yet, the technical feasibility of the enlargement remains questionable. Finally, EU actions formed a new hierarchy of actors in the post-Soviet Eurasia, where Kyiv became central (for Brussels), thus substituting Moscow.

Decolonization of Russia

The third interpretation of decolonization sees the problem in Russia's policy in its own territory. According to this point of view, to improve European security, it is necessary to go through the decolonization of Russia's internal space, that is, relations between its federal centre and regions must be revised. In this interpretation, two versions can be distinguished. The soft one indicates the need to increase the agency of peoples and regions of Russia through its "refederalization". The radical version aims at the disintegration of Russia into smaller states. Consequently, the key tropes for this interpretation in EU documents in addition to "decolonization" are "refederalization", "minorities", "(indigenous) peoples", "discrimination". For the EU, this is the most marginal interpretation, although historically Western countries have already used this thinking against Russia [4; 40].

The spectrum of entrepreneurs promoting this interpretation is wide. The academic basis is formed of the view on the history of Russia as a process of gradual colonization of territories [22; 41]. The requirements of the decolonization of Russia in some cases form a continuation of the second interpretation, that is, the decolonization of post-Soviet Eurasia [29; 42]. The promotion of the third interpretation has become a mission of several EU think tanks. The European Resilience Centre¹ regularly compares the development of Siberia with the experience of Western colonialism. In Lithuania, an Institute for the Research of the Regions of Russia was set up. At the same time, the idea of Russia's decolonization remains marginal among analysts and is even classified by Western experts as "wilder fantasies" [43].

Yet, these ideas are popular among Baltic politicians. Anna Fotyga (former member of the European Parliament) promoted the radical version of the third

¹ The Centre is listed as an undesirable organization in Russia as of 02.07.2025.

interpretation. She popularized this version among her EP colleagues¹ and in the mass media.² Kaja Kallas also hinted at this version when being Prime Minister.³ Andrius Kubilius, then a member of the European Parliament, advanced the soft version.⁴ Ukrainian politicians and activists, as well as some Russian emigrants, positioning themselves as representatives of indigenous people and of some Russian regions, play an important role in promoting this interpretation⁵ [40]. Mass media followed these debates, ensuring the coverage of the most sensational declarations but also providing the arena for debates among supporters and opponents of the decolonization of Russia.⁶

In the EU policy practice, this interpretation has hardly been reflected. As a rule, the EU limits itself to concerns regarding “crackdown” on “activists of ethnic and cultural minorities”.⁷ Josep Borrell underlined that “no one is disputing [Russia’s] borders” [30, p. 41]. Yet, in its 2024 resolution, the European Parliament talked about “changes in the system in the Russian Federation, in particular deimperialization, decolonialization and refederalization”.⁸ Parliamentary documents globally are used to test various ideas, to legitimize marginal paradigms, which

¹ The Imperial Russia: Conquer, Genocide & Colonisation. 2023, ECR, URL: https://ecrgroup.eu/event/the_imperial_russia_conquer_genocide_colonisation (accessed 28.06.2024).

² Fotyga, A. 2023, The dissolution of the Russian Federation is far less dangerous than leaving it ruled by criminals, *Euractiv*, URL: <https://www.euractiv.com/section/politics/opinion/the-dissolution-of-the-russian-federation-is-a-far-less-dangerous-than-leaving-it-ruled-by-criminals/> (accessed 29.06.2024).

³ ‘Putin’s Russia Will Be Disintegrated Into States’: Kaja Kallas Shocker Ahead of Big EU Post Pick. 2024, *OneIndia*, URL: <https://www.youtube.com/live/1Jw999EuNpM> (accessed 04.07.2024).

⁴ Draft Report on a European Parliament recommendation to the Council and the Vice-President of the Commission. 2023, *European Parliament*, High Representative of the Union for Foreign Affairs and Security Policy concerning EU-Russia political relations (2023/2125(INI), Committee on Foreign Affairs, Rapporteur: Andrius Kubilius, URL: https://www.europarl.europa.eu/doceo/document/AFET-PR-753627_EN.pdf (accessed 30.10.2024).

⁵ Most of them are now included in the Register of terrorists and extremists in Russia.

⁶ A curious discussion took place, for example, in 2023 at the website www.politico.eu (this media was banned in the territory of Russia on 25.06.2024).

⁷ *European Parliament*, 2022, Increasing repression in Russia, including the case of Alexei Navalny European Parliament resolution of 7 April 2022 on the increasing repression in Russia, including the case of Alexei Navalny (2022/2622(RSP)), URL: https://www.europarl.europa.eu/doceo/document/TA-9-2022-0125_EN.pdf (accessed 27.06.2024).

⁸ *European Parliament*, 2024, The murder of Alexei Navalny and the need for EU action in support of political prisoners and oppressed civil society in Russia. European Parliament resolution of 29 February 2024 on the murder of Alexei Navalny and the need for EU action in support of political prisoners and oppressed civil society in Russia (2024/2579(RSP), URL: https://www.europarl.europa.eu/doceo/document/TA-9-2024-0118_EN.html (accessed 29.06.2024).

might then enter policy practice. Decolonization of new member states in the EU's decision-making and career growth of some of its representatives also facilitates the popularization of the third interpretation of decolonization in the EU.

From the values' point of view, this interpretation is acceptable to the EU as being in line with the concept of normative power Europe [44]. Firstly, decolonization is positioned in academia as a universal process that all 'old' powers should go through. Secondly, the EU's decolonization experience and reflections about its history are believed to be successful and thus valid for other actors. Thirdly, Brussels is used to demanding internal reforms from its partners. Yet this interpretation goes into the heart of Russia's domestic policy and is outside any influence of the EU. Thus, it is technically not feasible. Moreover, the very discussion about this interpretation provokes a highly negative reaction on the part of Moscow as a destructive interference in its internal affairs.¹ As a result, it creates an extremely negative background for any reboot of the dialogue between Moscow and Brussels.

In sum, according to the third interpretation of decolonization, the problem of the EU's policy lies in the historically formed statehood of Russia. In essence, the idea is to change or transform the EU's counterpart on the side of Russia. The network of entrepreneurs for this interpretation includes academic researchers, analysts as well as Baltic politicians. Some influence is also exerted by Ukrainian politicians and activists, as well as by members of the Russian émigré community. None of the EU institutions openly develops this interpretation, although some Baltic politicians promoted these ideas; they were also reflected in the European Parliament documents. Normatively this interpretation might seem attractive to the EU, but it is not technically feasible. Moreover, it complicates any reboot of the dialogue between Moscow and Brussels.

Conclusion

The MSF made it possible to demonstrate how an idea can be reformulated into a new conceptual basis for policy — in this case, for the EU's policy toward Russia. A political vacuum in the EU regarding the paradigm of its future relations with Russia, the popularity of the decolonization concept, and its value acceptability form important preconditions in this case. The focus of this article was on how the idea of decolonization is interpreted when streams of problem, politics and policy are combined. Attention was also paid to Baltic entrepreneurs in this process (see Table).

It was demonstrated that three interpretations differ in how they determine the problem of the EU's Russia policy. In the first case, the main question is

¹ See, for example, Foreign Minister Sergey Lavrov's remarks and answers to questions during the Government Hour in the State Duma of the Russian Federation, Moscow, February 15, 2023, URL: https://www.mid.ru/ru/foreign_policy/news/1854365/?lang=en (accessed 12.06.2025).

who is involved in the policy development. The agency is returned to new EU countries (primarily the Baltic States and Poland). In the second interpretation, the main problem is to overcome the interimperiality of the countries of post-Soviet Eurasia, to return the agency to them. Finally, the third interpretation targets Moscow directly, it is focused on the return of the agency to the peoples and regions of Russia and ultimately aims at transforming the EU's counterpart on the Russian side.

Although these interpretations represent all categories of entrepreneurs, they are qualitatively different. The first one is characterized by both academic studies (especially the Baltic one) and close involvement of high-level Baltic politicians. They have the necessary information and managerial resources, whereas their legitimacy stems from their alleged past 'correctness' regarding the true nature of Russia. In the second interpretation academic studies dominate; they are buttressed by the 'moral' pressure from Ukrainian politicians, supported by EU supranational leaders and the Baltic solidarity with Kyiv. Finally, the third interpretation (so far) is patchy and marginal, but it is promoted by some think tanks and individual Baltic politicians. Thus, the role of the Baltic entrepreneurs is clearly expressed in all three interpretations.

In all three interpretations, value acceptability for the EU is ensured. It is achieved through the principles of the EU in the first case, through history and literature research, and pressure of Ukraine in the second interpretation and, finally, through extrapolating the practice of normative power Europe and colonial experience of EU member states in the third interpretation. At the same time, three interpretations are qualitatively different in terms of technical feasibility. The first one is most successful and seems to be long-term because it depends on the implementation of the already adopted EU rules and is linked to its internal policies. The second interpretation is also effective, as it is rooted in the EU's external relations. However, time will tell whether the EU's further enlargement will take place in the post-Soviet territory and whether the 'Ukrainian' hierarchy in the post-Soviet Eurasia will be preserved. Finally, the third interpretation (so far) is most doubtful since its implementation is outside the EU's reach. At the same time, this latter interpretation was incorporated in the European Parliament documents whereas appointment of the Baltic politicians (primarily Kaja Kallas and Andrius Kubilius) to high supranational posts creates possibilities for further dissemination of these ideas.

Three interpretations reinforce each other. The agency of the Baltic States and Poland in the EU facilitate the decolonial conceptualization of the processes in the post-Soviet space. The sustainability of the "decolonization" of Ukraine / post-Soviet Eurasia is discursively linked to changes in Russia.¹

¹ Fotyga, A. 2023, The dissolution of the Russian Federation is far less dangerous than leaving it ruled by criminals, *Euractiv*, URL: <https://www.euractiv.com/section/politics/opinion/the-dissolution-of-the-russian-federation-is-a-far-less-dangerous-than-leaving-it-ruled-by-criminals/> (accessed 29.06.2024).

Russia's 2023 Foreign Policy Concept presupposes eventual restoration of Moscow's relations with partners in Europe. However, decolonization as a conceptual basis of the EU's Russia policy hardly facilitates this reboot. The first interpretation of decolonization means lopsided harsh actions of the EU vis-à-vis Moscow. The second interpretation in its current form means military escalation, sanctions against Russia and questionable new hierarchy of actors in the post-Soviet Eurasia. The third interpretation means interference in Russia's internal affairs. Consequently, none of the present interpretations of decolonization facilitate restoration of pragmatic contacts between Moscow and Brussels.

Finally, the MSF indicates some directions for future research. Firstly, entrepreneurs who promote the interpretations of decolonization, as well as their strategies, resources and network, deserve a more detailed study. Secondly, how political windows for combining three streams open up in the EU can be explored. Thirdly, the second interpretation of decolonization requires more detail. Today it is focused on Ukraine but it remains unclear how it can be extrapolated to other countries of post-Soviet Eurasia. Finally, the stability and legitimacy of the 'Ukrainian' hierarchy, which the EU currently constructs in the post-Soviet space, deserves attention.

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The author

Dr **Tatiana A. Romanova**, Associate Professor, St. Petersburg State University, Russia; HSE University, Moscow, Russia.

<https://orcid.org/0000-0002-5199-0003>

E-mail: t.romanova@spbu.ru



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WNYJZK

THE ROLE OF THE COUNCIL OF THE BALTIC SEA STATES IN ADVOCATING NATIONAL MINORITY RIGHTS IN THE 1990s

M. M. Panikar^{1, 2} 
F. Kh. Sokolova² 
N.N. Beloshitskaya² 



¹ HSE University,
123 Griboedova Emb., Saint Petersburg, 190068, Russia

² Northern (Arctic) Federal University named after M. V. Lomonosov,
17 Severnaya Dvina Emb., Arkhangelsk, 163002, Russia

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The article examines the activities of the Council of the Baltic Sea States (CBSS) in promoting national minority rights between 1994 and 2000. The study is based on a detailed analysis of documents from the Foreign Policy Archive of the Russian Federation, which are introduced into scholarly circulation for the first time. The chronological scope is defined by the period when Ole Espersen served as Commissioner on Democratic Institutions and Human Rights, Including the Rights of Persons Belonging to Minorities. The findings suggest that Russia, concerned about the situation of the Russian-speaking population in the Baltic States, was the main initiator of CBSS efforts to strengthen national minority rights. Although the problem of discrimination against Russian speakers in the Baltic States remained unresolved, the Commissioner's activities significantly contributed to the standardization of the legal and institutional framework for protecting vulnerable population groups, particularly national minorities. The authors argue that these activities also supported the consolidation of European human rights institutions and encouraged Russia to enhance the national legislation in this field.

Keywords:

Council of the Baltic Sea States, international cooperation, national minorities, Russian foreign policy

Introduction

The radical transformation of the international relations system, characterized by the abandonment of the Cold war policy and the bipolar confrontation, the demise of the Soviet Union and the aspirations of the newly independent states to be integrated into the unified global space rooted in the Western European values determined the search for new formats of international cooperation in the 1990s.

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This objective gained particular importance in the Baltic Sea region and Northern Europe, where the interests of the Nordic Countries, the newly independent Baltic States, and Russia intersected. The states which for decades had had different models of political, socio-cultural, and cultural development sought to develop common approaches and principles to the implementation of their domestic and foreign policies with the aim of harmonising interstate relations and establishing a unified regional space for development and security. The Council of the Baltic Sea States (CBSS), which was set up in 1992, has become the main tool for achieving the aim.

Within the framework of the regionalization processes, the CBSS was among the first to demonstrate efforts to develop unified approaches to ensuring equal rights and freedoms for vulnerable population groups. Notably, in 1994, at the initiative of Russia the position of the CBSS Commissioner for Democratic Institutions and Human Rights, Including the Rights of Persons Belonging to Minorities (hereinafter the CBSS Commissioner) was established.

Due to the multifaceted nature of the research subject, its historiography comprises several strata of scientific literature. This study is based on the conceptualization of the regionalization processes in the Baltic Sea region. The authors identify the objective factors of these processes, dating back to the cultural and historic legacy of the Hanseatic League, a trade union of free Baltic Cities, which was established in the 12th century to ensure the trade security and expansion of economic contacts [1].

Some studies note that the driving force behind regional integration was the rise of new regionalism, namely the political will of the leadership of the countries in the region to create and strengthen regional unity for the protection of common interests that transcend national interests and for confronting global challenges and threats [1–3].

There are scholars who justifiably assert that the priority in developing the multilateral international cooperation in the region belongs to the CBSS, which was established in a dialogue format to overcome post-bipolar era confrontation in the region. The scholars recognize a significant role of the European Union in developing this type of cooperation in the region [4; 5]. In particular, it is noted that the Western partners regarded this platform as an additional mechanism of the democratization of public and political life on the eastern coast of the Baltic Sea. At the same time the Baltic Sea region was meant to become a bridge for the interaction of Russia and the EU [6–8]. A number of foreign researchers view Russia's participation in the CBSS as a tool for addressing the issue of the Russian-speaking minority in Latvia and Estonia [9; 10].

Some scientific studies mention the activity of the CBSS Commissioner solely as a step in developing the structure of the organization without appraising the Commissioner's contribution to the development of the culture of human rights promotion in the Baltic Sea region [11; 12]. Hanne-Margret Birckenbach emphasises the role of the CBSS Commissioner, though. The researcher notes that the

institution of the Commissioner was by no means a duplication of the High Commissioner on National Minorities (HCNM). On the contrary, the Commissioner could take action in cases of targeted aid [12, p. 546]. The works by Ole Espersen, the first Commissioner of CBSS, are worth a separate mention. [13–15]. Ole Espersen analyzes the reasons for establishing the office of the CBSS Commissioner for Democratic Institutions and Human Rights, Including the Rights of Persons Belonging to Minorities, explains the mandate, and highlights the specificity and methods of his activity. His works demonstrate that while holding the office Ole Espersen tried to make his activity as efficient as possible by studying the experience of other institutions. For instance, he criticizes a law-enforcement activity of the Parliamentary Assembly of the Council of Europe [15].

A number of Russian scholars address a pressing issue of the situation of the Russian-speaking population in the newly independent states [16–19]. The scholars provide statistical analysis of the population of ethnic Russians, who, after the Baltic States had regained independence, became non-citizens in the country of permanent residence. The discussions centre mainly on Latvia and Estonia. The studies indicate violation of the fundamental principle of the Universal Declaration of Human Rights, according to which “everyone has the right to a nationality. No one shall be arbitrarily deprived of his/her nationality nor denied the right to change his/her nationality” [17]. Vadim Musaev notes in his works that ethnic conflicts with Russians flared up in every former Soviet republic, yet, as a rule, they were caused by some minor everyday reasons. In contrast to that, in the Baltic States legislative infringement of civil rights in case with the Russian-speaking people took place [20].

Some studies on ethno-national policy of the Baltic States present analysis of the reasons and factors determining this policy. Among those reasons accession to the USSR is always mentioned. Mikhail Berendyaev and Evgenii Urazbayev note that in the 1990s “European identity construction in the Baltic States took place in the framework of the formation of counter-identity to the Soviet heritage and everything Russian, which resulted in exploiting some historical themes and supporting negative relations with Russia” [21]. Some researchers mention other factors as well: inexperience of new political elite in the Baltic States [19], attempts to minimize Russia’s impact on the electoral processes [18], and an ever-present fear of the restoration of Russia’s political influence and rule [17]. Vadim Smirnov looks into the reasons for the Baltic States’ national policy through the lens of “the theory of small states” by Colomer [18]. According to this theory, small states are unable to fully secure their military and economic safety for the lack of resources and have to build asymmetrical relations with powerful states or join intergovernmental unions [22]. Nikolai Mezhevich’s viewpoint is worth mentioning. The scholar considers that the reason for the policy of discrimination against the Russian-speaking population in the Baltic States is the doctrine of Soviet ‘occupation’, which is legally unsubstantiated under the international law [23, p. 64, 119–120].

The issue of Karelian national movement's discussion in the framework of CBSS has not been reflected in the scientific literature. At the same time Karelian national movement has been analysed in the general context of the ethno-political situation in Russia in the 1990s. The scholars, in particular, identify negative consequences of the Soviet Nationality policy, which sought to consolidate peoples under socialistic slogans but overlooked their ethno-cultural needs. Moreover, the 1990s witnessed the acceleration of the politicisation of social life and ethnic mobilisation, a profound economic crisis, which necessitated the regions to search for additional external resources and sources of support [24–26]. Yuri Shabaev attributes the causes of the contemporary national movements to the Bolshevik Policy of the first years of power. The scholar considers that the aspiration of the Bolsheviks to secure political support of numerous national minorities resulted in the disintegration of the state's territory into ethnic enclaves: union and autonomous republics, regions, districts, etc. Thereby, vast territories of the country were transferred as symbolic 'ownership' to separate ethnic groups [27].

The article aims to analyse and identify the results of the CBSS' work on the protection of the rights of national minorities during the period from 1994 to 2000. This work was predominantly conducted pursuant to the Mandate of the Commissioner for Democratic Institutions and Human Rights, Including the Rights of Persons Belonging to Minorities.

Methods and materials

The theoretical and methodological foundation of this research draws on the concept of neoliberal institutionalism. This concept emphasises the significance of international institutions which facilitate the relations among states by setting rules of liberal democracy and promoting values of cooperation to ease tensions [28, p. 1–3].

The choice of this concept for the research is explained by the fact that one of the basic tenets of neoliberalism is the development of international law, enshrining human rights and the rights of different groups of population. The CBSS case demonstrated progressive degradation and inability to address the issue of ensuring human rights of national minorities in the Baltic Sea region, which evidences the impossibility of implementing neoliberalism in the policy of the states with different historical background and development models despite the attempts they made in the 1990s.

Both general scientific and historical research methods have been employed to accomplish the research goals. The historical reconstruction method made it possible to reconstruct in detail the activity of the office of the Commissioner for Democratic Institutions and Human Rights, Including the Rights of Persons Belonging to Minorities, as well as the role of Russia in addressing the issue of the Russian-speaking population in the Baltic States. Applying the method of synthesis relying on the analysis results allowed us to make the general conclusions.

It is worth noting that no legal definition of the concept of national minorities has been developed in international law, nor have the criteria for their identification been established. The boundary between the concept of national minorities and the concept of indigenous people is not clearly defined. The ultimate decision on what groups qualify as national minorities falls within the domain of national constitutional legislation. The authors of this article apply the criteria, which were put forward by Francesco Capotorti in 1977, to define the concept of national minorities: these are the people in a non-dominant position, outnumbered by the rest of the population; they are the citizens of the state but exhibit ethnical, religious, and linguistic characteristics different from those of the majority; they demonstrate, including implicitly, a sense of solidarity aimed at the preservation of their culture, traditions, religion, and language [29].

The primary source of the research is comprised by the documents from the Foreign Policy Archive of the Russian Federation. The article represents the first time these documents have been studied scientifically. The most important documents concerning the subject of the research are those from Fond 34 “General Office Fond” (since 1995 “General Department Fond”) covering the period from 1993 to 1999. The Fond contains extensive correspondence regarding the development of cooperation in the Baltic Sea region and Russia’s participation in this cooperation — contribution to establishing the position of the CBSS Commissioner, the formal correspondence of the officials of the Foreign Affairs Ministry of the Russian Federation and regional representatives of Russia with the Commissioner.

The Commissioner’s documents — his letters to Russian public officials and extracts from reports are of special interest. Partly the information on the Commissioner’s activity is presented on the CBSS official site,¹ and on the site of the Foreign Affairs Ministry of the Russian Federation.²

The CBSS Commissioner: the establishment of the position, the main directions of the activity, and the reasons for the abolition of the position

It is rightly noted by some researchers that the geopolitical situation, which facilitated the construction of the Baltic Sea region, was based on the idea to create an area of intensive cooperation in the northeastern Europe with its subsequent inclusion in European integration processes. We agree with the view of Andrei Volodkin that “the implementation of the Baltic Sea region’s concept presupposed that the Northern countries would become the main transmitters of European values and development models in post-socialist states of the eastern coast of the Baltic Sea, thereby strengthening their political influence in Europe”

¹ *The official website of The Council of the Baltic Sea States*, 2024, URL: <https://cbss.org> (accessed 22.04.2024).

² *The official site of the Ministry of Foreign Affairs*, 2024, URL: <https://www.mid.ru> (accessed 15.05.2024).

[30]. “Assistance to new democratic institutions”¹ was declared among the key objectives in the founding Declaration of the CBSS. In order to achieve the objective and due to the particular concern regarding the situation of the Russian-speaking population in the Baltic States, Russia initiated the establishment of the position of the Commissioner for Democratic Institutions and Human Rights, Including the Rights of the Persons Belonging to Minorities.

The first time the idea was put forward in the proposals of the Russian Federation in a draft CBSS Communiqué, which was to be adopted at the second CBSS session on 16–17 March 1993, in Helsinki. The letter, dated 6 March 1993, addressed to Aleksandr Rannikh, the Russian Ambassador to the Republic of Latvia, for forwarding to Georgs Andrejev, the Foreign Minister of Latvia stated: “it is necessary as soon as possible to take a decision on establishing a position of the CBSS Commissioner for Human Rights and the Rights of Persons Belonging to Minorities, as it has been repeatedly proposed. In our opinion, the fears that there will be overlapping with the functions of the CSCE High Commissioner on National Minorities are unfounded. The scope of tasks is so different that there will be enough work for both Commissioners. We do not hide our concerns with the situation of national minorities in Latvia...”² However, the issue of establishing the position of the CBSS Commissioner was finally resolved only at the meeting of the Committee of Senior Officials on 18–19 May 1994, in Tallinn. The position itself was officially established at the Third Ministerial Session of the CBSS in Tallinn on 24–25 May 1994.

According to the mandate, the main task of the CBSS Commissioner was to promote and consolidate a democratic development and the protection of human rights, including the rights of persons belonging to minorities, and to create favorable conditions for applying generally accepted human rights standards. The Commissioner’s functions included making recommendations to the member states of the CBSS; providing expert opinion on human rights; receiving communications from individuals, groups or organizations based on which the Commissioner could decide to make recommendations to governments.³

Ole Espersen held the office of the CBSS Commissioner during the period from 1994 to 2000. The replacement of the officeholder was accompanied by a fairly pointed diplomatic correspondence, and we would prefer to consider this separately. As early as November 1999, a year before the termination of the Commissioner’s mandate, the Foreign Minister Igor Ivanov received a letter from the Estonian Minister of Foreign Affairs, Toomas Hendrik Ilves. In the letter he

¹ Declaration of the Conference of Foreign Ministers of the Baltic Sea States, March 5–6, 1992, *The Laws of Russia*, URL: https://lawrussia.ru/texts/legal_185/doc185a655x688.htm (accessed 26.05.2025).

² *Arkhiv Vneshnei Politiki Rossiiskoi Federatsii (Foreign Policy Archive of the Russian Federation) (henceforth AVP RF)*. F. 4, Op. 52, D. 1, P. 110, L. 144.

³ *Commissioner of the Council of the Baltic States on the Democratic and Human Rights, including the Rights of Persons Belonging to Minorities*, 2024, URL: https://www.cilevics.eu/minelres/cbss/com_mand.htm (accessed 14.04.2024).

suggested abolishing the position of Commissioner, justifying this by the fact that “a lot has changed in the region since establishing the office in 1994. Nowadays, all member states of the CBSS are the members of the Council of Europe or European Union. Besides, all member states of the CBSS have an established ombudsman institution”.¹ The Estonian diplomat believed that issues of concern to the CBSS Commissioner could be addressed by the recently appointed Council of Europe Commissioner for Human Rights, who was very experienced and held expertise in this area.² However, the Russian Foreign Minister expressed a certain degree of dissatisfaction with the state of affairs: “Unfortunately, the human rights situation in the region is far from ideal. Some recommendations of the CBSS Commissioner and other human rights institutions, among them the Council of Europe, remain unimplemented. To be specific, in Estonia, the issue of large-scale statelessness and so-called illegal immigrants remains necessary to be addressed, as well as reunification of separated families, easing language proficiency requirements during the naturalization process, repeal of the discriminatory provisions of the legislation on the language, education and elections, simplification of the visa extension procedure for foreigners”.³ Igor Ivanov explicitly articulated Russia’s stance that the proposal to abolish the Commissioner’s position was premature.

On 19 June 2000, the Embassy of Denmark in Moscow was informed that during the upcoming 9th CBSS session in Bergen on 21–22 June Denmark would propose Helle Degn as a candidate for the position of the Commissioner for Democratic Development.⁴ The First Deputy Minister of Foreign Affairs of the Russian Federation, Alexander Avdeev, clarified that although relations with Helle Degn were fairly good, she was not a lawyer by profession and did not have sufficient experience in the field of human rights protection.⁵

While reconstructing these events, we may refer to the article of the newspaper *Kommersant* dated 29 June 2000. According to the article “at the Ministerial meeting of the CBSS in Bergen, Norway, ministers for foreign affairs could not persuade their Estonian counterpart Toomas Ilves, who refused to vote in favour of prolonging the Mandate of the CBSS Commissioner Ole Espersen.⁶ As all decisions in this organization are taken only in case of the unanimous vote, the ministers had to search for another candidacy which could suit Tallinn. The Estonian representative’s position could be explained by the complicated situation with the human rights’ protection of the Russian-speaking population in Estonia and Ole Espersen’s active involvement in the issue. Instead of Ole Espersen the Council appointed Helle Degn, the Chairperson of the Foreign

¹ *AVP RF*. F. 34. Op. 53. D. 1. P. 130. 185/1. L. 50.

² *Ibid.* L. 51.

³ *Ibid.* L. 53–54.

⁴ *Ibid.* L. 64.

⁵ *Ibid.*

⁶ Russian-speaking population has a new defender, 2000, *Kommersant*, 29 June 2000, URL: <https://www.kommersant.ru/doc/151848> (accessed 28.05.2024).

Policy Committee of the Danish Parliament, as a new CBSS Commissioner. At this Council session, the decision was taken to revise the mandate of the CBSS Commissioner. The position became known as the CBSS Commissioner for Democratic Development. The attention of the CBSS Commissioner was redirected towards consumer protection, the development of local democracy, and civil society.

After the demise of the Soviet Union, within the framework of the first regional structure of the international cooperation in the Baltic Sea region a unique position of the CBSS Commissioner was established. Its creation initiated by Russia and Ole Espersen's being in office from 1994 to 2000 laid the foundations of multilevel cooperation in the area of respecting human rights and freedoms in the region, including the rights of national minorities. The events regarding the replacement of the Commissioner in 2000, the revision of the Commissioner's mandate, and the abolishing of this position demonstrated disagreements of the Member States of the CBSS on the issues of national minorities' human rights. It was partly accompanied by the gradual alienation in relationships between Russia and the Baltic States.

The contribution of the CBSS to improving and standardising legal and institutional framework for the promotion of human rights of national minorities

The priority directions of the CBSS Commissioner's activity were determined by a number of internal and external factors. One of the external factors was an increasing interest to the issue of national minorities on the global level, and in the framework of the UN. Thus, in 1992 "The United Nations Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities" was adopted.¹ On 25 June 1993, Vienna Declaration and Programme of Action was adopted at the World Conference on Human Rights. The Declaration outlined the main steps and mechanisms of guaranteeing human rights and fundamental freedoms.² The World Conference participants called on the General Assembly to establish the post of the High Commissioner for Human Rights, which was established on 20 December 1993. Thus, the CBSS Commissioner was authorized to help implement the Programme in the Baltic Sea Region. Previously, in 1990 the concept of minority found reflection in the Recommendation of the Parliamentary Assembly of the Council of Europe (PACE), which stated that minorities contribute significantly to cultural diversity

¹ *The United Nations Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities*, 18 December 1992, URL: https://www.un.org/ru/documents/decl_conv/declarations/minority_rights.shtml (accessed 22.05.2024).

² *Vienna Declaration and Programme of Action*, 1993, *Office of the United Nations High Commissioner for Human Rights*, 25 June 1993, URL: <https://www.ohchr.org/ru/instruments-mechanisms/instruments/vienna-declaration-and-programme-action> (accessed 22.05.2024).

of the Member States of the Council of Europe.¹ For the regulation of interethnic disagreements and conflict prevention on the issue of national minorities the position of High Commissioner for National Minorities was established at Helsinki Summit meeting of the Conference on Security and Cooperation in Europe, held on 9 and 10 July 1992.² In this regard the necessity to align legal and institutional framework of promotion and protection of the human rights of different population groups was placed on the agenda.

The Baltic Sea region was an extremely diverse and heterogeneous territory in terms of cultural and historic traditions, political culture, and economic development. Almost half of the Member States of the CBSS used to be socialist states. In the wake of the Soviet Union collapse, these states experienced powerful processes of ethnic mobilisations and interethnic conflicts flared up. The former Soviet republics sought to break away from the Soviet legacy and strengthen their sovereignty, which brought about conflicts with the Russian-speaking population. Obviously, both the three Baltic States and Russia aspired to integrate into the European community. Under these conditions the CBSS Commissioner faced a challenge to facilitate unification of the legal and institutional framework of the human rights protection, including the rights of national minorities. In his report for the period from 1994 to 1995 the Commissioner noted: “The Council of Europe places great emphasis when assessing whether applicant countries fulfill the conditions for full membership of the organization”.³ It is important to mention that by that time all Baltic States had become full members of the Council of Europe. Russia joined the Council of Europe only in 1996.

The analysis of the legal position of vulnerable groups of population (immigrants and stateless immigrants’ children; refugees; non-citizens, residing legally in the country), carried out by the CBSS Commissioner on the basis of the information provided by the Member States, questionnaires, personal appeals, and travels to the CBSS countries showed that the violation of international norms was a frequent occurrence not just in the Post-Soviet countries but in some European states as well.

Yet, the highest level of non-compliance with the international and European legal systems was identified in the Baltic States. Most claims were on the position and the status of non-citizens (predominantly Russian-speaking people), residing legally in these countries. Russia raised concerns about their rights protection.

The officials from the Russian Ministry of Foreign Affairs, both in correspondence and when meeting in person, repeatedly pointed out to Ole

¹ *Rights of Minorities: Recommendation of the Parliamentary Assembly of Council of Europe N° 1134*, 1990, 1 October, URL: <http://assembly.coe.int/nw/xml/XRef/Xref-XHTML2HTML-en.asp?fileid=15168&lang=en> (accessed 22.05.2024).

² Helsinki Document 1992. The Challenge of the Time of Change, 1992, OSCE, URL: <https://www.osce.org/files/f/documents/8/0/39534.pdf> (accessed 22.05.2024).

³ First Report of the Commissioner of the Council of the Baltic Sea States: excerpts from the First Report (October 1994 — May 1995), 2024, *The 4th CBSS Ministerial Session*, URL: https://www.cilevics.eu/minelres/cbss/95_cit.htm (accessed 29.05.2024).

Espersen the violations of the international standards by the Baltic States regarding discrimination of non-indigenous population and emphasized inappropriateness of the attempts “to extend collective responsibility for the former USSR’s policy on the people who had lived in Estonia and Latvia for many years”.¹

According to the archival sources, about 700 thousand Russian people resided in Latvia in 1997. Special quotas were introduced (about 40 a month) to pass exams in order to obtain citizenship: a language exam to determine proficiency in the state language and a legal exam. Yet, even these quotas were not met, as “the applicants are really afraid of these difficult exams because in the event of failing, the applicant is doomed to a waiting period of 10—15 years”.²

On 24 March 1997, during a private conversation with Alexander Avdeev, First Deputy Minister of Foreign Affairs of the Russian Federation, Ole Espersen noted that the Council of Europe had endorsed the introduction of a special ‘window system’ for optation applications in the early 1990s, as there had been concern that Latvian officials might not be able to cope with the influx of applicants. He recognized that “improvements in Latvia are of superficial character only. The officials do not ‘offend’ Russian-speaking population as often as it used to be. The staff of the Office of Citizenship and Migration Affairs are tactful and polite. The programmes on the Latvian language are being developed to teach the Russian-speaking population. But it is just the humane way of the rejection of citizenship”.³

The Russian side repeatedly addressed Ole Espersen regarding the rights violation cases, in particular, not granting non-citizens — permanent residents of Latvia the right to vote at local elections. As for Estonia, legislatively the right to vote was recognised there, but in reality, Russians were often impeded in exercising the right.⁴ It was noted: “the main reason for the situation may be the fact that Latvian officials are apprehensive about Russian voters and the prospect of the Russians being elected to the legislative bodies. Latvian authorities are ready to introduce only superficial changes into their political course, those regarding cultural rights extension, social support, but not provision of the civil rights”.⁵

It is noteworthy that these violations were marked by the CBSS Commissioner in his reports for the analyzed period. He repeatedly noted that according to the criteria of the Council of Europe the citizenship applicant must be able to cope with everyday language situations. The Commissioner recommended that language requirements on reading and writing proficiency be limited to a relatively modest level and special provisions be made for elderly people and for those with learning disabilities. The Commissioner also doubted the legitimacy of conditioning the

¹ *AVP RF*, F. 34, Op. 54, D. 1, P. 121, Ll. 48—49.

² *AVP RF*, F. 34, Op. 56, D. 3, P. 128, Ll. 74—75.

³ *Ibid.* L. 76.

⁴ *Ibid.* L. 74—75.

⁵ *Ibid.* L. 75.

acquisition of citizenship on passing a legal exam. He also recommended that the member states of the CBSS undertake the obligation to grant non-citizens the right to vote and run for public office in local authority elections, provided that they fulfill the same legal requirements as apply to citizens and furthermore have been lawful and habitual residents in the state concerned for a period not exceeding 2–3 years prior to the elections.¹

During the period analyzed, in contrast to Russia, the issue of national minorities was not brought to the forefront in the states of Northern Europe and the Baltic States. In his annual report, the Commissioner referred to the ratification of the Council of Europe's Framework Convention for the Protection of National Minorities, which had been open for signature since 1995. He noted that by June 1997, the Framework Convention had been signed by 34 countries, but only nine countries had ratified it, whereas twelve ratifications were required for entry into force.² Among the countries' counterarguments was the lack of the definition of a national minority in the Framework Convention, so every country interpreted the notion differently.

It is beyond any doubt that the Commissioner did not manage to completely resolve the issue of discrimination against the Russian-speaking population in the Baltic States, because of the magnitude of emerging problems in the area of human rights promotion, recommendatory nature and consensus-based character of the decisions of the institutions of the CBSS. The reluctance of the Baltic States to address the issue of the Russian-speaking population was obvious. As rightly noted by Nikolai Mezhevich,³ the concept of 'occupation' served as the basis for national sovereignty in Lithuania, Latvia, and Estonia, which relieved them of responsibility for "the conscious discrimination, based on the interpretation of the events of the period from 1939 to 1940, against the non-titular population" [22, p. 85].

At the same time, the Commissioner's activity was very fruitful. In essence, he carried out very complicated 'preparatory' work and contributed greatly to forming the basis for aligning legal framework of the CBSS Member States with the international and European standards. A significant number of problems were

¹ The Commissioner's Report, 2024, *Minelres: SCHIFF-texte Special Issue*, URL: <https://www.cilevics.eu/minelres/cbss/index.htm> (accessed 29.05.2024).

² The Framework Convention for the Protection of National Minorities, 1995, *The Council of Europe*, 01.02.1995, URL: <https://rm.coe.int/168007cddc> (accessed 04.02.2024).

³ It is necessary to note that Russia indirectly acknowledged the fact of "Soviet occupation", which is reflected in "The Treaty on the Foundations of Interstate Relations between the Russian Soviet Federative Socialistic Republic and the Republic of Lithuania" dated July 29, 1991. It is noteworthy that the analogous treaty with the Republic of Estonia, dated January 12, 1991, does not contain this issue. Moreover, in Article 3 it is stated that the parties "undertake mutual obligations to guarantee the right to preserve or obtain the citizenship of the Russian Soviet Federative Socialistic Republic and the Republic of Estonia in accordance with their free will to the people, residing as of the date of signing this Treaty in the Russian Soviet Federative Socialistic Republic and the Republic of Estonia, and holding the citizenship of the USSR".

gradually addressed, the scope of immigrants and refugees' rights expanded. Over time all the Member States of the CBSS signed and ratified the Framework Convention for the Protection of National Minorities. Overall, the Commissioner's activities helped create the conditions for the Baltic states to join the European Union in 2004.

Russia's activity in promoting the human rights of national minorities within the framework of the CBSS

The national question was extremely acute in Russia in the 1990s. Dramatic social transformations of the 1990s, the dissolution of the USSR, "the parade of sovereignties" in the Russian Federation's republics aggravated ethno-political situation in the country and threatened its integrity. The crisis of the inter-ethnic relations was determined by a number of reasons, some of them dated back to the history, others were generated by the current events. Among those the miscalculations and mistakes of the Soviet national policy, escalation of the socio-economic crisis in the country, and rapid decline in the living standards could be mentioned. All these were accompanied by increasingly upward centrifugal tendency especially in those ethnic regions, where there were enough resources for the independent development, and the aspirations of the regional elite, exploiting ethnic mottoes to gain more autonomy and power. The brightest case of suchlike situation in the north-west of Russia became the subject of the discussion in the CBSS.

Archival sources indicate that the representatives of Estonia, a member state of the CBSS, submitted the text of a joint request from the Executive Committee of the National Congress of Karelians, Finns, and Vepsians to the CBSS, the UN, and the CSCE, dated 24 April 1993, at the meeting of the CBSS Committee of Senior Officials held in Tallinn on 24 September 1993. The joint request stated that Finno-Ugric peoples, residing in the Eastern Karelia and on the Karelian Isthmus underwent the acts of political repressions, and persecutions, deportation, and forceful Russification. The authorities of the Russian Federation and the Karelian Republic were accused of ignoring the rights of these indigenous peoples to participate in socio-political and economic life on equal footing with other nations residing on these territories. The delegation of Lithuania offered to investigate this joint request and make a concrete decision, that is, ask the CSCE High Commissioner on National Minorities, Max van der Stoep, to take an inspection trip to Karelia to check facts. In their turn the Russian delegation asked the colleagues to take the investigation of this joint request unbiasedly and objectively, taking into consideration the position of the authorities of the Republic of Karelia.¹

Indeed, similarly to other national-territorial entities in the 1990s, the national movement was really developing in Karelia in the context of the reasons outlined

¹ *AVP RF*, F. 34, Op. 52, D. 1, P. 110, L. 176.

above. In June 1991, the first Congress of Karelian representatives took place. Yet, the Karelian national movement split into two wings — the moderate and the radical one. The moderate wing was represented by the Karelian Culture Society (later it transformed into the Union of the Karelian People), which advocated the extensions of cultural and linguistic rights of the Karelian people. The radical wing headed by Anatolii Grigoriev was represented by “The Karelian Movement” organization. They promoted the slogan “Karelia for the Karelian people” and maintained that Karelians, Vepsians, and Finns residing in the republic should hold at least one third of the seats in the Parliament of Karelia, while the government, as the highest executive body of the republic, should be headed by a representative of the “Karelo-Finnish people.”. The radicals believed that the Russian and the Finnish languages were to become the state languages, as Karelian dialects could not possibly function as the state language. The authorities were warned that in case these proposals were ignored the Republic of Karelia would join Finland. However, as the result of the heated discussion a compromise Declaration was adopted, which recognised the fact that the Republic of Karelia remained an autonomous region as part of the Russian Soviet Federative Socialistic Republic. The Russian language and the Karelian language were recognised as state languages of the republic. It was decided to establish the State Committee on National Affairs under the Government of the Republic. The necessity to set up a bicameral parliament of the republic analogous to the structure of the former Supreme Soviet of the USSR was pointed out, so that there was the House of the Republic and the House of National Entities to protect the interests of the indigenous peoples.¹

The decisions of the first Congress contributed greatly to solving some inter-ethnic issues, and helped develop a constructive dialogue between ethnic movements and the authorities. As early as on 4 December 1991, the Council of Ministers of the Republic of Karelia adopted a resolution on the establishment of the Committee on National Policy and Inter-Ethnic Relations under the Council of Ministers of the Republic of Karelia from 1 January 1992. On 22 November 1991, the Law of the Republic of Karelia “On Legal Status of the National Districts, National Settlement, and Rural Councils in the Republic of Karelia” was adopted. The Law entitled the local Councils of People’s Deputies to make decisions on equal use of the native and the Russian languages by the local authorities, in educational institutions, and childcare facilities.² In 1992 the Centre of National Cultures was established in Petrozavodsk, where in December 1992 a National

¹ Klement’ev, E.I., Kozhanov, A.A. (eds.). 2009, *The Karelian National Movement, Part 1. From Assembly to Assembly. Anthology of materials and documents*, The Karelian Scientific Centre, Petrozavodsk, p. 10—12, 62.

² Ibid. P. 12.

Congress of Karelians, Finns, and Vepsians took place. The same period of the early 1990s witnessed appearance of the elementary school textbooks in the Karelian and the Vepsian languages.¹

The project on reforming the state power in the Republic by establishing a bicameral parliament was rejected at the second Congress of Karelian representatives (1994), which took place against the backdrop of the adoption of the RF Constitution in 1993. The Resolution of the second Congress recommended that the legislative Assembly of the Republic of Karelia consider establishing the Parliament of Indigenous Peoples on a pro bono basis.²

In fact, 'the Karelian question' was resolved in 1991 two years before the position of the CBSS Commissioner was established. While trying to accuse Russia of illegitimate, undemocratic actions against national minorities, the Baltic States artificially exacerbated the issue in 1993. In response to the incoming requests the CBSS Commissioner monitored the situation on a regular basis and took inspection trips to the Republic of Karelia on repeated occasions.

While visiting the Republic of Karelia in 1995, the Commissioner expressed his wish to establish the position of the regional ombudsman, which, to his mind, could be an impetus for the democratic transformations in other regions of the CBSS.³ However, Russia doubted the relevance of this proposal before the Federal Law "On Human Rights Commissioner" entered into force.⁴ The Law was adopted on 26 February 1997; it provided establishing regional Commissioners in the constituent entities of the Russian Federation.⁵

In general, it raises no questions that close collaboration of Russia with the CBSS Commissioner facilitated the formation of fundamentally new democratic legal and institutional framework for the promotion and protection of the rights and freedoms of national minorities. Thus, on 15 June 1996, the President of the RF approved the Concept of the State National Policy of the Russian Federation.⁶ The main aim of the state national policy of the country proclaimed in the concept was ensuring conditions for the full-fledged social and ethno-cultural development of all the nations of Russia, strengthening all-Russian civil, spiritual and moral integrity on the basis of the observance of human and civil rights and

¹ AVP RF, F. 34, Op. 52, D. 1, P. 110, Ll. 194–195.

² Klement'ev, E. I., Kozhanov, A.A. (eds.). 2009, *The Karelian National Movement, Part 1. From Assembly to Assembly. Anthology of materials and documents*, The Karelian Scientific Centre, Petrozavodsk, p. 92–93.

³ AVP RF, F. 34, Op. 54, D. 1, P. 121, L. 109; AVP RF, F. 34, Op. 55, D. 2, P. 127, L. 147.

⁴ AVP RF, F. 34, Op. 55, D. 2, P. 127, L. 52.

⁵ On the Authorized Minor in the Russian Federation, Federal Law of the Russian Federation of February 26, 1997 № 1-FKZ, 1997, *ConsultantPlus*, URL: https://www.consultant.ru/document/cons_doc_LAW_13440/ (accessed 02.02.2024).

⁶ Concept of the State National Policy of the Russian Federation. Decree of the President of the Russian Federation of June 15, 1996, № 909, 1996, *Electronic Fund of Legal and Regulatory-Technical Documents*, URL: <https://docs.cntd.ru/document/9018776> (accessed 02.02.2024).

freedoms, and recognizing a person as the highest value. The same year the law “On National and Cultural Autonomy” was adopted, according to which national minorities received the right to establish national-cultural associations on the basis of voluntary self-organization with the aim of preserving and developing their language and culture.¹ The Federal Law “On the Languages of the Russian Federation” of 24 July 1998, created conditions for the preservation and equal development of the languages of the peoples living in the Russian Federation.² The series of following regulations guaranteed the rights of indigenous small-numbered peoples of the Russian Federation: the Federal Law “On Guarantees of the Rights of Indigenous Small-Numbered Peoples of the Russian Federation”; the Federal Law “On the General Principles of Organization of Communities of Indigenous Small-Numbered Peoples of the North, Siberia, and Far East of the Russian Federation”; the Federal Law “On the Territories of Traditional Nature Use of Indigenous Small-Numbered Peoples of the North, Siberia, and Far East of the Russian Federation”.³ Obviously, a lot of legislative acts, which were adopted within short periods of time, afterwards underwent modifications. At the same time, these efforts laid the groundwork for a new type of legislative framework in Russia. The CBSS Commissioner commended Russia’s initiatives and, as noted in the documents of the Ministry of Foreign Affairs, “actively promoted Russia’s inclusion in the Council of Europe through personal communications on this issue with officials of the Council of Europe and the CBSS”.⁴

Conclusion

The CBSS became a radically new format of the international cooperation in Northern Europe with the participation of post-Soviet countries. It was founded on the basis of mutual interests and united countries different from each other in historic and political traditions, cultures, and models of socio-economic development.

¹ On National-Cultural Autonomy, Federal Law of the Russian Federation of June 17, 1996 № 74-FZ, 1996, *Electronic Fund of Legal and Regulatory-Technical Documents*, URL: <https://docs.cntd.ru/document/9018667> (accessed 02.02.2024).

² On the Languages of the Peoples of the Russian Federation, Federal Law of the Russian Federation of July 24, 1998 № 126-FZ, 1998, *Electronic Collection of Legal and Regulatory-Technical Documents*, URL: <http://www.kremlin.ru/acts/bank/12704> (accessed 02.02.2024).

³ On Guarantees of the Rights of Indigenous Peoples of the Russian Federation, Federal Law of the Russian Federation of April 30, 1999, № 82-FZ, 1999; On General Principles of Organization of Communities of Indigenous Peoples of the North, Siberia, and the Far East of the Russian Federation, Federal Law of the Russian Federation of July 20, 2000, № 104-FZ, 2000; On Territories of Traditional Nature Management of Indigenous Peoples of the North, Siberia, and the Far East of the Russian Federation, Federal Law of the Russian Federation of May 7, 2001, № 49-FZ, 2001; Federal Agency for Nationalities Affairs, 2024, URL: <https://fadn.gov.ru/documents/osnovopolagayushhie-dokumentyi/laws> (accessed 02.02.2024).

⁴ *AVP RF*, F. 34, Op. 55, D. 2, P. 127, L. 90.

The activity of the CBSS Commissioner was aimed at forming regional solidarity and identity by standardisation of the legal and institutional framework of the promotion of human rights of different groups of population.

It should be acknowledged that the activity, carried out by the CBSS Commissioner in the period from 1994 to 2000, contributed greatly to developing democratic processes in the Baltic Sea region and addressing particular issues in the field of the human rights promotion. Thus, Russia's cooperation with the CBSS Commissioner became one of the reasons why a series of laws, aimed at regulating inter-ethnic relations, were adopted. The conditions were prepared for the Baltic States and Russia to enter the Council of Europe. By 2000 all Member States of the CBSS had ratified the Framework Convention for the Protection of National Minorities. To a large extent, the CBSS Commissioner's activity laid the groundwork for the formation of the institution of the Commissioner for Human Rights of the Council of Europe in 1999.

Nonetheless, the goals and objectives, declared while establishing the office of the Commissioner for Democratic Institutions and Human Rights, Including the Rights of Persons Belonging to Minorities, were not accomplished for a number of reasons. Among those: heterogeneous composition of the Member States, political tensions between them, as the states pursued their national interests, and the imperfection of the international and regional legal and regulatory framework — there was no uniform definition of national minority both in "The United Nations Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities" and in the Framework Convention of the Council of Europe for the Protection of National Minorities.¹

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¹ *The United Nations Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities*, December 18, 1992, URL: https://www.un.org/ru/documents/decl_conv/declarations/minority_rights.shtml (accessed 22.05.2024) ; *The Framework Convention for the Protection of National Minorities, Council of Europe*, February 1, 1995, URL: <https://rm.coe.int/168007cddc> (accessed 04.02.2024).

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The authors

Dr **Marina M. Panikar**, Associate Professor, Department of Political Science and International Relations, HSE University, Russia; Associate Professor, Department of Regional Studies, International Relations and Political Science, Northern (Arctic) Federal University named after M. V. Lomonosov, Russia.

<https://orcid.org/0000-0003-4504-8924>

E-mail: mpanikar@hse.ru

Prof **Flyora Kh. Sokolova**, Department of Regional Studies, International Relations and Political Science, Northern (Arctic) Federal University named after M. V. Lomonosov, Russia.

<https://orcid.org/0000-0002-3063-6128>

E-mail: f.sokolova@narfu.ru

Dr **Nataliya N. Beloshitskaya**, Head of the Department of English, Northern (Arctic) Federal University named after M. V. Lomonosov, Russia.

<https://orcid.org/0000-0002-0899-1828>

E-mail: n.beloshickay@narfu.ru



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POLAND'S DIASPORAL POLICY (1991–2025): DYNAMICS OF INSTITUTIONAL CHANGES

I. D. Loshkariov 



MGIMO-University,
76 Prospekt Akademika Vernadskogo,
Moscow, 119454, Russia

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The development of relations between the Polish state and its compatriots abroad has a long tradition, dating back to the period of the Second Republic. Under the model of interaction established at that time, the upper house — the Senate — was responsible for relations with the Polish diaspora (Polonia). This institutional framework was restored in the post-socialist period and was regarded as a means of demonstrating continuity in relations with Poles abroad. Over time, however, practical contradictions emerged, particularly concerning the allocation of funds for diaspora policy and the struggle among political forces to position themselves as defenders of the Polish diaspora. As a result, several attempts were made to reform the institutions of diaspora policy in Poland, involving both the strengthening of the executive authorities and the Senate. Theoretically, the article draws on a neo-institutional methodology and interprets the observed transformations as forms of institutional change driven both by structural factors and by the expansion of the range of actors involved in interactions within the state apparatus. The analysis demonstrates that the main trends in the transformation of diaspora policy institutions in Poland between 1991 and 2025 were the formalization of institutional design, the gradual reduction in the scope of implemented changes, and the general incompleteness of the transformations, which stemmed from their relative frequency and inter-party competition, primarily between the Civic Platform and Law and Justice.

Keywords:

diaspora policy, Polish policy, Polonia, Poland, institutional transformations

Poland's diaspora policy has a long tradition. In 1920, the first departments for emigrant affairs were established under the Ministry of Labour and Social Welfare. However, it gradually became clear that support measures for the diaspora were often linked to issues of culture, language preservation, and youth policy. Therefore, from 1928 to 1930, responsibility for relations with the diaspora was largely transferred to the Ministry of Foreign Affairs of the Second Republic and to individual regional and ethnic organizations [1, p. 128–131].

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In 1934, however, the Second Congress of Poles Abroad in Kraków approved the statute of the World Union of Poles Abroad (Pol. *Światowy Związek Polaków z Zagranicy, Światpol*) and elected the Marshal of the Polish Senate, Raczkiewicz, as chairman of the Union. The organization's declared goal was "maintaining unity with the Fatherland in the name of the unity of the Polish nation" [2, p. 307]. Thus, a distinctive institutional model of relations with the Polish diaspora emerged, as its affairs were handled not by the executive authorities but by the upper house of parliament.

In 1989–1990, this model was restored almost unchanged following negotiations held in Rome under the auspices of Pope John Paul II between representatives of the Polish government and Polish diaspora organizations [3, p. 59–60]. In Polish socio-political discourse, the relationship between the state and the diaspora is described either as 'polityka polonijna' or as 'caring for Polonia' (Pol. *opieka nad Polonią*): the Polish diaspora is designated by a separate word, in contrast to diasporas of other origins. Traditionally, the task of the Polish state has been to protect the rights and freedoms of emigrants and to establish strong ties with them by addressing non-standard issues and areas, taking into account the specific characteristics of the Polish diaspora in a given country or even in particular regions within that country. In other words, Poland strives to attune itself to the rhythm of uncoordinated and diverse initiatives within Polish communities abroad [1, p. 116–117].

Maintaining ties with Polonia and strengthening the position of its representatives in host countries has been regarded as a "national task" since 1991, along with the creation of conditions for repatriation [4, p. 106]. This principle was enshrined in the 1997 Constitution of Poland (Article 6). According to available data, the 'old' Polish diaspora in the world includes more than 10 million people (according to some estimates, up to 21 million): 9–10 million live in the United States, over 1 million are believed to be in Brazil and Canada, and over 500 thousand are residents of Argentina.¹ A significant number of people of Polish descent also live in the post-Soviet space. However, until recently, they were not included in the concept of Polonia and were instead referred to by a separate term — Poles in the East.

Since competition for economic and social capital persists in the modern world [5], Poland has repeatedly attempted to update and intensify its diaspora policy. According to Gamelén, by 2014, approximately 110 countries worldwide had established ties with their compatriots and begun to develop a comprehensive institutional infrastructure for interaction with their diasporas [6, p. 182]. After joining the EU in 2004, attempts to update diaspora policy received additional impetus due to the significant outflow of population from the country. In 2007, more than 2.3 million Polish citizens (approximately 6.6% of the country's total population) were permanently residing outside Poland, which came as an

¹ *The Global Polish Diaspora: A Vast and Diverse Community*, 2025, URL: <https://polaron.com.au/the-global-polish-diaspora/> (accessed 18.06.2025).

unpleasant surprise to politicians and experts [7, p. 84]. In the context of the limited effectiveness of the measures taken, a discussion emerged in the early 2010s about the possible contours of a 'new Polonia policy'. This policy envisioned the centralization of governance and the optimization of efforts by various institutions, the rejection of a unilateral approach to relations with the diaspora, as well as the clarification and reduction of the number of objectives set by government bodies [8, p. 10–13].

This article examines the institutional transformations of Poland's diaspora policy between 1991 and 2025. The author aims to investigate how the dynamics of institutional change have evolved, what forms these changes have taken, and how stable they have proven to be. Within the framework of neo-institutional analysis, the study also explores the environment of interactions, including the intense inter-party confrontation characteristic of contemporary Poland (the so-called 'Polish–Polish war').

Neoinstitutional analysis of sectoral public policy

Neoinstitutionalism as a methodology in the social sciences assumes that units of analysis (parties, leaders, officials, and firms) most often obey explicit and implicit rules, structure their behaviour, and plan further actions based on the framework that is set [9; 10]. An important aspect in compliance with the rules is the complex balance between efficiency and legitimacy: actors can achieve more by breaking the rules, but others are unlikely to be satisfied with such behaviour, so there is a constant bargaining over how to interpret and transform explicit and implicit norms (institutional frameworks) in the most advantageous direction [11]. In political research, neo-institutionalism provides a framework for analyzing change, including the abolition or adoption of rules, their combination, shifts in the degree of interconnectedness, the narrowing or expansion of areas of responsibility, and the emergence of fundamentally new forms of institutional design [12; 13]. In fact, an institution is understood as what is established as an explicit or implicit norm and as the processes of constructing certain rules, their combinations, and variations [14].

The most important point in the study of institutions is how exactly they change, the transition from one state and structure of rules to the next. Several theories and approaches have been proposed to explain institutional transformations, each offering different perspectives on the dynamics of this process and on the methods used to analyze it. This diversity largely depends on the chosen analytical starting point — whether it is the underlying causes of change, the moment of transformation itself, the actors involved, external influences, or the nature of multi-level interactions [15; 16]. Among the numerous interpretations of institutional change, the approach of James Mahoney and Kathleen Thelen is particularly well known. These researchers proposed combining the analysis of the depth of changes and their participants, which made it possible to identify four types of transformation (Table 1).

Table 1

**Types of institutional changes
(according to James Mahoney and Kathleen Thelen)**

Type of change	Set of participants	Cause	Procedure
Replacement	Expanding	Relatively uneven distribution of resources	Formal
Layering	Expanding	Relatively even distribution of resources with trends to a more uneven distribution	Formal
Drift	Non-expanding	Change of common profit if norms are fully obeyed	Informal
Conversion	Non-expanding	Change of ideational perception of norms	Formal or informal

As to of replacement of institutions, the old rules are completely abolished and new ones are established, which is associated with the emergence of new participants in interactions who are dissatisfied with the previous approach to resource distribution and are capable of calling the legitimacy of institutions into question if their position is ignored. Layering of institutions involves making significant amendments and additions to the design of existing institutions, which reflects a compromise between new and old participants in interactions: the former are not yet capable of changing the rules entirely, while the latter cannot stop the process of editing and updating. Drift is the preservation of the formal aspect of the rules, but a change in their content due to external changes: new additions and amendments are not proposed, but some of the regulations are not followed ('dead norms'). Finally, conversion assumes that the ideological content of the rules changes as they are interpreted and understood differently than before. Within the framework of conversion, a new correspondence of the institutions of collective identity to modern practices and similar institutions in other countries, and the goal-setting of states is actually established. In the case of displacement and conversion, the composition of participants is not almost or completely updated, which increases the significance of external factors for institutional transformations [17]. On the contrary, Edward Koenig noted that *layering* and *replacement* most often occur within the framework of formal procedures and are driven by external factors such as decisions made by higher authorities, the inclusion of new participants in institutional interaction, or broader shifts in the distribution of power within the state (for instance, following elections). Institutional replacement and, to a lesser extent, conversion are associated with informal bargaining and the internal development of institutions [18]. Probably, the balance of endogenous and exogenous factors in institutional changes is not so straightforward, since neoinstitutionalism is based on the thesis of the relationship between how rules are observed and how they change under the influence of current circumstances and long-term cumulative processes [19; 20].

For the analysis of sectoral state policy (in particular, diaspora policy), this scheme provides several important methodological advantages. Firstly, it considers the reasons for different orders in institutional transformations, such as

resources, ideological, and actor-centric processes. Secondly, it becomes possible to indirectly assess the potential direction of institutional changes by analyzing the composition of the participants involved (for example, responsible ministries or departments). Thirdly, this scheme distinguishes between formal and informal procedures, which are often presented in an undivided form in neoinstitutional analysis.

Regarding Poland, neoinstitutionalism makes it possible to link the dynamics of changes in diaspora policy with electoral cycles and party preferences, to determine the extent to which shifts in national priorities were reflected in this specific policy area, how the composition of actors involved in shaping diaspora policy evolved, and which institutional forms gained or, conversely, lost their relevance.

Genesis of the current diaspora policy in Poland

Given the peculiarities of parliamentarism in Poland, in 1989, the responsibility for coordinating diaspora policy fell on the upper house, the Senate. This restored the institutional logic of the Second Republic and emphasized the historical continuity with the period of Piłsudski's rule. The Senate formed the Commission on Emigration and Relations with Poles Abroad, which regularly discussed initiatives to strengthen ties with Polonia and made recommendations on the distribution of budget funds in this area. The final decision on financial issues was made by the Marshal of the Senate. The Resolution of the Senate of the Third Convocation "On the relations of Poles and Polonia with the Fatherland" in 1997 emphasized that the special role of the Senate is the continuation of the "noble tradition" of protecting the rights of diaspora participants.¹

At the same time, the executive branch in Poland also had its sights set on a diaspora policy. In 1991, the government approved a document entitled "Goals and priorities of government policy towards Polonia, emigration and poles abroad" (Pol. *Cele i priorytety polityki rządu wobec Polonii, emigracji i Polaków za granicą*). The text emphasized the importance of maintaining comprehensive ties between people from Poland and their country of origin, as well as preserving Polish identity ('Polishness') in other countries. In many ways, the document was based on the logic that the 'obligations' of the Polish state towards the diaspora are one-sided, and that communities abroad are only required to actively participate in the proposed initiatives [21, p. 77–78].

The initial model of diaspora policy assumed that tactical issues of diaspora policy were within the competence of the Senate, while the formulation of goals and strategy for relations with compatriots was more likely to be within the purview of the government. The 1997 Constitution consolidated this institutional link, since it transferred the right of legislative initiative in the area of public finances to the exclusive powers of the government and left the procedure for approving budgetary issues to both chambers of parliament. Due to the ambiguous

¹ Uchwała Senatu Rzeczypospolitej Polskiej z dnia 5 marca 1997 r. w sprawie więzi Polaków i Polonii z Macierzą, 1997, URL: <https://isap.sejm.gov.pl/isap.nsf/download.xsp/WMP19970160147/O/M19970147.pdf> (accessed 24.04.2025).

understanding of the instruments of diaspora policy, this division was largely formal in nature, leading to rivalry between the two branches of government in matters concerning diaspora policy.

In 1998, the Polish Ministry of Foreign Affairs made an attempt to transfer the decision-making centre. A document entitled “General concept of Polonia policy” was prepared. It assumed the transfer of the development and implementation of policy regarding Polonia and Poles abroad to the Ministry. The document emphasized that the Ministry, in fact, already maintained contacts with representatives of the diaspora on a regular basis, but did not influence the financing of projects. However, the relevant Senate committee spoke out sharply against the proposed text and accused the Ministry of Foreign Affairs of trying to monopolize diaspora policy. At the same time, the discussion acknowledged that contacts with Polonia were conducted primarily through diplomatic and consular missions and emphasized the need for stronger coordination between the executive and legislative branches [22]. While in 1991–2001 institutional contradictions surrounding diaspora policy were largely aggravated by inter-party confrontation, during the government of Leszek Miller (2001–2004), this factor virtually disappeared. In 2002, the government adopted a programme of cooperation with Polonia and Poles Abroad, which for the first time raised the issue of reciprocal obligations of the diaspora representatives. According to this document, Polonia was to contribute to the implementation of Polish national interests in the host countries, and not only participate in state projects for cultural and social development. An interdepartmental group was created under the Prime Minister to coordinate work on issues of Polonia and Poles abroad.

Simultaneously, the Advisory Council of Polonia was created under the Marshal of the Senate, which was given the function of discussing financial issues and discussing projects to strengthen relations with the diaspora. Later, the density of institutions under the Senate’s jurisdiction increased even more, since the Polonia Bureau was established under the upper house, which helped to submit applications for funding and monitored the projects being implemented. At the same time, at the conceptual level, there was a surprising unanimity, which was enshrined in the Senate’s resolution (2002), repeating the main provisions of the government’s programme of cooperation with Polonia and Poles abroad [21, p. 77–78; 22, p. 73–80]. These achievements turned out to be unstable in the context of the subsequent aggravation of inter-party confrontation (the ‘Polish-Polish war’) and another wave of EU enlargement (2004). Instead of the stable work of diaspora policy institutions in 2001–2004, there was a temporary decrease in the conflict between the branches of government on issues of interaction with Polonia. The transition to the left-wing parties of the majority in parliament and the presidential position led to an informal division of powers. Under conditions of political competition and following the adoption of the 1997 Constitution, an institutional layering emerged between the traditional role of the Senate in matters concerning relations with Polonia and the practical activities of the executive branch — namely, the Ministry of Foreign Affairs, which was better equipped to carry out this work. However, this layering was later replaced by an institutional shift representing a temporary informal compromise,

under which the rivalry between the upper house and the executive branch was effectively suspended. This tactical decision did not result in the creation of more stable institutions of diaspora policy in Poland, but it did help ease tensions at the level of state institutions as a whole.

Reforms of the Civic Platform (2007 – 2014)

Due to the instability of the parliamentary majority in 2005–2007, issues of diaspora policy were somewhat postponed. Nevertheless, the PiS governments began preparatory work on creating another state programme of cooperation with Polonia and Poles abroad. In addition, the government of Jarosław Kaczyński began implementing the “Closer to Work, Closer to Poland” programme (Pol. *Blżej pracy, bliżej Polski*), which provided assistance to Polish labour migrants in settling in host countries and protecting their rights through the system of consular missions.¹

However, after the victory of the Civic Platform party in the parliamentary elections in 2007, the issue of diaspora policy appeared on the political agenda again. Even before the elections, Donald Tusk’s party identified the promotion of repatriation as a key government priority and proposed abolishing taxes on pension savings and remittances of migrant capital. Already at the end of 2007, a large-scale “Return Programme” was adopted, containing a set of measures to stimulate the repatriation of migrants and representatives of Polonia. In addition to ‘tax holidays’ and a reduction in social and pension contributions, the programme provided for the opening of labour exchanges in London and Dublin with vacancies in Poland, the creation of specialized mechanisms for attracting highly qualified personnel, support for the opening of Polish schools abroad and the creation of distance education at universities [7, p. 86–87].

At the same time, Donald Tusk’s government introduced several additional measures aimed at strengthening dialogue with Polish communities abroad. One of the first was the adoption of the Pole’s Card in 2007, presented as an effort to redress historical injustices suffered by Poles living in the post-Soviet space (Poles in the East). This document on “belonging to the Polish nation” became a new mechanism for expanding ties with people of Polish origin and indirectly created incentives for repatriation. In particular, the Pole’s Card was not issued to individuals permanently residing in Poland, even though most of the rights and privileges associated with this document could only be exercised within Poland. A more direct mechanism for encouraging repatriation, the Rodak system, assisted approximately 2,300 people in its final year of operation, while decisions on individual cases could take up to seven years [23]. Secondly, a ministerial programme for the development of Polish education abroad for 2009–2011 was adopted in 2009, which laid the foundation for permanent departmental programmes in this area. The scale of this activity was considerable: over 14,000 people studied in 75 educational institutions under programmes for Poles

¹ Program działań na rzecz zwiększenia opieki nad polską migracją zarobkową „Blżej pracy, bliżej Polski”, *Biuletyn Informacji Publicznej RPO*, 2025, URL: <https://bip.brpo.gov.pl/pliki/1172574832.pdf> (accessed 24.04.2025).

abroad in the 2009/10 academic year.¹ Since 2010, congresses of Polish teachers have been held in Ostróda. Such events helped to approve methodological recommendations, discuss problems of teaching, and exchange experiences.²

Finally, Donald Tusk's government began systematically strengthening the role of the Ministry of Foreign Affairs in implementing diaspora policy. Under the Five-Year Programme of Assistance to Poles Abroad (2007–2012) adopted by the executive branch, responsibilities such as coordinating Polonia policy and promoting a positive image of Poland abroad were explicitly assigned to the Ministry of Foreign Affairs. As part of an internal reorganization, a dedicated division was established within the Ministry in 2009, later renamed the Department of Cooperation with Polonia and Poles Abroad. The issues of promoting the Polish language and culture, preserving memorial sites, investment contacts, as well as analyzing and protecting the rights of Poles abroad were transferred to this Department. In 2012, the Minister of Foreign Affairs, Radosław Sikorski, succeeded in transferring the authority to distribute funds for specific Polonia-related projects from the Senate to his department. Previously, these funds had been allocated on a non-competitive basis to partner and contracting organizations, for example, the Fund for Aid to Poles in the East or the Polish Community Association. But from that time onward, an annual competitive selection process was introduced, requiring the submission of formally prepared applications and detailed justifications of requested funding. The corresponding amendments were made to the law on public procurement of 2004.³

The transfer of diaspora policy to the actual jurisdiction of the Ministry of Foreign Affairs did not have unambiguous support within the "Civic Platform": the Marshal of the Senate (2005–2015), Bogdan Borusewicz, opposed such a decision and tried to continue the work without financial resources [24]. In particular, Bogdan Borusewicz joined the activities of Polish organizations in Germany in 2012 and helped them obtain permits to create a bureau of Polish associations, media and educational courses in Polish.⁴

As a result of the reforms introduced by Donald Tusk's government, Poland's diaspora policy came almost entirely under the jurisdiction of the executive branch, primarily the Ministry of Foreign Affairs. In other words, the institutional framework for interaction with compatriots was fundamentally restructured. This shift was made possible by the parliamentary majority held by Tusk's Civic Platform party in both chambers of parliament. If during the period of leftist dominance in Polish politics (2001–2004), the Senate and the executive branch coordinated their actions with respect to Poles abroad, then in 2007–2014,

¹ Oświata i wychowanie w roku szkolnym, 2009, *Główny Urząd Statystyczny*, p. 105, URL: https://stat.gov.pl/cps/rde/xbcr/gus/e_oswiata_i_wychowanie_2009-2010.pdf (accessed 20.04.2025).

² Czyżycka, K. 2001, 30 lat dla Polonii, *Stowarzyszenia Wspólnota Polska*, URL: http://wspolnotapolska.org.pl/30lat/dzialania_edukacja.php (accessed 21.04.2025).

³ Senat utraci pieniądze dla Polonii?, 2015, *Onet Wiadomości*, URL: <https://wiadomosci.onet.pl/kraj/senat-utraci-pieniadze-dla-polonii/gmqgh> (accessed 23.04.2025).

⁴ Niemiecka Polonia apeluje do Borusewicza o wsparcie, 2012, *Onet Wiadomości*, URL: <https://wiadomosci.onet.pl/swiat/niemiecka-polonia-apeluje-do-borusewicza-o-wsparcie/hdrlg9m> (accessed 23.04.2025).

diaspora policy became a separate branch of state policy, over which centralized control (both political and financial) was established. On the one hand, such centralization facilitated the state's interaction with the diaspora and made it possible to build a long-term strategy in this regard. On the other hand, for the heterogeneous Polonia and its various organizations, the centralisation of state policy meant an increase in specific obligations: investment, political, and cultural capital. With a significant part of the diaspora (in Western Europe and North America) not in need of assistance from the state of origin, the growth of the 'burden of obligations' played a rather negative role in the implementation of Poland's diaspora policy.

Notably, under Donald Tusk's government, changes in the institutions of diaspora policy occurred more abruptly than under the Leśnica administration. This was apparently linked to the instability of the previous institutional model and to personal rivalry between Radosław Sikorski and Bogdan Borusewicz, as well as to a shift in the focus of policy efforts: following the EU enlargement, more than two million people (approximately 5.2% of the country's population) had left Poland by 2011.¹ In fact, the composition of participants in the implementation of diaspora policy has changed: it became necessary to coordinate decisions both at the national level and the supranational level.

Transformations during the rule of the Law and Justice party (2015—2023)

Before the parliamentary elections, Ewa Kopacz's government succeeded in adopting the Programme of Cooperation with the Polish Diaspora for 2015—2020 and the accompanying Tasks for 2015—2016 in August 2015. Although the document introduced a number of ideological innovations, such as replacing the concept of Polonia with the term diaspora and redefining relations with the diaspora as a partnership, the Civic Platform government ultimately lost the elections. Therefore, many provisions of the Programme were adjusted by representatives of the Law and Justice party, which formed a new government coalition. Paradoxically, the presence of a strategic document for 2015—2020 in the field of diaspora policy prevented the consistent improvement of diaspora policy institutions and led to several situational and often uncoordinated decisions [25, s. 149]. Moreover, in January 2016, Michał Dworczyk, Chairman of the Sejm Commission for Relations with Polonia and a member of the Law and Justice faction (later Head of the Prime Minister's Office), expressed the view that transferring the functions of goal-setting and financing to the Ministry of Foreign Affairs had been "hasty and ill-prepared".² Representatives of the ruling party continued to criticize their predecessors and insisted on restoring the historical role of the Senate in the sphere of Poland's diaspora policy.

¹ International migration outlook 2013, 2013, Paris, *Organisation for Economic Co-operation and Development*, URL: https://www.oecd.org/en/publications/international-migration-outlook-2013_migr_outlook-2013-en.html (accessed 20.04.2025).

² Sejmowa komisja chce przeniesienia pieniędzy na Polonię do Senatu, 2016, *Dzieje.pl*, URL: <https://dzieje.pl/aktualnosci/sejmowa-komisja-chce-przeniesienia-pieniedzy-na-polonie-do-senatu> (accessed 24.04.2025).

As a result of the reforms adopted between February and July 2016, the upper house of the Polish parliament formally regained control over relations with Polonia as of 2017. Unlike previous years, the responsibility of the Senate was recorded for the first time in the law on public procurement. Before that, the functions of the upper house in relation to Polonia were a tribute to tradition, and not a formal norm. However, the implementation of diaspora policy was not fully transferred to the Marshal of the Senate: the head of the chamber received the right to approve the budget for diaspora policy projects in agreement with the Presidium of the chamber, and the Presidium began to determine the basis of the state assignment, that is, in fact, the goals and objectives of the policy implemented by the state.¹ The annual competition for getting grants was transferred to the Chancellery of the Senate. As the budget for the implementation of diaspora policy increased (in 2016 — PLN 60.5 million, in 2018 — already PLN 100.5 million), institutional norms became more complex: applications for funding from partner organizations were transferred to an electronic portal and deadlines for their submission were set (until the end of November each year). This resulted in a slight decrease in both the number of submitted and approved applications: in 2018, 721 applications were submitted, of which 269 were approved; in 2019, the number of submissions fell to 616, with 267 approved.²

Amid the growing funding for diaspora policy, Mateusz Morawiecki's government (2017—2023) decided to play a more active role in shaping it. Quite unexpectedly, after the deadline for submitting applications for funding of projects concerning Poles abroad had already passed, the position of Commissioner for Polonia and Poles Abroad was established within the Chancellery of the Prime Minister on 16 December 2019. The task of the Commissioner was to formulate government initiatives in this area, coordinate the activities of departments, interact with state and non-governmental organizations, and local governments. In other words, Mateusz Morawiecki, within the framework of his powers, created a separate dimension of diaspora policy under the jurisdiction of the executive branch. Jan Dziedziczak, who had previously overseen this area at the Ministry of Foreign Affairs (2015—2018), was appointed Commissioner for Polonia and Poles Abroad.³

An additional demarcation took place in the sphere of diaspora policy in Poland in 2020. It was announced that the government, within its powers, would dis-

¹ Senat zmienił swój regulamin, by móc opiekować się Polonią, 2016, *Gazeta prawna*, URL: <https://dzieje.pl/aktualnosci/senat-zmienil-swoj-regulamin-moc-opiekowac-sie-polonia> (accessed 21.04.2025).

² Senat rozdzielił ponad 100 mln zł na opiekę nad Polonią i Polakami za granicą, 2018, *Dzieje*, URL: <https://dzieje.pl/aktualnosci/senat-rozdzialil-ponad-100-mln-zl-na-opieke-nad-polonia-i-polakami-za-granica> (accessed 24.04.2025) ; Senat w 2019 r. przeznaczył ponad 100 mln zł na opiekę nad Polonią i Polakami za granicą, 2019, *Dzieje*, URL: <https://dzieje.pl/aktualnosci/senat-w-2019-r-przeznaczy-ponad-100-mln-zl-na-opieke-nad-polonia-i-polakami-za-granica> (accessed 24.04.2025).

³ Jan Dziedziczak pełnomocnikiem rządu ds. Polonii i Polaków za granicą, 2023, *WNP*, URL: <https://www.wnp.pl/polityka-i-sondaze/wydarzenia/jan-dziedziczak-pełnomocnikiem-rządu-ds-polonii-i-polaków-za-granica,47087.html> (accessed 22.04.2025).

tribute funds for projects independently through its Commissioner, and the Senate would retain the distribution of funds within its powers. The Commissioner was given the authority to distribute over PLN 59 million, and the Senate received about PLN 10 million. To distinguish this reform from the institutional model previously implemented by Radosław Sikorski, Mateusz Morawiecki's government designated the Ministry of Science and Education as the administrator of funds for Polish education abroad (PLN 28.3 million) and assigned responsibility for sports and cultural projects to the Ministry of Culture, National Heritage and Sports. Particular attention was given to protecting labour rights and ensuring the social and psychological adaptation of Polish emigrants, as these issues were transferred to the Ministry of Family, Labour and Social Policy [26; 27]. The redistribution of funds in the sphere of diaspora policy took place against the backdrop of a discussion of a general reduction in public spending and an analysis of the effectiveness of state policy. In this regard, Morawiecki's government cautiously criticized the Senate: in particular, at a meeting of the relevant commission of the upper house, Commissioner Dedziczak noted that organizations that received funding in 2019 often did not provide feedback, and the Senate was not capable of demanding documents from them beyond formal reporting.¹

Such abrupt changes in 2019–2020 were directly related to the fact that in 2019, an opposition majority to Law and Justice (PiS) was formed in the Senate. Representatives of the Civic Platform, Tomasz Grodzki and Kazimierz Ujazdowski, became, respectively, the Marshal of the Senate and the Chairman of the Senate Commission for Relations with Polonia and Poles Abroad. Therefore, it was illogical to allow political opponents to participate in the distribution of state funds from the point of view of the Law and Justice Party.

Mateusz Morawiecki's government sought to gain control over the funds allocated by the Senate to support Polonia and Poles abroad in the 2022 budget. The lower house of parliament introduced an amendment increasing the budget of the Commissioner for Polonia and Poles Abroad, Jan Dziędziczak, by PLN 10 million to finance summer holiday programmes for children of the diaspora in Poland. Government representatives explained at a meeting of the Senate's relevant commission that diaspora policy should have been integrated into the overall strategy of the executive branch, should have become part of a complex of institutions, and that the upper house was not capable of handling all the tasks. The commission demanded that its quota in the budget for projects in the field of diaspora policy be retained and criticized the disproportionate spending on diaspora support (in particular, on Polish schools in Germany).² Although the Senate quota was successfully defended, the Senate Commission began to analyze

¹ Posiedzenie Komisji Spraw Emigracji i Łączności z Polakami za Granicą (nr 6) w dniu 27-05-2020, 2020, *Senat*, URL: <https://www.senat.gov.pl/prace/komisje-senackie/przebieg,8653,1.html> (accessed 24.04.2025) ; Posiedzenie Komisji Spraw Emigracji i Łączności z Polakami za Granicą (nr 11) w dniu 13-08-2020, 2020, *Senat*, URL: <https://www.senat.gov.pl/prace/komisje-senackie/przebieg,8763,1.html> (accessed 24.04.2025).

² Posiedzenie Komisji Spraw Emigracji i Łączności z Polakami za Granicą (nr 31) w dniu 04-01-2022, 2022, *Senat*, URL: <https://www.senat.gov.pl/prace/komisje-senackie/przebieg,9479,1.html> (accessed 23.04.2025).

the educational aspect of the diaspora policy more closely, actively criticized the delays in the allocation of funds and the confusion of areas of responsibility between the government commissioner and the Ministry of Science and Education.

These rhetoric about efficiency and cost reduction after the transfer of a significant part of the diaspora policy areas to the government turned out to be nothing more than political tactics. Within the framework of government projects in 2022–2023, opportunities for additional funding were sought related to the increase in construction costs and the announcement of targeted competitions (for example, to support foreign Polish media): in 2022, the amount of additional funding was PLN 120.5 million, and in 2023, it was PLN 82.7 million.¹

Thus, two large-scale institutional transformations in Poland's policy toward Polonia and Poles abroad occurred between 2015 and 2023. During the first stage (2016–2018), the previous model was replaced: diaspora policy was transferred to the Ministry of Foreign Affairs and integrated into the broader framework of foreign policy. The Senate regained its former role, which was formally defined and distributed among the Marshal of the Chamber, its Presidium, and the Chancellery. In the second stage (2020–2022), the government of Mateusz Morawiecki, adopting a rather confrontational approach, brought diaspora policy under its own jurisdiction, leaving the Senate with only a few functions and a significantly reduced budget. This institutional layering, in contrast to the situation in 2001–2004, took place in the context of party competition: the executive branch was represented by a coalition led by the Law and Justice party, while the Senate was dominated by a coalition led by the Civic Platform.

The return of the Civic Platform

The Civic Platform party, as part of the Civic Coalition bloc, won (122 seats in the Sejm and 36 seats in the Senate) in the 2023 parliamentary elections and formed a coalition government at the end of the year. In Donald Tusk's third government, the post of Commissioner for Polonia and Poles Abroad was abolished, and responsibility for interministerial coordination was transferred to a governmental interdepartmental group. Although this group had been formally established in 2021, it remained largely inactive. The group was headed by Radosław Sikorski, who had returned to the position of Minister of Foreign Affairs of the Republic of Poland². Notably, the new head of the relevant Senate commission was Bogdan Borusewicz, Sikorski's political opponent, who also assumed the position of Vice-Marshall of the Senate. Although strong political hostility persists between the current ruling coalition and its predecessors, Donald Tusk's government appears to have drawn lessons from the sharp public reaction to the Senate's complete

¹ Konkurs Polonia i Polacy za Granicą 2024 — wydarzenia i inicjatywy polonijne, 2024, *Senat*, URL: <https://www.gov.pl/web/polonia/konkurs-polonia-i-polacy-za-granica-2024---wydarzenia-i-inicjatywy-polonijne2> (accessed 24.04.2025).

² Międzyresortowy Zespół do spraw Polonii i Polaków za Granicą, 2024, *Gov.pl*, URL: <https://www.gov.pl/web/dyplomacja/miedzyresortowy-zespol-do-spraw-polonii-i-polakow-za-granica> (accessed 23.04.2025).

exclusion from the implementation of diaspora policy. At the present stage, the division between government projects and Senate projects regarding Polonia and Poles abroad has been preserved. Moreover, in 2024, instead of PLN 10 million, 71.5 million was transferred to the upper chamber. At the same time, Senate projects were once again placed on a competitive basis, while the functions of coordinating diaspora policy were transferred to the Polonia Bureau of the upper chamber, which, under the Law and Justice government, had primarily performed analytical functions. Against this background, the definition of the general goals of diaspora policy returned to the purview of the Ministry of Foreign Affairs. The Ministry prepared and achieved the adoption of the Government's Strategy for Cooperation with Polonia and Poles Abroad for 2025–2030. The document is ideologically close to the Programme of Cooperation with the Polish Diaspora of 2015, yet it also exhibits a significant difference. The principal and explicitly stated goal of diaspora policy is now the preservation and promotion of the Polish language, along with the expansion of student and academic mobility programmes for members of Polish communities abroad. In practice, however, the document omits objectives related to attracting diaspora investment, promoting a positive international image of Poland, or aligning with broader European norms and frameworks.

The third government of Donald Tusk maintained the institutional layering characteristic of Poland's diaspora policy, preserving the division of responsibilities between the executive branch and the upper house. Nevertheless, the coordination of this work within the government was once again entrusted to the Ministry of Foreign Affairs, rather than to the Office of the Prime Minister or the Commissioner for Polonia and Poles Abroad. The return of two previously opposing political figures, Radosław Sikorski and Bogdan Borusewicz, to roles central to the implementation of diaspora policy may, to some extent, serve as a stabilizing factor for this otherwise fragile institutional configuration. At the same time, no drastic changes have occurred in diaspora policy as a result of competition with the Law and Justice party, unlike in other areas such as judicial reform or media regulation [28; 29].

Conclusions

Since 1989, Poland's diaspora policy has undergone several waves of institutional transformation (Table 2). Excluding the formative period of 1989–1991, when the modern Third Republic was being established, the first decade was marked by the creation of the foundations for a distinct sectoral policy toward Polonia and Poles abroad. The institutional framework of this period relied on the informal role of the Senate as the principal body responsible for 'caring' for the diaspora - an arrangement rooted in the historical experience of the Second Republic. However, the upper chamber lacked its own foreign missions and was therefore unable to maintain permanent contact with Polish communities abroad. Consequently, the issue of defining the role of the executive branch, and particularly that of the Ministry of Foreign Affairs, gradually came to the fore.

Table 2

Institutional transformations of diaspora policy in Poland

Period	Type of transformation	Major changes	Impetus
2001—2004	Drift	Informal acquisition of operational functions by the Ministry of Foreign Affairs alongside the Senate	Dominance of one party in the executive and legislative branches
2007—2012	Replacement	Formal and legal transfer of all main functions and new programmes to the jurisdiction of the Ministry of Foreign Affairs	Politicization of the agenda regarding the diaspora (ideological factors)
2016—2019	Replacement	Formal and legal transfer of all functions to the jurisdiction of the Senate	Politicization of the agenda regarding the diaspora (ideological factors)
2020—2022	Layering	Formal and legal division of functions between the Senate and the government, with a bias in favour of the government. Inter-party confrontation	Intra-party competition
Since 2024	Layering	Expansion of the sphere of responsibility of the Senate, transfer of functions in the executive branch from the government office to the Ministry of Foreign Affairs	Dominance of one party in the executive and legislative branches

The combination of historical tradition and the need to implement diaspora policy through the executive branch led to three major institutional transformations (2001—2004, 2007—2012, and 2020—2022), each of a different type: drift, replacement, or layering. However, these changes proved relatively unstable, as did the subsequent attempt to return diaspora policy to the Senate (2016—2018), since each phase involved deviations from the established norms and rules of interaction. Over time, a gradual reduction in the scale of institutional transformation has become apparent: the two most recent reforms were limited to adjustments, additions, and amendments within the existing institutional framework.

In the long term, the evolution of Poland's diaspora policy has been characterized by the progressive formalization of the 'rules of the game'. Alongside the adoption of legislation on public procurement, which regulates competition procedures for partner and contracting organizations, the delineation of responsibilities has increasingly been codified in secondary legislation, for instance, parliamentary regulations, government resolutions, and national programmes and strategies. This logic of formalization enabled the government of Mateusz Morawiecki to assert the executive branch's exclusive jurisdiction over several aspects of diaspora policy. In effect, positive law has gradually prevailed over unwritten traditions in shaping the behaviour of state institutions.

Although Polish politics is frequently described in terms of sharp inter-party confrontation, the so-called ‘Polish—Polish war’ [30; 31, p. 5—10], this characterization is only partly applicable to the sphere of diaspora policy. Institutional change has often been driven less by partisan rivalry than by the consolidation of relative monopolies within the legislative and executive branches. Nevertheless, inter-party conflict has been reflected in diaspora policy both structurally—when one party reallocated institutional resources from another—and ideologically, as parties sought to outdo each other in demonstrating commitment to Poles abroad. Even though Poland tried out several options for the institutional design of diaspora policy in 1991—2025, it is difficult to judge the effectiveness of each of them, since the transformations took place relatively often, and it is difficult to assess what would be preferable for working with Poles abroad in the medium term. Similarly, financial efficiency, especially for projects in the field of culture, television broadcasting, and language learning, can hardly be assessed only by quantitative indicators (number of visits to plays or museums, time spent watching programmes, number of students in language schools and language courses). Moreover, there were delays in the allocation of funds from the Polish budget on several occasions (for example, in 2016), which had an impact on the quality of the work carried out on the projects. The institutional inertia characteristic of the initial period in the history of modern Poland (approximately until 1997), the indirect impact of inter-party competition, and the relatively frequent deep institutional transformations together contributed to the fact that, despite the reform efforts undertaken between 2007 and 2012, Poland’s diaspora policy has remained a distinct sectoral domain of state policy rather than being fully transferred to the jurisdiction of the executive branch, as is customary in most countries. This combination of inertia and discontinuity prevented the implementation of a genuinely ‘new Polonia policy’, which had envisaged the centralization of governance and the more efficient use of state resources.

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The author

Dr **Ivan D. Loshkariov**, Associate Professor, Department of Political Theory, MGIMO University, Russia.

<https://orcid.org/0000-0002-7507-1669>

E-mail: ivan1loshkariov@gmail.com



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POLITICAL AND STRATEGIC FACTORS AND RISKS OF IMPLEMENTING THE NUCLEAR POWER PROGRAM IN POLAND

I. I. Zhukovsky 



Primakov National Research Institute of World Economy
and International Relations of the Russian Academy of Sciences,
23 Profsoyuznaya St., Moscow, 117997, Russia

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The introduction of nuclear power is an ambitious, strategically significant undertaking currently being implemented by Poland as it steadily strengthens its political and economic influence both within the European Union and in the broader context of global international relations. Poland intends to use nuclear power to overcome the limitations of its current energy mix, meet European Union climate policy requirements, and strengthen the competitiveness of its economy. However, the lack of domestic technological capacity necessitates the involvement of a foreign technology provider—not only for the construction of nuclear power plants but also for the development of related infrastructure. The choice of a foreign partner is shaped by the prevailing geopolitical situation and the network of political and economic relationships that arise from this decision. The progress and eventual completion of the nuclear power program will carry significant foreign policy implications for the regional system of international relations. This article, drawing on methods of systematic and institutional analysis, represents the first attempt to examine the political and strategic factors underlying the implementation of Poland's nuclear power program as reflected in strategic planning documents. In the framework of the empirical research, the program is understood as a complex political and strategic project. The study highlights the specificity of the domestic political processes surrounding it and, in its applied dimension, identifies foreign policy implications while assessing the risks associated with the program's implementation.

Keywords:

Polish nuclear power program, strategic planning documents, nuclear power plants (NPPs), political dynamics

Research field. Problem statement. Methods and sources

Amid an escalating global political crisis and the intensification of the Ukrainian conflict, Poland has undertaken active efforts to define its place within the international system—efforts that reflect the political elite's perception of the

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country's role in the conflict, as well as its economic potential, territorial scope, demographic weight, and capacity to influence neighbouring states in Eastern Europe and, more broadly, the Baltic region. Following the return to power of Donald Tusk's government in 2023 and Radosław Sikorski's reappointment as Minister of Foreign Affairs, Poland's foreign policy, anchored in the rapid modernization of its armed forces and the development of a special allied relationship with the United States, has expanded in scope, moving beyond its traditional focus on political and economic development to pursue its declared ambition of becoming a leading force within the European Union and shaping its future trajectory [1].

The willingness of Polish politicians to build a "system of multiple dependencies" on their foreign policy patron is expressed not only in political and symbolic aspects, but also in solid economic projects: multi-billion dollar purchases of American weapons and defense technologies [2], and announced reciprocal investment projects in Poland by US technology giants (Amazon, Microsoft, Google). It is important to understand the rationale behind the creation and implementation of the national nuclear energy programme (hereinafter referred to as the PNEP), which fits into the overall framework of increasing Warsaw's political and economic influence in the system of international relations and consolidating strategic relations with Washington, the key supplier of technological solutions for the country's first nuclear power plant.

For Russia's foreign policy planning and forecasting system, it is crucial to analyze the various dimensions and practical implementation of Poland's nuclear energy programme, given its direct impact on the dynamics of the regional system of international relations, the emergence of new energy alliances and technological partnerships with non-regional actors (the United States, France, and South Korea), and the declining demand for Russian energy resources, which, nevertheless, continue to be used in Poland. Notably, Russia's share of Poland's liquefied natural gas imports amounted to more than 18 % in the first quarter of 2025 and approximately 43 % for the whole of 2024).¹

Recognising the nuclear energy programme as an ambitious political and strategic project that defines the country's long-term priorities, the author formulated the following objective for this article: to determine how Poland's national nuclear energy programme, developed in cooperation with foreign partners, is reflected in the contours of its domestic and foreign policy. To achieve this goal, the research set out to: analyze strategic planning documents related to national interests to identify the political and strategic factors underlying the development of nuclear energy in Poland and the conditions guiding the selection of a foreign technology partner; define the parameters of the domestic political debate surrounding the nuclear energy programme; and assess the foreign

¹ Import LPG znów rośnie. Rosja znaczącym dostawcą do Polski, 2025, *Money.pl*, URL: <https://www.money.pl/gospodarka/import-lpg-znow-rosnie-rosja-znaczącym-dostawcą-do-polski-7162180421229248a.html> (accessed 20.08.2025).

policy implications of the nuclear energy programme for the regional system of international relations, while identifying the potential risks associated with its implementation.

Drawing on methods of systemic and institutional analysis, the author uses strategic planning documents in the sphere of national interests (foreign policy and socio-economic development), texts of intergovernmental agreements, a collection of election programmes of relevant candidates for the presidency in 2025, official speeches and statements by Poland's political leadership, existing infrastructure development strategies and programmes, as well as legislative acts and other documents related to the preparation and implementation of Poland's nuclear energy programme.

In analyzing the boundaries of the political debate, the author conducts a comparative analysis of the content of existing strategic planning documents and relevant components of the election programmes of registered presidential candidates in 2025. This approach makes it possible to identify the key parameters of the domestic political discourse and to assess potential scenarios for interaction between the government and the president in implementing the national nuclear energy programme. To clarify the domestic political dynamics accompanying the implementation of the Polish Nuclear Energy Programme (PNEP), a historical and political analysis is employed to trace the evolution of approaches to assessing the feasibility and desirability of developing nuclear energy, from the initial attempts to construct nuclear power plants based on Soviet technological models to the programme's current form. To address the applied research task — determining the foreign policy implications and assessing the risks associated with the implementation of Poland's nuclear energy programme — the author employs the scenario-building method in conjunction with expert evaluation techniques.

Approaches to the analysis of Poland's nuclear energy programme

When analyzing existing research approaches to the Polish Nuclear Energy Programme, it should be noted that the relevant information environment — including expert resources devoted to the global development of nuclear energy — contains a substantial amount of unsystematic and fragmentary data on various aspects of the implementation of Poland's nuclear energy programme. In most cases, these materials consist of translations of press releases and statements issued by Polish government agencies, the project's technological partners, and communications disseminated through the International Atomic Energy Agency (IAEA). There are few political and strategic studies of the factors involved in the implementation of the programme; they are only beginning to appear in both Russian and foreign research circles.

As a starting point, it should be noted that political pressure from the European Union to accelerate the energy transition in coal-dependent Poland has been intensifying. This pressure stems from the need to comply with the requirements

of the climate agenda and, in the domestic political arena, from the imperative to ensure energy security and maintain conditions for economic competitiveness. In 2024, there was a record decline in the share of coal in the country's energy balance, with its contribution falling to 56.2 %, which indicates a gradual but steady shift away from the traditionally dominant energy source, with a parallel increase in renewable energy sources (RES), whose share in total production reached 29.4 % [27]. According to industry forecasts, electricity consumption in Poland is expected to rise sharply, with an estimated increase of 40–60 % by 2050 (depending on the economic scenario), with 70–80 % of energy production coming from RES.¹

Given Poland's obligations to the EU to phase out coal-fired power generation, the Polish government believes that nuclear energy is the only reliable source of compensation: strategic planning documents (including the 2010 Energy Policy of Poland until 2030² and the 2014 Polish Nuclear Energy Programme³) provided for the inclusion of nuclear power generation as a key element of the decarbonization of the energy sector. According to the approved scenarios reflected in these documents, the first power unit should start operating by 2036, and by 2043, the total installed capacity of nuclear power plants in the country should reach 6–9 GW, which will cover the missing 20–30 % of the projected domestic demand for electricity and ensure stability during the transition from coal-fired generation.

The nuclear energy programme and, more broadly, the issues of Poland's energy transition and energy security are being studied through the lens of several methodological approaches, among which geopolitical and economic analysis are most commonly represented. Within the framework of the geopolitical strategy, the development of nuclear energy in Poland is viewed as an "analysis of intentions," that is, the possibility of making political decisions in the field of energy security and implementing them, which is common to the countries of Central Europe and some of the Baltic region. In this regard, it is necessary to note the research of Kuvaldin, which reveals the specifics of nuclear energy in Central and Eastern European countries through the prism of EU energy policy [3; 4]. A distinctive feature of Russian academic discourse on this issue is the tendency of researchers to conduct comparative analyses of regional energy policy without in-depth study of the political and economic factors underlying the implementation of the Polish programme (see, for example, [5; 6]). To understand

¹ Czy stać nas na elektrownie jądrowe?, 2025, *Energetyka24.com*, URL: <https://energetyka24.com/atom/wiadomosci/czy-stac-nas-na-elektrownie-jadrowe-kilka-slow-o-ekonomii-atomu> (accessed 19.08.2025).

² Polityka energetyczna Polski do 2030 r. Obwieszczenie Ministra Gospodarki z dnia 21 grudnia 2009 r. w sprawie polityki energetycznej państwa do 2030 r., 2010, *Monitor Polski*, № 2, poz. 11.

³ Uchwała № 15/2014 Rady Ministrów z dnia 28 stycznia 2014 r. w sprawie programu wieloletniego pod nazwą „Program polskiej energetyki jądrowej”, 2014, *Monitor Polski*, poz. 502.

Poland's emerging role in the Baltic Sea region and to predict the dynamics of the regional system of international relations, taking into account the emerging "system of multiple ties" with the US, implemented by the Polish government in the context of a cross-party consensus on the country's foreign policy, a number of studies on pan-regional (Baltic) issues are important [7–12].

The long-term effects of the national nuclear energy programme on the country's energy security in the context of EU energy policy are being intensively studied by Polish experts, with a focus on the possible consequences for international energy cooperation and the consolidation of the transatlantic partnership, both in terms of bilateral cooperation with the US and NATO [13–15; 28]. There is no serious expert or political debate in Poland about alternatives to the nuclear energy programme. The overwhelming majority of publications, both from a geopolitical and economic perspective, agree on the desirability and inevitability—in the logic of the country's long-term development—of transitioning to nuclear power generation. An analytical report on alternatives for the development of Poland's energy system in the context of the EU climate and economic requirements by the Institute of Energy at the Faculty of Management of the University of Warsaw is a perfect example of promoting the logic of "nuclear energy as the only option" [28, p. 10].

The economic approach to the issue under consideration relates to "potential analytics" based on the logic of Poland's overall economic development, within which the feasibility of the PNEP is assessed, long-term economic trends and the impact on the country's energy balance, as well as the possible impact of EU climate policy and emerging commitments to transition to a low-carbon economy on economic development [16–21; 29]. The economic approach is also associated with attempts to evaluate the potential application of technological solutions in the form of small modular reactors (hereinafter referred to as SMRs) to address industry-specific challenges and compensate for the capacity shortfall resulting from the decommissioning of coal-fired power plants in large industrial regions of Poland [22]. In this context, it is important to review existing SMR projects worldwide and assess their export potential, as done by Dyakov [23]. From this analysis, it can be reasonably inferred that, should Polish private corporations decide to implement SMRs in the projects under discussion, the only likely technological partner would be the United States, which employs export contracts in the nuclear energy sector as a geopolitical instrument.

A notable example of a high-quality economic analysis is the analytical report prepared by the Polish research centre Energy Market and authored by Kwidziński and Dusilo. Drawing on extensive and up-to-date data on Poland's energy balance, the report provides a detailed examination of the economic foundations of national energy policy. It outlines the main directions of the ongoing energy transition and convincingly demonstrates that, under current conditions, nuclear energy remains the only viable long-term option for the country [27]. It should also be emphasized that research on nuclear energy —

both by Russian and foreign scholars — is complicated by the institutional instability of Poland's system of public administration. This instability has manifested itself in the repeated transfer of competences between ministries and departments and the creation of new state agencies responsible for socio-economic planning and the development of energy programmes, including those in the nuclear sector. In this study, the author refers to state institutions and actors in Poland's energy policy according to their official names and functions as they existed at the time of the events discussed in the historical and political context of the article.

Political and strategic factors in strategic planning documents

The Decision of the Council of Ministers of January 13, 2009, was the document that formed the legal framework for the Polish Nuclear Energy Programme,¹ which established the need to prepare and implement the PNEP, which was presented as one of the key strategic results of the first term of Donald Tusk's government. To coordinate actions between ministries, local governments, and businesses, the position of government commissioner for nuclear energy (having the status of Deputy Minister of Economy²) was established to coordinate actions between ministries, local governments, and businesses. Until 2014, this position was held by Hanna Trojanowska,³ who, before her appointment, had served as director of the nuclear energy department of Polska Grupa Energetyczna (PGE Group). The Commissioner was tasked with preparing and submitting for approval by the Government a draft Polish Nuclear Energy Programme, which should include technical requirements for technology suppliers, economic justification, and possible locations for nuclear power plants.

The government decided that the key industrial partner for developing the PNEP would be the Polish Energy Group, which has added a section to its public communications about reducing dependence on coal-fired power generation and the need to transition to a new generation of energy, including solutions for building nuclear power plants. Three groups of arguments are used in the public justification of the need to build nuclear power plants in Poland: the country's energy security, climate policy and the environment, economic development, and the investment attractiveness of the national economy. It should be noted that the structure of the argumentation has not changed to date; it has been retained in the current version of the Polish Nuclear Energy Programme. The need to build a nuclear power plant in Poland was included in 2010 in the government's

¹ Uchwała №4/2009 Rady Ministrów z 13 stycznia 2009 r. w sprawie działań podejmowanych w zakresie rozwoju energetyki jądrowej.

² Rozporządzenie Rady Ministrów z dnia 12 maja 2009 r. w sprawie ustanowienia Pełnomocnika Rządu do spraw Polskiej Energetyki Jądrowej (Dz.U. 2009 № 72 poz. 622).

³ A graduate of the Czech Technical University in Prague with a degree in nuclear energy, she is recognized nationally and internationally as a leading expert in the design and management of energy infrastructure facilities.

Energy Policy Strategy until 2030 (which is classified in nature and only partially published)¹ in the context of the need to diversify energy sources for the national economy and reduce dependence on external energy suppliers.

Reducing energy dependence on Russian energy supplies has been one of the most important arguments promoted by President Lech Kaczyński's administration in its domestic political agenda since 2008, based on the inevitable clash of interests between Poland and Russia in the region, including the scenario of some form of aggression against his country.² The pursuit of energy independence (understood, in essence, as the development of domestic energy generation and the establishment of a system of international energy supplies from allied countries to replace Russian ones) came to be perceived in Polish political discourse as its ideological legacy and became key to the right-wing conservative Law and Justice party.

At the same time, construction began on large industrial parks intended for foreign investors, which later became sites for EU-oriented enterprises in sectors such as mechanical engineering, industrial chemistry, and electronics manufacturing — all characterised by high electricity consumption (notably in Poznań, Wrocław, and Łódź). Many of the associated investment contracts included commitments to maintain fixed industrial electricity prices for the duration of the projects, as well as public obligations to increase the share of clean energy in supply chains in line with the so-called pro-environmental policies of manufacturing companies. These factors created additional pressure on the Polish electricity market, which continued to rely predominantly on coal-fired generation.

Simultaneously, expert work was initiated to update national legislation in order to enable the development and implementation of nuclear energy projects (for more details, see [24]). The body of new legislation, prepared with the participation of Hanna Trojanowska, included the updating and systematization of existing regulatory documents (the so-called Atomic Law³) and the new Law on the Preparation and Implementation of Investments in Nuclear Energy Facilities and Related Investments.⁴ The legislation stipulated that the fundamental decision on behalf of the state to commence an investment project would be taken by the Minister of Economy (ensuring compliance with the country's political and economic interests) subject to a positive opinion from Euratom (in accordance

¹ Polityka energetyczna Polski do 2030 r. Obwieszczenie Ministra Gospodarki z dnia 21 grudnia 2009 r. w sprawie polityki energetycznej państwa do 2030 r., 2010, *Monitor Polski*, № 2, poz. 11.

² *Oficjalna strona Prezydenta Rzeczypospolitej Polskiej*, 12.08.2008, URL: <https://www.prezydent.pl/kancelaria/archiwum/archiwum-lecha-kaczynskiego/aktualnosci/rok-2008/wizyta-prezydenta-rp-w-gruzji,26753,archive> (accessed 12.07.2025).

³ Ustawa z dnia 13 maja 2011 r. O zmianie ustawy — Prawo atomowe oraz niektórych innych ustaw, 2011, *Dziennik Ustaw*, № 132, poz. 766.

⁴ Ustawa z dnia 29 czerwca 2011, 2011, *Dziennik Ustaw*, № 135, poz. 789.

with Articles 41-43 of the Treaty establishing the European Atomic Energy Community¹) and the head of the Polish Internal Security Agency (who assesses the project in terms of its long-term effects on national security).

The Polish Nuclear Energy Programme is a strategic government document adopted by the Council of Ministers on January 28, 2014,² during the term of Donald Tusk's liberal government. It is a roadmap for the construction of a nuclear power plant in Poland and the creation of related infrastructure. This document defines the tasks to be implemented at the government level, at the investor level, by supervisory authorities, and by other entities involved in the implementation of the programme.

The implementation of the programme to replace coal-fired power units that have reached the end of their operational life constitutes one of the key instruments for adapting Poland's energy system to the requirements of the European Union's climate and energy policy, which Poland is obliged to follow. The transition to zero- or low-CO₂-emission energy sources, while maintaining an uninterrupted electricity supply, can realistically be achieved only through the development of nuclear energy within the country.³

After Poland ratified the Paris Climate Agreement, Beata Szydło's right-wing conservative government was forced to maneuver between political pressure from the European Union and its commitments to reduce CO₂ emissions, and the need to maintain political support among voters and ensure job preservation in the coal industry, to find a compromise with influential trade union leaders and management of coal mining and power generation companies on the national energy development programme. The attempt to balance the political interests of right-wing conservatives, climate commitments to the European Commission, and lobbyists for large energy-intensive projects was reflected in the National Climate and Energy Plan 2021 – 2030, adopted in 2019.⁴ It explicitly referred to the use of nuclear energy solutions to ensure the country's energy security.

The development of the PNEP proceeded in a less public manner, continuing through negotiations with potential suppliers of technological solutions and the planning of infrastructure projects related to the construction of nuclear power plants. Between 2016 and 2017, intensive talks were renewed at both expert and political levels with relevant government agencies in the United States, France, and Japan regarding possible technological options for the construction of nuclear power plants and the timeframe for their implementation. In early 2020, similar

¹ Traktat ustanawiający Europejską Wspólnotę Energii Atomowej, 2025, *EUR-Lex*, URL: <https://eur-lex.europa.eu/legal-content/PL/TXT/?uri=CELEX:12012A/TXT> (accessed 12.07.2025).

² Uchwała №15/2014 Rady Ministrów z dnia 28 stycznia 2014 r. w sprawie programu wieloletniego pod nazwą „Program polskiej energetyki jądrowej”, 2014, *Monitor Polski*, poz. 502.

³ Uchwała №15/2014 Rady Ministrów z dnia 28 stycznia 2014 r. w sprawie programu wieloletniego pod nazwą „Program polskiej energetyki jądrowej”, 2014, *Monitor Polski*, poz. 502. S. 3.

⁴ Krajowy Plan na rzecz Energii i Klimatu na lata 2021 – 2030, Warszawa, 2019.

expert consultations were launched with the South Korean company Korea Hydro & Nuclear Power (KHNP), which in 2022 officially submitted a proposal to construct six units equipped with APR-1400 reactors, with a total capacity of 8.4 GW, backed by political and financial support from the South Korean government. (It should be noted parenthetically that these reactors have been the subject of a licensing dispute with Westinghouse, which does not recognize the APR-1400 as eligible for export use.)

The South Korean proposal represented a logical continuation of the large-scale military-technical cooperation that had developed between the two countries, under which Poland not only purchased advanced military equipment but also gained access to modern technological solutions from manufacturers of contracted aircraft, tanks, and missile systems. This cooperation enabled the adaptation of Polish defence industry enterprises to the maintenance and, in some cases, the partial production of equipment or its components within the country [2]. However, on 20 August 2025, it was announced that KHNP had withdrawn from the project in Poland, a decision that effectively deprived the Polish government of its bargaining position with its American technological partner regarding the possibility of pursuing an alternative solution for the construction of a nuclear power plant.¹

After the political decision to choose the US as a technology supplier (see below), it became necessary to adjust the content of the Polish Nuclear Power Programme, the current version of which calls for the commissioning of nuclear power plants with a total installed capacity of 6 to 9 GW based on technologies using Generation III/III+ reactors. The version of the document that was current at the time of the study was adopted by Mateusz Morawiecki's right-wing conservative government on October 2, 2020.²

The PNEP identified 27 potential sites for nuclear power plants, including three priority locations on the Baltic Sea coast with the possibility of unlimited use of seawater in the technological cycle. The implementation schedule provided for the commissioning of two nuclear power plants with three reactors each: construction of the first reactor is planned to begin in 2026, with its actual launch into commercial operation scheduled for 2036, and the programme is to be completed with the commissioning of the last reactor at the second nuclear power plant in 2043. It should be noted that the document stipulates the purchase of nuclear fuel on a competitive basis — with at least two potential suppliers — following the completion of the initial ten-year fuel contract with Westinghouse. However, the range of possible suppliers is politically restricted to NATO member states or other politically stable countries with market economies that maintain favourable relations with Poland. This condition significantly narrows the pool

¹ KHNP confirms business closure in Poland amid controversy over Westinghouse deal, 2025, *Yonhap News Agency*, URL: <https://en.yna.co.kr/view/AEN20250819010300320> (accessed 20.08.2025).

² Uchwała № 141 Rady Ministrów z dnia 2 października 2020 r. w sprawie aktualizacji programu wieloletniego pod nazwą „Program polskiej energetyki jądrowej”, 2020, *Monitor Polski*, z dnia 16 października 2020 r., poz. 946.

of potential fuel suppliers to only a few states.¹ Fuel supply contracts will have to be concluded in accordance with the requirements of the European Union (EURATOM) and the guidelines of the Euratom Supply Agency (ESA). The issue of the location of the spent nuclear fuel storage facility remains unresolved, but the new version of the PNEP should provide an answer to this question.

Technical, economic, and safety decisions regarding nuclear power plants must be formally approved by the European Commission under the so-called notification procedure within the framework of the current agreement with Euratom. This is a mandatory requirement for nuclear energy projects in European Union member states, allowing the European Commission to form an opinion on the compliance of the programme being implemented with Euratom's objectives, accepted safety standards, and the technical and economic aspects of the project.

The financial model of the Polish Nuclear Energy Programme provides for the selection of a single technology for all nuclear power plants and contracting with an investor associated with the technology supplier. At the same time, it was assumed that the Ministry of State Property would retain a minimum 51 % stake in Polskie Elektrownie Jądrowe² at a minimum of 51 %. The company is the operator of PAE and, on the Polish side, is the responsible executor of the 2019 Agreement between the Government of Poland and the Government of the United States on Cooperation in the Development of a Civil Nuclear Energy Programme in Poland.³

In light of the intensifying domestic political struggle ahead of the parliamentary elections in the fall of 2023, Mateusz Morawiecki's government began to "promote successes" in all priority areas of the political and economic agenda, including PAE. This resulted in the signing of several strategic documents with American partners, which formally announced the choice of a technology partner (Westinghouse)⁴ and defined the parameters of cooperation with Bechtel, the contractor for construction work, and on May 25, 2023, a formal agreement was signed in Warsaw between the Westinghouse and Bechtel consortium and Polskie Elektrownie Jądrowe (Polish Nuclear Power Plants) on the principles of

¹ Uchwała № 141 Rady Ministrów z dnia 2 października 2020 r. w sprawie aktualizacji programu wieloletniego pod nazwą "Program polskiej energetyki jądrowej", 2020, *Monitor Polski*, z dnia 16 października 2020 r., poz. 946. p. 8.

² The operator "Polskie Elektrownie Jądrowe" was established by the Polish Energy Group in a consortium with several Polish energy companies in 2009 under the name "PGE EJ". In 2021, it was bought out by the State and renamed.

³ Porozumienie o współpracy między Rządem Stanów Zjednoczonych Ameryki a Rządem Rzeczypospolitej Polskiej dotyczące strategicznej współpracy w zakresie energii jądrowej wykorzystywanej do celów cywilnych, Waszyngton, 2019, *Instytut Europy Środkowej*, 12.06.2019, URL: <https://www.premier.gov.pl/files/files/porozumienie-tlumaczenierobocze.pdf> (accessed 12.07.2025).

⁴ Uchwała № 215/2022 Rady Ministrów z dnia 2 listopada 2022 r. w sprawie budowy wielkoskalowych elektrowni jądrowych w Rzeczypospolitej Polskiej, 2025, *Gov.pl*, URL: <https://www.gov.pl/web/polski-atom/uchwala-rzadu-o-wyborze-usa-do-pierwszej-polskiej-elektrowni-jadrowej> (accessed 12.07.2025).

project implementation at the design and construction stage.¹ On September 27, 2023 — a few weeks before the parliamentary elections — a contract was signed for the provision of engineering services for the site of Lubiatowo-Kopalino², which was used at a decisive stage of the election campaign as one of the most important achievements of the Law and Justice government, having long-term political and economic significance.

After Donald Tusk returned to the post of Prime Minister at the end of 2023, heading a liberal-centrist coalition government, work began on updating the Polish Nuclear Energy Programme (PNEP). This process was driven not only by the need to establish concrete mechanisms for financing the programme but also by the political objective of diminishing the legacy of the right-wing conservative government led by the Law and Justice (PiS) party. According to current projections, the updated version of the PNEP — which will retain fundamental continuity with previous iterations in terms of goals, objectives, rationale for construction, and technological as well as infrastructural solutions — is expected to enter into force in the second half of 2025 (public consultations began at the end of June). An important component of the revised PNEP will be the justification of the technology chosen for the construction of the country's second nuclear power plant. Until mid-August 2025, the South Korean alternative to the Westinghouse project was regarded as a realistic option, with the proposed site located in the Central Industrial Region. Meanwhile, consultations continue with representatives of the Japanese and French nuclear energy sectors — a development that should be interpreted as part of Poland's broader strategy to strengthen its negotiating position regarding the financing terms of the second nuclear facility. This document will primarily serve the political purpose of establishing the leading role of the Civic Platform in creating a new economic sector in the country, which has the potential to be used in the domestic political struggle with opponents, which in recent years has taken on an almost existential character, often overcoming the boundaries of political competition established by national legislation.

On the domestic political debate

In this part of the article, the author's research objective was to define the boundaries of the political debate on the implementation of the national nuclear energy programme using illustrative examples that demonstrate the limits of

¹ Pierwsza elektrownia jądrowa w Polsce powstanie w ramach konsorcjum spółek Westinghouse i Bechtel, 2025, *Gov.pl*, URL: <https://www.gov.pl/web/klimat/pierwsza-elektrownia-jadrowa-w-polsce-powstanie-w-ramach-konsorcjum-spolek-westinghouse-i-bechtel> (accessed 12.07.2025).

² Historyczna umowa umożliwia rozpoczęcie prac dla wskazanej lokalizacji pierwszej w Polsce elektrowni jądrowej, 2025, *Westinghouse Nuclear*, URL: <https://info.westinghousenuclear.com/poland/news-and-insights/historyczna-umowa-umoziwia-rozpozecie-prac-dla-wskazanej-lokalizacji-pierwszej-w-polsce-elektrowni-jadrowej> (accessed 12.07.2025).

what is possible and acceptable in the domestic political agenda: the political conditioning of the decision to choose a foreign supplier of technology and the programmatic statements on nuclear energy of relevant candidates¹ for the Polish presidency in the 2025 elections.

The topic of nuclear energy itself has been present in Polish expert and socio-political discourse for a long time, since the establishment of the Institute for Nuclear Research (Polish: Instytut Badań Jądrowych)² near Warsaw in 1955, where the country's only nuclear reactor, "Maria" (with a capacity of 30 MW, originally designed to use highly enriched uranium, but converted to low-enriched fuel by 2012). From 1958 to 1995, the same centre operated the EVA reactor, built using Soviet technology, which, after modernization in the mid-1960s, had a capacity of up to 10 MW. The expertise gained in the construction, operation, and modernization of nuclear reactors and the creation of technological solutions in the field of control system safety subsequently enabled the Institute and the enterprises created on its basis to join the production chains in the construction of nuclear power plants and the study of their characteristics both in Poland itself and in other countries (Bulgaria, Hungary, USSR / Russia, Czechoslovakia / Czech Republic). The Institute of Nuclear Research was the main scientific organization³ for the project to build the Żarnowiec nuclear power plant near Gdańsk using Soviet technology based on VVER-440 reactors, which was the only option available to Poland at that time.

The project began in 1982. The construction schedule for the nuclear power plant was postponed several times due to the socio-political and economic crisis in the country, and after the Chernobyl disaster, negative sentiment towards the project intensified sharply, reinforced by the general anti-Soviet trend in society. The Chernobyl accident seriously compromised the very idea of nuclear energy and Soviet technology in general in Polish society [15, p. 20]. As a result of mass protests by environmental activists and the blocking of transport routes to the construction site by proactive residents of the region, it was decided to hold a local referendum in the Gdańsk Province, following which the project, which was at an advanced stage of infrastructure readiness, was halted by a decision of the Polish government.

The socio-political transformation processes in Poland at the turn of the century and the implementation of extraordinary domestic and foreign policy tasks related to accession to Euro-Atlantic structures formed a clear orientation towards overcoming the historically established experience of cooperation between

¹ In the following understanding: both candidates who made it to the second round of voting and the candidate who took third place.

² Instytut Badań Jądrowych, 2025, *Portal nuclear.pl*, URL: <https://nuclear.pl/polska,ibj,instytut-badan-jadrowych,0,0.html> (accessed 12.07.2025)

³ A similar role was envisaged for the Institute in the planned construction of the second Warta nuclear power plant in Poland, and in the solutions being developed for "classified topics" regarding the use of nuclear reactors for civil and military shipbuilding at Polish shipyards.

Poland and Russia in the field of nuclear energy. In other words, in Poland's case, joining NATO and the EU predetermined the fundamental impossibility of using a Russian technological partner in the implementation of the Polish Nuclear Energy Programme, when, at the very beginning of the 20th century, the idea of having its own nuclear power plants reappeared.

In the early stages of expert discussions on the concept of constructing a nuclear power plant (2006–2009), the capabilities of potential technology suppliers from five countries — the United States, Japan, France, Russia, and China — were assessed. The Russian and Chinese options, however, were examined primarily for contextual completeness, amid a clear understanding of the political impossibility of selecting either as a technology partner. After being designated as the responsible project executor, the Polish Energy Group (PGE) signed framework cooperation agreements in 2010 with the French corporation Areva Group, the American company Westinghouse, and the Japanese-American consortium GE Hitachi (GE Hitachi Nuclear Energy).

In 2009–2010, Rosatom, in coordination with the management of Polskie Sieci Energetyczne, explored the possibility of supplying electricity to the Polish market from the Baltic Nuclear Power Plant in the Kaliningrad region, whose active construction phase began in February 2010. Between 2011 and 2013, a large-scale information campaign was launched in the Polish media, promoting the idea of accessing affordable and clean electricity from Russia. This initiative coincided with the 'reset' in Russian–Polish relations advanced by Donald Tusk's government at the time. It was assumed that up to 8% of the country's annual demand could be supplied at a fixed price via a cross-border line from the Kaliningrad region of Russia,¹ with Rosatom discussing the possibility of foreign investors (including Polish ones) participating in the Baltic NPP project with a share of up to 49%.²

Of course, in parallel with expert discussions on technical solutions for transmitting energy from the Kaliningrad region, the Polish media began actively discussing the political expediency of purchasing Russian electricity, which would further increase the share of Russian energy resources in Poland's overall energy balance (in addition to gas, oil, and coal). This was obviously considered in terms of energy and, more broadly, national security. Moreover, hypothetical access to the market for inexpensive electricity called into question the economic feasibility of building Poland's own nuclear power plants, which was also seen as an attempt by Russia to influence the government's strategy for ensuring Poland's energy security. Experts from the government's Centre for Eastern

¹ It was assumed that the said cross-border line would be built in the area of the Russian–Polish border crossing "Mamonovo 2 — Grzechotki".

² Investors in the Baltic NPP will be able to enter into long-term contracts for the supply of electricity with Rosatom, 2010, Forbes.ru, February 25, 2010, URL: <https://www.forbes.ru/news/44959-investory-baltiiskoi-aes-smogut-zaklyuchat-s-rosatomom-dolgosrochnye-kontrakty-na-postavk> (accessed 19.08.2025).

Studies directly pointed to the need to abandon purchases of Russian electricity and recommended developing Poland's own nuclear programme in the interests of national security.¹

In 2013, Warsaw and Vilnius officially announced their refusal to purchase electricity from the Kaliningrad region (including through energy exchanges in third countries), as well as refusing to provide their energy networks for the transmission of electricity to other potential consumers without explanation, which clearly classifies the decision as purely political.² The basis for this decision appears to be a firm commitment to implement its own nuclear energy programme, based on technological support from the United States, which already had a version of Westinghouse's then-newest AP1000 reactor approved for export by national regulators used in the Sanmen and Haiyang nuclear power plants under construction in China since 2008. This decision aligns with Poland's concept of a 'system of many ties' in its relations with the United States, aimed at securing a long-term partnership with Washington in the field of sensitive technologies. This approach was formally codified in the 2018 Memorandum of Understanding on the Polish—American Strategic Dialogue in the Field of Energy.³ The decision to choose the US as a technology partner was perceived as a mutual demonstration of the strategic nature of bilateral relations and did not meet with any serious resistance in the country's socio-political space and expert community: Poland's upcoming technological and political integration into the US security standards system, access to US technologies and financial instruments, and direct political support for the project at the international level effectively dispelled any doubts.

The second observation, which is essential for achieving the objectives of this article, concerns the analysis of the discourse on the Polish Nuclear Energy Programme (PNEP) in the election programmes of key candidates in the 2025 presidential election. Within the institutional design of Poland's political system, the president functions as a 'strategic mediator', serving as an arbiter among political forces and ensuring the continuity and forward planning of national security policy [25]. This role is defined in Article 126 of the Constitution of the Republic of Poland.⁴ The president acts as the guarantor of the continuity

¹ OSW: elektrownia jądrowa w Kaliningradzie zagrożeniem m.in. dla Polski, 2012, *Centrum informacji o rynku energii*, URL: <https://www.cire.pl/artykuly/atom/73260-osw-elektrownia-jadowa-w-kaliningradzie-zagrozeniem-min-dla-polski> (accessed 12.07.2025).

² Polski rząd nie zgodził się na import energii z obwodu kaliningradzkiego?, 2013, *Energetyka24*, URL: <https://energetyka24.com/polski-rzad-nie-zgodzil-sie-na-import-energii-z-obwodu-kaliningradzkiego> (accessed 12.07.2025).

³ Memorandum of Understanding between the Republic of Poland and the United States of America on a Poland — U. S. Strategic Dialogue on Energy, Warsaw, 09.11.2018, *Sejm*, URL: https://www.premier.gov.pl/files/files/memorandum_of_understanding_en.pdf (accessed 12.07.2025).

⁴ Konstytucja Rzeczypospolitej Polskiej z dnia 2 kwietnia 1997 r., *Dziennik Ustaw*, № 78, poz. 483, sprostowanie *Dziennik Ustaw* z 2001 r. № 28, poz. 319, zmiana: *Dziennik Ustaw* z 2006 r. № 200, poz. 1471 *Dziennik Ustaw* z 2009 r. № 114, poz. 946).

of state power, ensures compliance with the Constitution, and supports the sovereignty and security of the state, as well as the inviolability and territorial integrity of the country. As mentioned above, the PNEP is considered in strategic planning documents, including in terms of national security, which is understood as the overall importance of the nuclear programme for the competitiveness of the national economy, the definition of long-term foreign policy priorities, and the reduction of dependence on external energy suppliers. In this regard, the president's attitudes and priorities in security policy planning appear to be one of the key domestic political factors in the implementation of Poland's Nuclear Energy programme.

In the 2025 presidential campaign, thirteen candidates presented their election programmes — sets of conceptual positions on key issues of domestic (primarily) and foreign policy (for more details, see [26]). As no candidate secured the required 51 % of votes in the first round, a second round was held between the two leading contenders: Rafał Trzaskowski (Vice-Chairman of the liberal Civic Platform party) and Karol Nawrocki (backed by the right-wing conservative Law and Justice party). Sławomir Mentzen, the Eurosceptic candidate nominated by the Confederation of Freedom and Independence — an alliance of conservative and nationalist parties and associations — finished in third place. Consequently, the programmes of these three candidates are examined here to delineate the boundaries of the political debate surrounding the national nuclear energy programme.

Karol Nawrocki's (the winner of the presidential election in the second round of voting) election programme¹ presents a comprehensive concept for the formation of a geopolitical space of stability based on several strategic priorities: the military power of the state as the foundation of national security, adherence to a socially oriented state model, and energy autonomy ensured by the diversification of energy sources. The programme pays particular attention to the development of nuclear energy as a key element of an infrastructure project aimed at ensuring the economic well-being of citizens and creating favourable conditions for entrepreneurial activity, within the framework of increasing the country's strategic autonomy. However, the document does not provide details on specific mechanisms for implementing the PNEP, nor does it indicate a desirable foreign supplier of technological solutions.

The conceptual programme "Strong, Rich Poland"² presented by Sławomir Mentzen places considerable emphasis on the priority of national sovereignty, which is expressed in the prevalence of Polish legislation and national interests over the integration policies of the European Union. The programme is particularly critical of the European Union's climate policy, which, according to its author, poses significant risks to the industrial potential of both the European Union

¹ Nawrocki, K., *Polska sferą normalności! 2025*, *Karol Nawrocki 2025*, URL: <https://karolnawrocki2025.pl/program> (accessed 12.05.2025).

² Mentzen, S. 2025, *Silna bogata Polska*, *Mentzen2025*, URL: <https://mentzen2025.pl/silna-bogata-polska> (accessed 12.05.2025).

as a whole and Poland in particular. This policy is viewed as a potential threat to the economic sovereignty of the state and to its competitiveness within the framework of European integration.

Rejecting climate policy as an argument for the development of nuclear power generation, Sławomir Mentzen emphasizes the strategic need to diversify the country's energy balance. As stated in the programme, particular attention should be paid to the development of nuclear energy, in particular, the use of small modular reactors. The politician believes that these decisions contribute to the formation of energy autonomy and the provision of a sustainable energy supply in the context of potential crises. In this case, the programme lacks specifics regarding international cooperation in the energy sector, including references to potential foreign partners for the implementation of the outlined strategic initiatives. Thus, the programme is characterised by a strong emphasis on protecting national interests and by a critical stance towards certain aspects of EU policy, while simultaneously advocating the development of nuclear energy in cooperation with unspecified foreign partners.

In the section "Economic Patriotism" of the programme document "My Plan for Poland"¹ Rafał Trzaskowski (who was defeated in the second round of the election) approaches the issue of the state's energy autonomy through the lens of stimulating investment processes in the development and deployment of modern technological solutions. It is noteworthy that the programme's conceptual framework makes no explicit reference to nuclear energy as an instrument for achieving energy independence. Instead, the author emphasizes the development of renewable energy sources as the principal means of addressing energy challenges. It can thus be inferred that the proposed concept of energy independence is grounded in the paradigm of environmentally sustainable development, centred on renewables and excluding nuclear power from the range of technological solutions under consideration. Nevertheless, given Rafał Trzaskowski's position as a protégé and close ally of Donald Tusk and his liberal Civic Platform party, it is evident that, in the event of a hypothetical electoral victory, Trzaskowski would likely continue the implementation of the Polish Nuclear Energy Programme (PNEP) as part of a coordinated political strategy — both by supporting the project's foreign technology partner and by maintaining the policy of 'multiple ties' with the United States.

Conclusions. Scenarios and risks of the programme implementation

The country's energy sector is undergoing a phase of active transformation, marked by significant shifts in the structure of electricity generation: over the last three years, the energy balance has seen a gradual decline in dependence on coal, both in generation and in overall fuel consumption: with the increase in the share of renewable energy sources — wind, solar, and bioenergy [27] — Poland is showing the first significant signs of decarbonization of its economy.

¹ Trzaskowski, R. 2025, *Mój plan na Polskę*. Rafał Trzaskowski 2025, URL: <https://trzaskowski.pl/moj-plan-na-polske> (accessed 12.05.2025).

Wind and solar power generation are expanding, and investment activity in green technologies is increasing. The inherent instability of renewable energy generation and the absence of highly efficient technologies for storing surplus energy for use during periods of shortage make the choice between nuclear power and traditional coal or gas generation relatively straightforward when it comes to ensuring a stable energy supply independent of weather conditions. For Poland, the adoption of nuclear energy has become inevitable, given its commitments to the European Commission regarding the energy transition and the necessity of replacing ageing coal-fired generation capacity.

A comprehensive analysis of various aspects and dynamics of the implementation of the Polish Nuclear Energy Programme is important for the foreign policy forecasting and planning system of the Russian Federation. The need to study Poland's energy transition and its domestic political conditions is due to the fact that the PNEP has a significant impact on the transformation of the system of international relations in the region, including changes in the balance of power and the formation of geopolitical configurations involving non-regional players, such as the the United States, are already technological partners of the PNEP and continue to pursue a policy of implementing a 'system of many ties' with Poland, or, like France and South Korea (until August 20 of this year), are lobbying to participate in the Polish Nuclear Energy Programme.

The implementation of the PNEP is taking place amid a bipartisan consensus on the need to develop the nuclear industry in response to challenges in the areas of national security, energy policy, climate agenda requirements, and the expectations of economic policymakers. An analysis of strategic planning documents has shown that, despite changes in the country's political leadership, Poland's nuclear energy programme is being consistently implemented with the support of the US as a technological, financial, and political partner. An examination of the boundaries of the domestic political debate—using illustrative examples such as the election programmes of key candidates in the 2025 presidential race—together with an analysis of the political factors underlying the choice of the United States as Poland's technological partner, reveals the virtual absence of genuine alternatives both to the nuclear energy project itself and to the United States as its principal partner. Moreover, the PNEP is being implemented amid high public support for the project: according to representative polls conducted on behalf of the Ministry of Industry in November 2024, more than 92.5 % of respondents expressed support for the construction of a nuclear power plant.¹ It can be argued that Polish public opinion is highly responsive to economic arguments in favour of nuclear power, supports the establishment of conditions conducive to achieving energy

¹ 92,5 proc. Polaków za budową elektrowni jądrowych w Polsce, 2024, *Gov.pl*, URL: <https://www.gov.pl/web/polski-atom/925-proc-polakow-za-budowa-elektrowni-jadrowych-w-polsce> (accessed 21.07.2025).

independence, and embraces the sense of technological and political prestige associated with the successful implementation of a nuclear industry based on American technology.

The choice of an American partner for the construction of the first nuclear power plant in Poland is a comprehensive foreign policy move aimed at strengthening the country's energy security and symbolically confirming the bilateral strategic partnership. This choice did not cause significant opposition in the socio-political sphere and expert community of the Republic of Poland, as the comprehensive nature of the advantages associated with choosing an American technology partner (Poland's forthcoming technological and political integration into the American safety standards system, access to American technologies and financial instruments, and direct political support for the project at the international level) effectively neutralized any potential doubts.

When assessing the scenarios for the implementation of the Polish Nuclear Energy Programme, it is necessary to highlight the geopolitical, organizational, financial, institutional, and technological risks that may affect the timing and format of the PNEP's implementation. Geopolitical risks include a possible escalation in the Baltic Sea region associated with the deterioration of relations between NATO and Russia and/or between Poland and Russia. A conflict of any intensity would slow down the construction of the nuclear power plant and call into question the advisability of locating a high-risk facility near the Russian border, within the direct reach of the Baltic Fleet's operational assets. Increased dependence of Poland on the US due to the use of American technologies is a conscious choice by Warsaw as part of its "multiple ties" strategy, which allows Washington to use the construction of the nuclear power plant as a decisive argument in other bilateral and international issues that may not necessarily be resolved in accordance with Warsaw's expectations and desires.

Organizational and financial risks stem from the very nature of the formation of a multilateral consortium for the design and construction of a nuclear power plant and the associated financing model. The entire project is estimated to cost approximately PLN 190 billion (around EUR43 billion at the August 2025 exchange). The project's cost structure is characterized by a high proportion of capital expenditures (CAPEX), accounting for roughly 90 % of the total estimate. These include expenses for design, construction and installation, equipment supply, licensing, and site preparation. Financing is organized through a hybrid model, combining state participation with debt financing. According to the approved plan, 30 % of the total cost — approximately PLN 60 billion — will be covered by state funds in the form of direct government support, a decision formally endorsed by the Polish authorities. On 25 March 2025, the President of Poland signed a law on the recapitalisation of Polish nuclear power plants, pending approval by the European Commission under EU state aid regulations and competition rules within the internal market. The remaining 70 % (around PLN 133 billion) is expected to be secured through debt financing, the final terms

of which will determine the overall financial burden of the project on Polish taxpayers¹. The stability of the Polish budget system amid rapidly growing military spending may call into question the implementation of the project's financial schedule. Multilateral consortia, by their very nature (apart from the leaders of the Westinghouse and Bechtel, about a hundred companies of various forms of ownership from more than a dozen countries are expected to participate in the design and supply of equipment for the NPP) reduce the quality of project management, jeopardize equipment delivery times, and increase foreign policy risks associated with export controls on sensitive technologies.

The specific nature of the organizational and management formula for implementing the NPP construction project gives rise to institutional and technological risks in the implementation of the project: delays are possible at any stage of design, construction, and equipment delivery due to bilateral quality control of technological solutions from different manufacturers and their integration, the need to introduce American standards and practices of technological control and safety into the Polish institutional and legal environment, build a local production base, and resolve the issue of training qualified personnel for the construction and operation of nuclear power plants in the local and foreign education systems.

Achieving these goals requires the Polish government to respond to a number of institutional, financial, and regulatory challenges, including attracting significant external investment (including EU structural funds), developing the industry's human resources, and ensuring public confidence in nuclear energy. If successfully implemented, the Polish Nuclear Energy Programme has the potential to become a catalyst for the country's technological and economic development, strengthen Poland's energy independence, and at the same time deepen its 'system of multiple ties' with the US, which together will increase Poland's political, technological, economic, and financial dependence on the US, while at the same time increasing Poland's political and economic role in the Baltic region and, more broadly, within the European Union.

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¹ Miliardy na pierwszą elektrownię jądrową, 2025, *Business Insider Polska*, URL: <https://businessinsider.com.pl/wiadomosci/prezydent-andrzej-duda-podpisal-ustawe-ws-polskich-elektrowni-jadrowych/hdrqwj7> (accessed 18.08.2025).

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The author

Dr **Igor I. Zhukovsky**, Associate Professor, Senior Research Fellow, Primakov National Research Institute of World Economy and International Relations of the Russian Academy of Sciences, Russia.

<https://orcid.org/0000-0001-8689-3898>

E-mail: igor@izhukovski.ru



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REGIONAL ECONOMY AND SPATIAL DEVELOPMENT

DAZZBZ

COASTAL MUNICIPALITIES IN THE SPATIAL DEVELOPMENT OF RUSSIA: MULTIDIMENSIONAL TYPOLOGIZATION

A. G. Druzhinin^{1, 2} 

D. A. Volkhin³ 

O. V. Kuznetsova⁴ 



¹ Southern Federal University,
105/42 Bolshaya Sadovaya St., Rostov-on-Don, 344006, Russia

² Institute of Geography of the Russian Academy of Sciences,
29 Staromonetny Lane, Moscow, 119017, Russia

³ V. I. Vernadsky Crimean Federal University,
4 Prospekt Akademika Vernadskogo, Simferopol, 295007, Russia

⁴ Institute of Economic Forecasting of the Russian Academy of Sciences,
47 Nakhimovsky Prospekt, Moscow, 117418, Russia

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In the spatial structure of modern Russia, vast coastal zones play a significant role. Their further development requires a highly detailed and localized approach (down to the level of specific coastal municipalities) that considers the natural, ecological, and socio-economic conditions of settlement and economic activity. This article presents a methodological approach and the results of a multidimensional typology of Russia's coastal municipalities (186 urban districts, municipal districts, and municipal okrugs (a type of municipality in Russia)). The typology is based on interbasin natural and economic zonation; comparison of the economic, demographic, and areal size of municipalities; the position of their administrative centres relative to the coastline; central-peripheral relations within the framework of the 'main bases' of marine activity; marine economic functionality; prevailing local socio-economic and environmental problems; and the availability of federal support through preferential business regimes. The typologization algorithm is described along with its cartographic visualization (using GIS). The article also provides an assessment and comparative analysis of the socio-economic dynamics of different types and subtypes of coastal municipalities. The study identifies multidirectional trends in the spatial socio-economic development of Russia's coastal zone: polarization, population and economic concentration in some municipalities, and economic contraction in others. The most problematic typological groups and their geographic locations (Pacific Russia and the Arctic zone) are identified. Finally, the

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article emphasizes the importance of accounting for these typological features in Russia's spatial development strategy, including in the context of federal support for geostrategic territories and the creation of a network of anchor settlements.

Keywords:

coastal municipalities, typology, marine complex, spatial development, Russia

Introduction

Analysing the problem of modern Russia's spatial development is inseparable from examining its maritime and, more particularly, coastal component, as is emphasised in the Spatial Development Strategy of Russia with Outlook to 2036.¹ This link is most evident at the lowest level of territorial taxonomy, which in Russia, due to the specificities of national statistics, is represented by municipalities. Shaped by the multifaceted influence of the maritime factor [1], the common features of coastal municipalities (CMs) coexist with differences in natural and economic conditions and settlement patterns, both among individual municipalities and among isolated groups identified within drainage basins and their subregions. The few approaches previously developed in sectoral and regional studies of coastal municipalities [2–7] rely mainly on component-based analysis or display a selective focus on specific sections of the coast. Consequently, they fail to offer a comprehensive comparative perspective on the systemic conditions and distinctive features of these territories across the country, one grounded in a unified set of criteria and an integrated information-analytical framework. This article aims to provide a significant parameter-based multidimensional typology of the entire set of Russia's coastal municipalities, reflecting the specific factors, trends, and priorities of their socio-economic dynamics within the nationwide context of spatial development.

State of research. The typological approach in social and geographical research is among the consistently relevant yet traditional and fundamental methods [8]. In a broad sense, its application also includes the delineation as seen both in Russian scholarship [9–13] and in the work of international authors [14–17] of the entire multi-scalar set of territories identified as coastal, including zones, regions, cities and their agglomerations. These structures, in turn, serve as distinct objects for parameterisation and classification across a range of typologically significant characteristics, as shown in relevant publications [18; 19].

In recent years, reflecting the broader trend toward the 'municipalisation' of spatial development research [20], Russian scholars have elaborated productive

¹ 2030 Spatial Development Strategy of Russia with Outlook to 2036. Ministry of Economic Development of the Russian Federation, 2025, URL: https://www.economy.gov.ru/material/directions/regionalnoe_razvitie/strategicheskoe_planirovanie_prostranstvennogo_razvitiya/strategiya_prostranstvennogo_razvitiya_rossii_do_2030_goda_c_prognozom_do_2036_goda/ (accessed 05.02.2025).

approaches to the typology of municipal entities. These approaches account for the economic specialisation of particular municipalities and their position within settlement systems [21], while also capturing the pronounced national interterritorial differences in population distribution and economic performance, marked by substantial socio-economic disparities along the north-south and west-east axes [22]. The situation is further complicated by core—periphery contrasts and the influence of the ‘capital city’ factor [23]. As for CMs proper, significant criteria include the distance from the sea [24], the location of the municipality’s centre, the core of socio-economic activity, relative to the coastline (‘coastward orientation’ [25]), and the role of the municipality and localised groupings thereof in the maritime economy of the country and its regions (‘anchor centres’ of maritime activity [26]).

Materials and methods

The research approach to the typology of coastal municipalities described in this article is both multi-scalar and focused on the entire extensive and dispersed set of Russia’s coastal territories. Based on previously considered criteria of coastality direct adjacency to the sea, developed maritime functions, functional links with maritime economic complexes, including sea or estuary ports, and the formation of integrated local coastal settlement systems under the influence of agglomeration effects [7] the composite object of analysis comprises 71 urban districts, 7 closed administrative-territorial formations (closed cities), and 106 municipal districts, belonging to 21 federal subjects of the Russian Federation. Owing to data limitations, municipalities in newly established regions, three of which are coastal, are absent from the sample; conversely, two coastal cities of federal significance Saint Petersburg and Sevastopol are included, provisionally treated as coastal municipalities. The coastal territories subjected to typology account for 27.6 % of the country’s total area and 13.9 % of its population as of 1 January 2024.

The multidimensionality of the typology is defined by its simultaneous focus on:

- the actual *inter-basin natural and economic zoning*, which determines differences in the degree of residential concentration (population density) and economic development (taxable income of individuals and individual entrepreneurs per territorial unit);
- the *economic, demographic and territorial weight* of CMs. The type of CM according to this criterion is defined and mapped on the basis of a three-component index reflecting the ratio of a CM’s share in total area, population size and taxable monetary income of individuals and individual entrepreneurs across all Russian CMs), following the method described in [27];

— *positional characteristics* of CMs, understood as the combination of their degree of coastward orientation and their location within coastal (water—land) core—periphery systems. On this basis, the set of CMs is divided into: 1) cores of anchor centres; 2) peripheral components of anchor centres; 3) anchor points for maritime activity outside anchor centres; 4) coastward oriented CMs (with the core of economic activity located at the shoreline) lacking significant components of maritime economic activity; 5) CMs without pronounced maritime functions or coastward orientation; 6) CMs with maritime functions outside anchor centres;

— the *maritime functionality* of CMs, while distinguishing their invariants: monofunctional CMs specialising in port services, a single maritime industry, recreation, offshore mineral extraction, or education and science; multifunctional with various combinations of functions; and CMs lacking pronounced maritime functions;

— *prevailing local problems in the socio-economic and environmental development* of specific CMs, including: transport, logistical and economic isolation due to remoteness from major centres, assessed using the method described in [28]; compression of settlements and overall populated space primarily through depopulation; substantial lag in socio-economic development levels relative to average CM performance at drainage basin and national levels); severe natural and climatic living conditions primarily in the Far North, mountainous areas and regions with intense and hazardous seismic and volcanic activity (defined according to [29; 30]); vulnerability of natural systems in environmental hotspots and problem areas; unfavourable position from the strategic military perspective; and challenges to economic activity arising from geopolitical circumstances;

— *federal support* in the form of preferential regimes for business activity, such as special economic zones and free port status.

The demographic, economic and territorial weight of CMs, along with their level of socio-economic development, was determined using municipal statistics from Rosstat for 2016—2024. The choice of 2016 allows the inclusion of data for the Republic of Crimea and the city of Sevastopol. The most recent population data are available as of 1 January 2024. As for taxable income, which serves as the main economic measure, data for all CMs are available for 2021.¹

The coastward orientation of a CM was determined based on the geographic location of its administrative centre. Anchor centres were identified in an earlier study [26], with the core and periphery of each centre defined according to the economic weight of the CM, but only within the boundaries of the respective anchor centre, rather than across all Russian CMs.

The analysis of CMs' maritime functions drew on various open sources of qualitative and quantitative information, shedding light on the structure of their economies. In particular, the study examined data on seaport activity, the

¹ Municipal Statistics, 2024, URL: <https://rosstat.gov.ru/munstat> (accessed 06.12.2024).

performance of seaside resorts, and the presence of maritime industries such as shipbuilding and fish processing, alongside Rosstat municipal statistics on industry-specific revenues. The typology was ultimately produced through expert assessment, based on this combination of qualitative and quantitative information.

Similar approaches were used to assess the prevailing local problems in socio-economic and environmental development, drawing partly on statistical data, such as declines in population and per capita taxable income, and partly on qualitative characteristics.

The presence of federal support in the form of preferential regimes was determined by analysing Russian legal acts as published in legal reference systems.

Results and discussion

Any Russian CM typically exhibits several significant typological characteristics simultaneously, producing a multiplicity of combinations within the set of coastal municipalities and consequently giving rise to probabilistic typological groups and subgroups. For example, of the 186 CMs studied, 116 were identified as coastward-oriented, accounting for 77 % of the population, 76 % of the area and approximately 68 % of the taxable income of all CMs in the country. Twenty-nine CMs, concentrating 63 % of the population of all CMs and over 50 % of their economic potential, form the cores of the country's maritime anchor centres, while a further 85 CMs cluster around them as peripheral components. Eighty-one CMs are monofunctional, 66 are multifunctional and 39 effectively lack maritime functions, according to the study results. This multivariant combination of significant properties and characteristics within individual municipalities coexists with distinct multi-scalar areas marked by pronounced typological features, collectively providing a clear geographical basis for the typology of Russia's coastal municipalities.

The specific characteristics of Russian CMs necessitate a three-tiered approach to typology, combining three interrelated aspects. The first aspect focuses on the positional characteristics and settlement patterns of specific CMs, evident at both the national and regional levels. Within this framework, it is appropriate to distinguish two basic macrotypes of CMs with pronounced territorial differentiation: the north-eastern (Arctic—Pacific) type, characterised by comparatively low population density and fragmentary economic activity, and the south-western (Baltic—Black Sea—Azov—Caspian) type, marked by higher population and economic density and a predominance of large agglomerations (Fig. 1).

The main bulk of CMs is concentrated in the north-east of the country, accounting for 97.1 % of their total combined territory, whereas the south-west contains their predominant demographic and though less pronounced economic potential (Table 1).

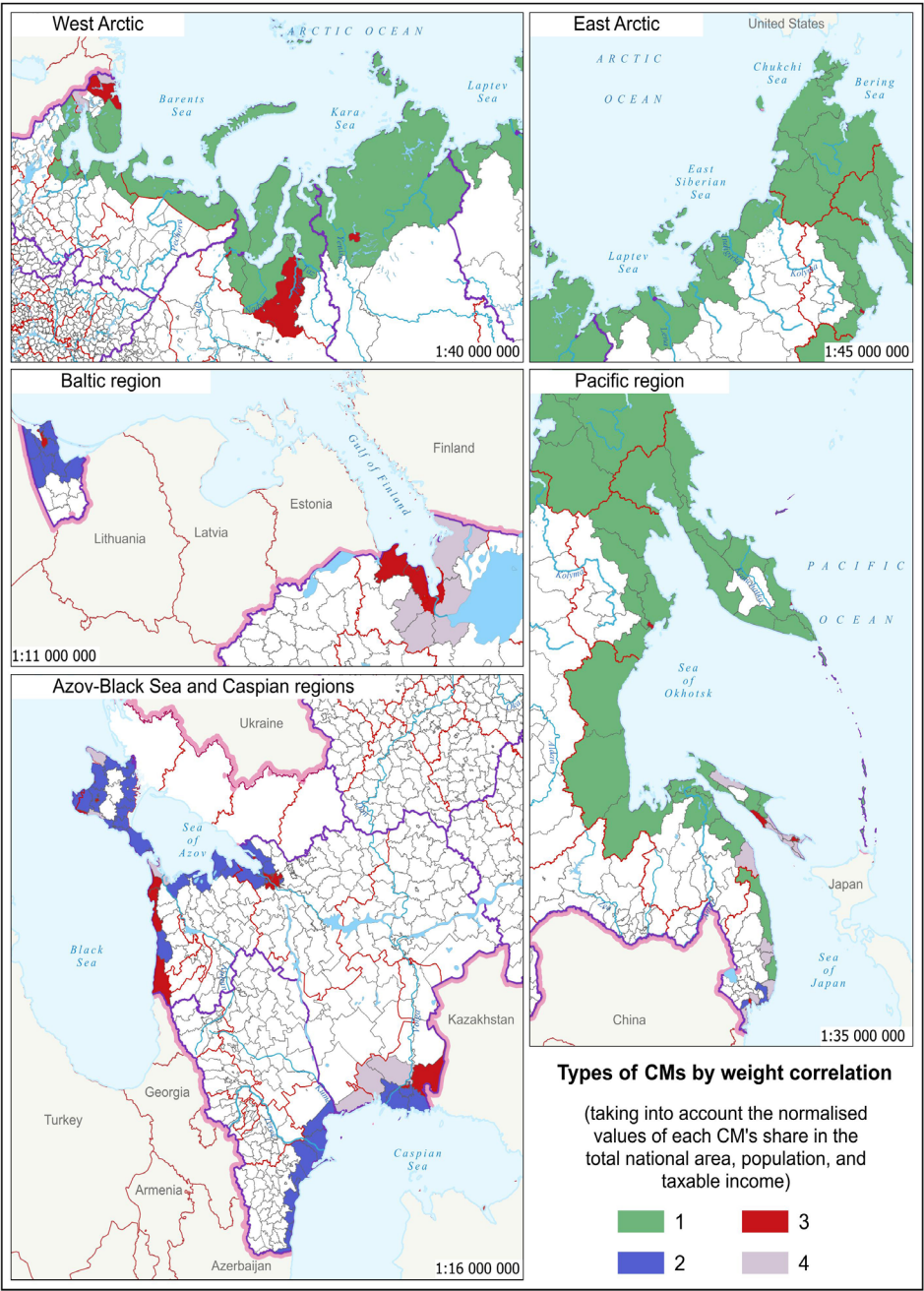


Fig. 1. A typological grouping of CMs according to the correlation of their territorial, demographic and economic weights:
1 — high territorial weight, medium/low demographic and economic weight;
2 — high demographic weight, medium/low territorial and economic weight;
3 — high economic weight, medium/low territorial and demographic weight;
4 — no pronounced predominance of any measure

Compiled from Rosstat data.

Table 1

**Grouping of Russia's CMs by coastal regions (drainage basins)
and their weight in key indicators**

Coastal subregion (drainage basin)	Number of CMs	Population, 1,000 persons		Share in population, % (2024)		Share in territory, %		Economic weight*			
		2016	2024	Russia's CMs	Russia	Russia's CMs	Russia	billion roubles		% (2021)	
								2016	2021	Russia's CMs	Russia
West Arctic	32	1749	1543	7.6	1.1	41.4	11.4	706.8	1184.8	22.7	3.2
East Arctic	12	75	73	0.4	0.05	27.7	7.6	44.5	70.7	1.4	0.2
Pacific	54	2203	2070	10.2	1.4	28.0	7.7	725.6	1092.4	20.9	3.0
Baltic	24	7223	7964	39.2	5.4	0.9	0.2	383.1	740.8	14.2	2.0
Azov — Black Sea	41	5966	6210	30.5	4.2	1.1	0.3	935.5	1737.7	33.3	4.7
Caspian	23	2423	2480	12.2	1.7	1.0	0.3	376.2	393.6	7.7	1.1
<i>Total</i>	186	19639	20339	100	13.9	100	27.6	3171.7	5557.3	100	14.2

* Taxable income of individuals and sole proprietors (here and below excluding St. Petersburg, Sevastopol and closed cities).

Compiled from Rosstat data.

The south-west macrotype comprises the main coastal areas of intense economic activity the Saint Petersburg (the CMs of the Leningrad region) and Kaliningrad agglomerations in the Baltic drainage basin, Kuban CMs in the Black Sea area, CMs of the Rostov agglomeration, as well as the densely populated areas including CMs of Crimea, the Azov coast of Krasnodar Krai and Dagestan and the Astrakhan region in the Caspian drainage basin, which partially overlap with the coastal economic centres.

The north-east macrotype, by contrast, is characterised by pronounced peripherality and, even more strongly, by its northern character. Transitional features atypical for their macrotype are exhibited by the CMs of southern Primorsky Krai and the Sakhalin region, as well as by the Murmansk urban agglomeration (showing 'south' and 'west' characteristics within the geographical 'north' and 'east').

At the intra-regional, or drainage-basin, level, the positional and settlement features of CMs allow the identification of the following specific typological subgroups within the two macrotypes described above: 1) CMs belonging to the cores of 14 nationally significant maritime anchor centres (previously identified in [26]); 2) CMs constituting their peripheral components; 3) CMs outside the anchor centres (Fig. 2).

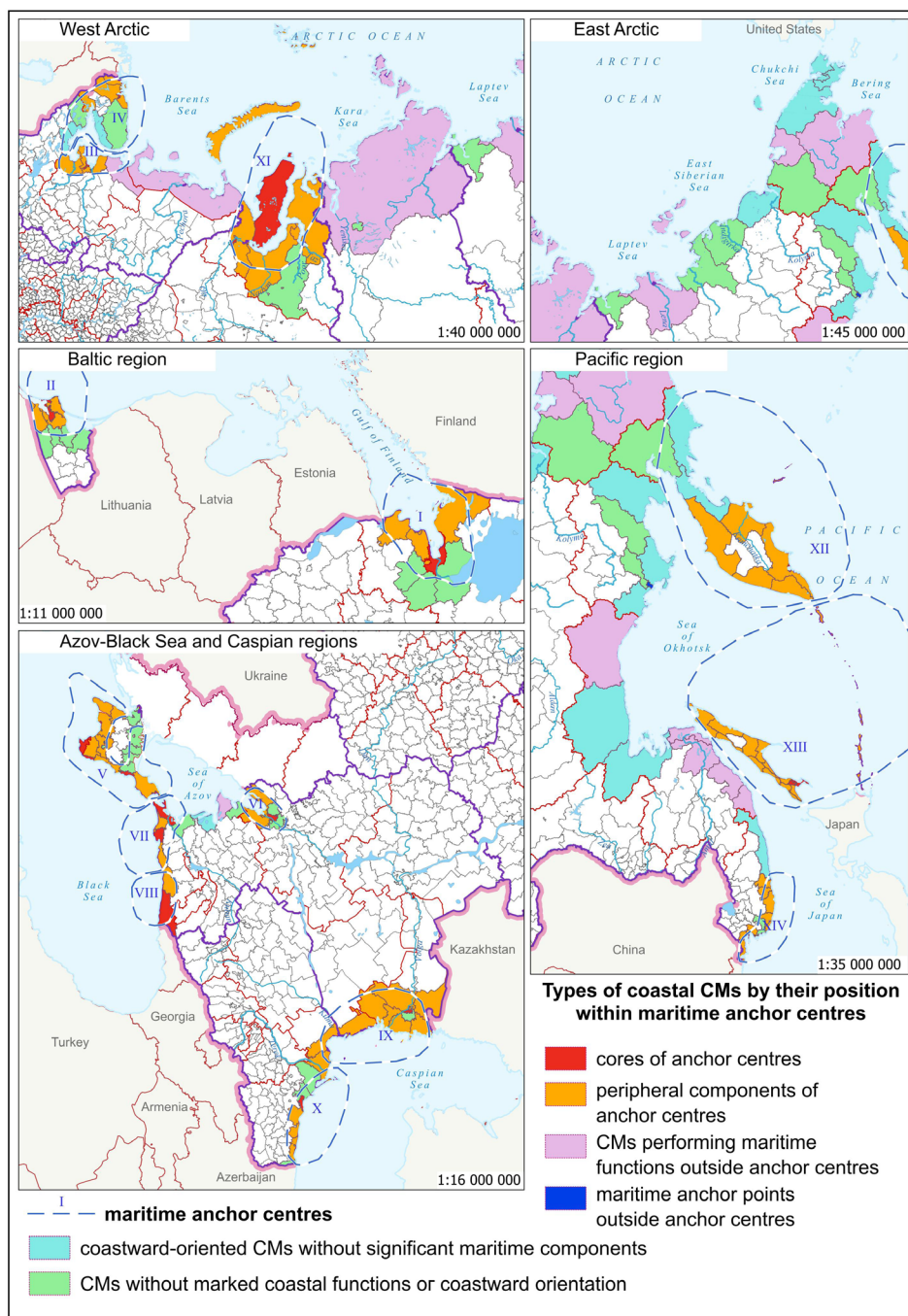


Fig. 2. Types of Russian coastal municipalities according to position within the structure of maritime anchor centres:

I — Saint Petersburg; *II* — Kaliningrad; *III* — Arkhangelsk; *IV* — Murmansk; *V* — Sevastopol—Crimea; *VI* — Rostov; *VII* — Novorossiysk; *VIII* — Sochi-Tuapse; *IX* — Astrakhan; *X* — Makhachkala—Caspian (emerging); *XI* — Yamal (emerging); *XII* — Kamchatka; *XIII* — Sakhalin; *XIV* — Vladivostok

Accounting for the phenomenon of anchor centres requires the typology to simultaneously focus as its second main component on the structural features of CMs, the most significant of which are maritime functionality and coastward orientation. In Russia’s coastal zone, municipalities whose administrative centres are oriented towards the seas and oceans, i.e., exhibiting pronounced coastward orientation, predominate numerically. They total 116 territorial units, while the centres of the remaining 70 CMs are located inland. The north-east macrotype is characterised by a particularly strong expression of coastward orientation. Coastward-oriented CMs collectively account for 73 % of all coastal municipalities, around 75 % of their population and territory, and more than 65 % of the taxable income of individuals and private entrepreneurs.

The assessment of the interrelation between coastward orientation and maritime economic functions demonstrates the pronounced socio-economic effect of their confluence in specific CMs (Table 2). Overall, for Russia, the predominant subtype is coastward-oriented CMs with a multifunctional maritime economy (58 municipalities), accounting for a substantial share of demographic and economic weight. In the structure of the south-west macrotype, coastward-oriented municipalities with a multifunctional maritime economy form the backbone of the maritime economy, while a parity between coastward-oriented CMs with mono- and multifunctional maritime economies is observed within the north-east macrotype.

Table 2

**Interrelation between coastward orientation
and maritime economic functions of Russia’s CMs**

CM subtype	CM macrotype	Number of CMs	CMs’ contribution to the national total, %		
			Population, as of 2024	Area	Individual income, as of 2021
Coastward-oriented properties not detected					
No significant maritime functions detected	Northeast	9	2.1	7.4	6.9
	Southwest	22	9.9	0.9	8.6
	All CMs	31	12.1	8.2	15.5
A monfunctional maritime economy	Northeast	13	1.3	13.2	3.5
	Southwest	18	7.1	0.7	6.0
	All CMs	31	8.4	13.8	9.5
A multifunctional maritime economy	Northeast	4	1.1	3.6	4.7
	Southwest	4	1.4	0.3	1.5
	All CMs	8	2.6	3.8	6.3
Coastward-oriented					
No significant maritime functions detected	Northeast	6	0.6	3.3	1.6
	Southwest	2	0.5	0.0	0.7
	All CMs	8	1.1	3.3	2.3
A monfunctional maritime economy	Northeast	37	2.1	32.4	5.0
	Southwest	13	3.3	0.2	2.6
	All CMs	50	5.4	32.5	7.5

The end of Table 2

CM subtype	CM macrotype	Number of CMs	CMs' contribution to the national total, %		
			Population, as of 2024	Area	Individual income, as of 2021
A multifunctional maritime economy	Northeast	28	10.7	37.4	22.9
	Southwest	30	59.8	0.9	36.0
	All CMs	58	70.5	38.3	58.9

Compiled from Rosstat data.

Mutual dependence is also evident in the dichotomy of typological properties ‘part of an anchor centre — fulfilment of maritime functions’. CMs identified as ‘cores of maritime anchor centres’ are characterised by high demographic and economic weight and density, hosting large urban agglomerations with a multifunctional maritime economy supported by developed port infrastructure (Fig. 3). CMs with substantial territorial weight but low levels of settlement and economic development occupy peripheral positions within the anchor centres or lie outside them. The backbone of the maritime economy in such taxa is formed by dispersed monofunctional points lacking port infrastructure components.

As the analysis shows, coastward-oriented CMs with various structural characteristics predominate numerically within the north-east macrotype, the most significant being the cores of maritime anchor centres with a multifunctional maritime economy, with nine CMs of this subtype accounting for over 40 % of the population and individual income.

The most numerous and significant types of CMs in the south-west macrotype comprise both coastward-oriented and non-coastward-oriented territorial units, with an asymmetric distribution across key indicators. The central role in spatial development belongs to coastward-oriented cores of anchor centres with a multifunctional maritime economy, complemented by peripheral elements. In this part of the country’s coastal zone, the density of demographic and economic potential increases.

Significant differences between CMs — representing the third dimension of their typology — relate to their inherent level of challenges: environmental, socio-economic and geopolitical, alongside the measures, avenues and instruments of targeted state support, primarily at the federal level.

The study identified, in particular, more than 60 CMs where socio-economic development is hindered by transport and logistical isolation, defined as the absence of direct year-round land transport links with major economic centres outside the region. Most of these are located within the north-east macrotype (Table 3): in the Arctic (some CMs of Murmansk Oblast, and territories from Nenets Autonomous Okrug to Chukotka) and in Pacific Russia (Kamchatka, Sakhalin, Magadan Oblast, and part of Khabarovsk Krai) [28]. Within the south-west macrotype, this issue affects the coastal municipalities of the Kaliningrad

region, whose isolation has increased in recent years due to the barrier effect of the Russian—Lithuanian border [31]. Overall, CMs of this type cover extensive areas exceeding 4.6 million km², or 79 % of the total territory of Russia’s CMs, being home to 1.9 million people.

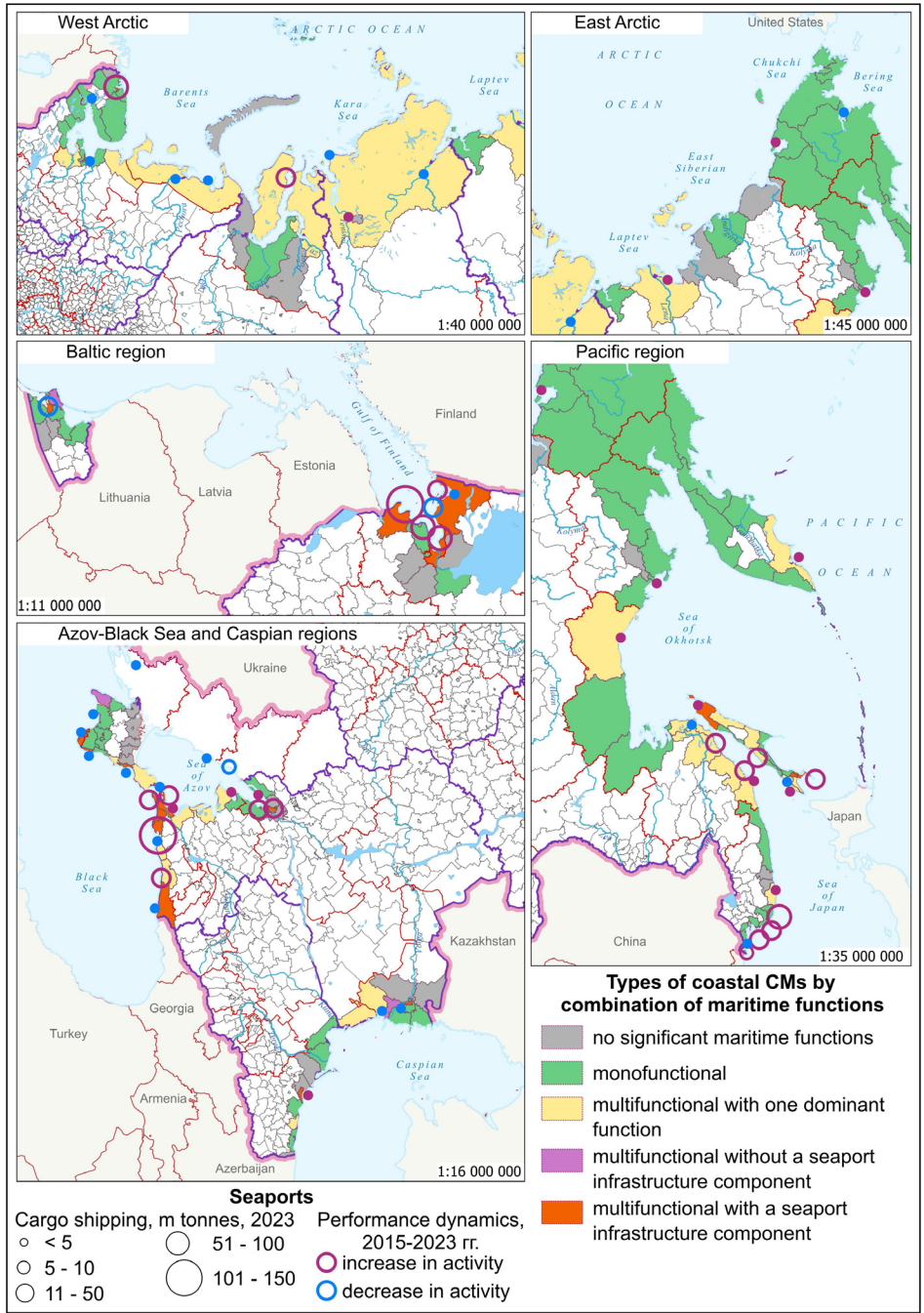


Fig. 3. Types of Russia’s coastal municipalities by combination of maritime functions

Table 3

**Interrelation between the most significant types
of CMs and spatial development challenges**

Subtype			Number of CMs	Weight of CM type, %			Problem field of spatial development						
Coastward orientation	Part of a maritime anchor centre	Maritime function		Population	Area	Income	Lag in socio-economic development	Unfavourable strategic military position	Economic difficulties arising from geopolitical circumstances	Increased vulnerability of natural systems	Isolation	Depopulation	Harsh natural and climatic conditions
Southwestern macrotype													
No	No	No	20	11.6	21.0	14.5	Yes	Yes	Yes	—	—	—	—
No	Periphery	Mono	12	5.1	17.5	3.5							
Yes	Periphery	Mono	11	3.7	6.3	3.8	—	Yes		Yes	Yes	—	—
Yes	Periphery	Multi	12	7.2	19.7	10.6	—	Yes	Yes	Yes	—	—	—
Yes	Core	Multi	15	64.3	7.7	53.2							
Total			70	91.8	72.2	85.7	—						
Northeast macrotype													
Yes	No	Mono	12	1.9	17.3	1.6	Yes	—	—	—	Yes	Yes	Yes
Yes	Periphery	Mono	17	4.2	4.8	2.9							
Yes	No	Multi	6	3.7	28.6	3.3	—	—	—	—	Yes	Yes	Yes
Yes	Periphery	Multi	13	7.6	9.8	7.9	—	—	—	Yes	Yes	—	Yes
Yes	Core	Multi	9	47.9	0.1	40.1	—	—	—	Yes	—	—	Yes
Total			57	65.3	60.6	55.8	—						

Compiled from Rosstat data.

Harsh natural and climatic conditions are more characteristic of CMs in the north-east macrotype. Eighty-eight CMs are located within the boundaries of Arctic regions, mountainous areas and zones with intense and hazardous seismic and volcanic activity. They occupy 97 % of the total area of the country's coastal municipalities, concentrating around 2.6 million people. Environmental problems in CMs of the north-east macrotype, mainly outside the cores of maritime anchor centres, are associated with global climate change, whereas the spatial development of most south-west macrotype CMs is linked to local externalities of settlement and economic dynamics generated by the densely populated cores of maritime anchor centres.

The development of CMs is deeply interwoven with socio-economic and geopolitical challenges. In the CMs of the north-east macrotype, depopulation and the marked lag of peripheral areas in socio-economic development are more pronounced. Over the past decade, several CMs of the south-west macrotype have faced economic difficulties stemming from geopolitical factors and shifts in the strategic military situation.

Within Russia's coastal zone, several problematic clusters can be identified (Fig. 4):

- 1) CMs of the Murmansk region in the northern part of the Kola Peninsula, excluding Murmansk and Severomorsk;
- 2) all coastal municipalities of Yakutia;
- 3) CMs of the northern part of Pacific Russia, extending from the Chukotka District of Chukotka Autonomous Okrug to the CMs of Magadan Region and Kamchatka, facing the Shelikhov Gulf in the Sea of Okhotsk;
- 4) CMs of the central part of Pacific Russia, extending from the Ola urban district of the Magadan region in the north to Tugur-Chumikan district of Khabarovsk Krai in the south;
- 5) CMs of the northern part of the Sakhalin region.

Federal spatial policy reflects the strategic importance of CMs for the country, its geopolitics and economy, alongside the socio-economic challenges faced by a significant number of CMs. All CMs of the north-east macrotype, as well as those located in the Kaliningrad region, Crimea and Dagestan, are identified as Russia's geostrategic territories: north-east macrotype CMs are included in this group as part of the Russian Arctic Zone and/or the Far Eastern Federal District, while Dagestan belongs to the North Caucasian Federal District. State programmes have been adopted for the socio-economic development of these geostrategic territories, enabling them to receive substantial federal investment. Moreover, these territories are largely covered by preferential economic regimes. For example, all Arctic CMs operate under the preferential regime of the Russian Arctic Zone, the Kaliningrad region is designated as a special economic zone and Crimea (Republic of Crimea and Sevastopol) as a free economic zone. In the north-east macro-region, a special economic zone has been established in the Magadan region and on the Kurile Islands of the Sakhalin region. Advanced development territories function in 37 Far Eastern and Arctic CMs, while the Free Port of Vladivostok regime covers 16 CMs across five Far Eastern regions. In the south-west macrotype, nine special economic zones of all types have been established in accordance with the federal law On Special Economic Zones in the Russian Federation. Overall, preferential regimes for economic activity apply to more than two-thirds of the 125 CMs, as well as Saint Petersburg and Sevastopol (Fig. 4).

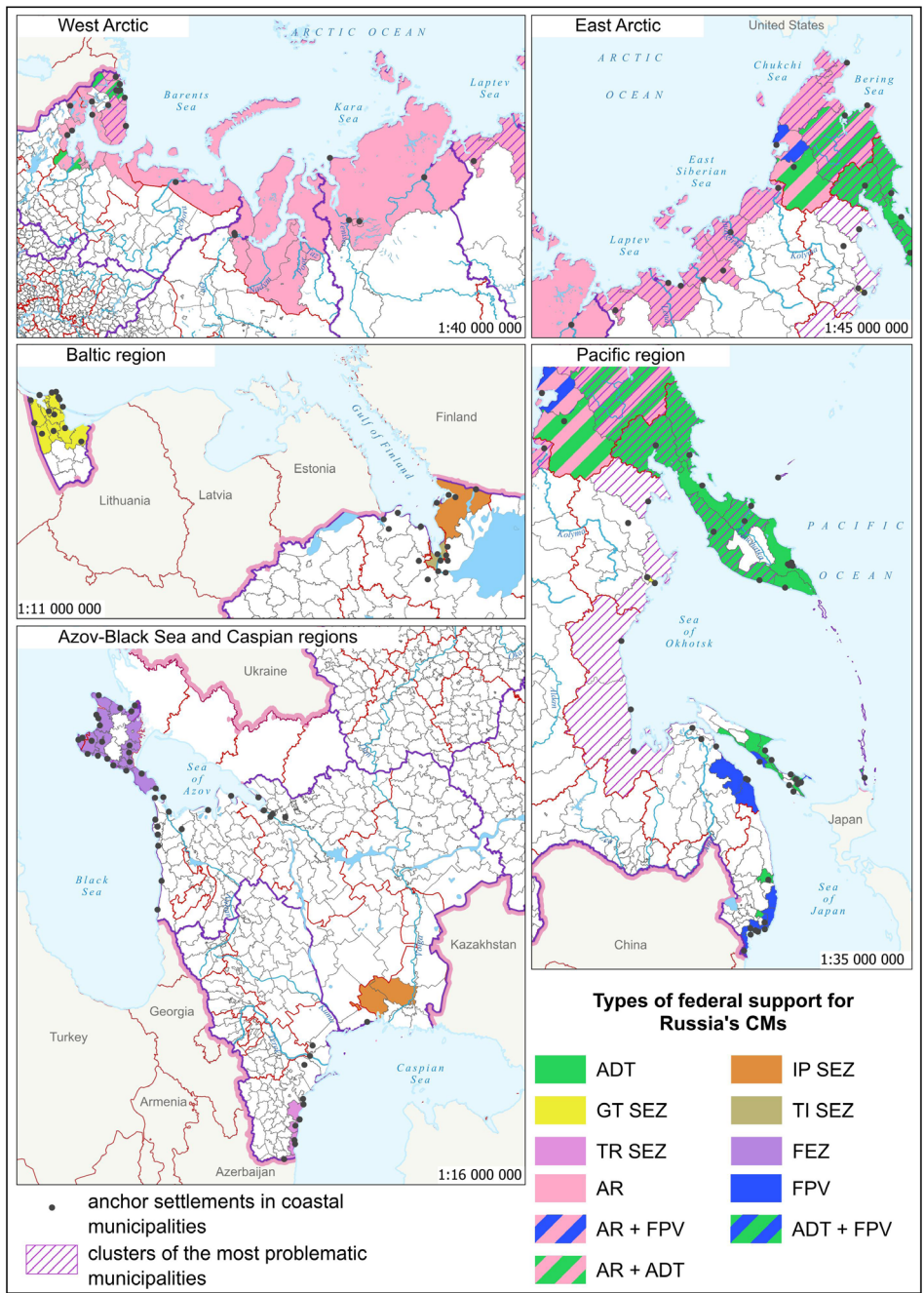


Fig. 4. Correlation between problematic clusters and types of federal support for Russia's CMs

Comment: ADT stands for Advanced Development Territory; SEZ for Special Economic Zones, including GT (General Type), IP (Industrial Production Type), TI (Technological Innovation Type), TR (Tourism and Recreation Type); FEZ for Free Economic Zone; FPV for Free Port of Vladivostok; AR for Russia's Arctic Zone.

Federal policy concerning CMs still encounters numerous challenges and bottlenecks. Preferential regimes for economic activity do not cover all problematic CMs, particularly those in the north-east macro-region outside the Russian Arctic Zone (Fig. 4). Predominantly single-industry CMs, coastal territories of advanced development specialise in fishery, the port sector or resource extraction, and confront a complex set of socio-economic challenges.

As shown in an earlier study [32], extending the preferential regime of the Russian Arctic Zone to all municipalities within it does not necessarily foster accelerated economic growth in the most problem-ridden territories. Despite these measures, most investors prefer to pursue projects under relatively favourable conditions, clustering in the Arkhangelsk and Murmansk agglomerations and leaving the CMs of Yakutia largely neglected. In other words, the prospects for socio-economic development of the most problematic, peripheral territories require further serious consideration.

The same applies to Dagestan: unlike all other geostrategic territories of Russia, the North Caucasus has not been assigned a special preferential regime, and support for Dagestan's CMs has been limited to the creation of tourism-and-recreation special economic zones. This circumstance is essential as investors enjoy greater preferences in the special economic zones of the Kaliningrad and Magadan regions, the free economic zone of Crimea, Russia's Arctic zone, advanced development territories, and the Free Port of Vladivostok.

Another issue is that preferential regimes fail to sufficiently leverage the advantages of municipalities' coastal locations. Within the north-east macro-type, a notable exception is the Free Port of Vladivostok regime, which is confined to the Far East and does not, for instance, cover Arctic ports. In the south-west, such exceptions include the Caspian cluster in the Astrakhan region, which unites a port-centred special economic zone in the Liman district and an industrial production special economic zone in the Narimanov district. Another example is the Ust-Luga industrial production zone in the Leningrad region's Kingisepp district.

The attempt to establish tourism-and-recreation special economic zones in the CMs of Krasnodar Krai proved highly unsuccessful, and it is currently the only coastal region of Russia without any preferential economic regimes [33]. The decision to create an industrial-production special economic zone in the Rostov region was made only in March 2024, with Novocherkassk chosen as its location — a municipality that is not coastal itself but is part of the Rostov-on-Don agglomeration.

A similar lack of clear positioning of CMs among other types of municipalities is evident from the Unified List of Anchor Settlements, which is cited in the recently enacted 2030 Spatial Development Strategy of Russia with Outlook to 2036 as one of the main mechanisms for implementing the

document.¹ Of Russia's 2,160 anchor settlements, 158 are located within coastal municipalities (Fig. 4). Among these, several of the most widely represented types can be identified. Over a third (59) serve as main centres providing social services to one or several municipalities; 20 settlements are sites of new investment projects significantly impacting the local economy; another 20 are anchor settlements whose primary function is servicing critical infrastructure, with most influencing spatial development predominantly at the local or municipal level. Within Russia's coastal zone, 10 anchor settlements constitute the core of urban agglomerations (cities with populations exceeding 250,000). The densest network of anchor settlements is located in the CMs of the south-west macrotype, reflecting the national geographical settlement patterns.

It seems that the Unified List of Anchor Settlements should reflect the multiplicity of settlements' functions, paying particular attention to centres of maritime economic activity. The Strategy itself sets the goal of ensuring the effective use of maritime zones in conjunction with the development of coastal territories, but concrete measures to achieve this goal have yet to be formulated.

Conclusion

1. The strategic understanding of 'development of maritime activity and maritime potential'² highlighted in Russia's Maritime Doctrine as one of the decisive conditions for the country's sustainable socio-economic development requires not only prioritised attention to the nation's coastal territories and their settlement and economic specificities, but also the adoption of a multi-scalar and detailed approach to their analysis. This, in turn, implies identifying municipal-level territorial units as the key entities exhibiting coastality.

2. The significant number of Russia's CMs — 186 — and their pronounced heterogeneity in terms of basic conditions and key socio-economic development parameters necessitate the use of a multidimensional typology framework. Its foundation — the identification of specific CM types and their aggregated macrotypes — should be based on the consideration of zonal and azonal

¹ 2030 Spatial Development Strategy of Russia with Outlook to 2036, 2025, *Ministry of Economic Development of the Russian Federation*, URL: https://www.economy.gov.ru/material/directions/regionalnoe_razvitie/strategicheskoe_planirovanie_prostranstvennogo_razvitiya/strategiya_prostranstvennogo_razvitiya_rossii_do_2030_goda_c_prognozom_do_2036_goda/ (accessed 05.02.2025). According to the text of the Strategy, an 'anchor settlement' is a settlement whose priority development contributes to achieving national goals and ensuring national security, including by providing access to education, healthcare, cultural services and the fulfilment of other needs for residents of the surrounding area.

² On the approval of the Maritime Doctrine of the Russian Federation (amended and supplemented), Decree of President of the Russian Federation, 31 July 2022, № 512, *Garant legal reference system*, URL: https://base.garant.ru/405077499/#block_1000 (accessed 27.04.2025).

characteristics, the former comprising natural and economic factors and settlement patterns, and the latter core—periphery urban-type structures. These characteristics should be correlated with maritime functionality and position, reflecting the effect of coastward orientation. The framework should also take into account a range of critical local socio-economic and environmental problems, together with targeted, territorially adapted measures of federal spatial development regulation.

3. Accounting for the characteristics of coastal territories makes it possible to distinguish atypical CMs, such as the Murmansk and Vladivostok agglomerations and southern Sakhalin, alongside the two clearly identifiable macrotypes of north-east' and 'south-west'. It also allows the identification of several of the most widely represented integrated types. The predominant CMs, in terms of number, demographic and economic potential, combine coastward orientation with maritime economic functionality, alongside diversified maritime functions linked to maritime anchor centres.

4. In the spatial development of north-east macrotype CMs, the attraction of administrative centres to the sea and the development of maritime economic functions are more significant than in south-west CMs, where natural and climatic conditions have produced a more complex territorial and sectoral economic structure. For several coastal municipalities in the Arctic and Pacific regions of Russia, their coastal location poses a challenge rather than providing a geographical advantage, given the current level of coastal development.

5. The main trajectory of spatial development of Russia's CMs involves diversifying their maritime economic functions, improving transport connectivity with inland regions and extending maritime activities further inland and into adjacent waters, following the principles and approaches of integrated water—land planning.

6. Fulfilling the task of developing marine spatial planning, set out in Russia's 2030 Spatial Development Strategy with Outlook to 2036, requires coordinated development of maritime zones and coastal territories. This necessitates accounting for the full diversity of CMs presented in this article, particularly regarding coastward orientation and the economic specialisation of coastal territories. Consequently, federal spatial policy should focus on creating conditions for the economic development of coastal municipalities that currently face significant socio-economic challenges, peripherality and limited engagement in maritime activities.

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The authors

Prof **Alexander G. Druzhinin**, Director, North Caucasus Institute of Economic and Social Problems, Southern Federal University, Russia; Senior Research Fellow, Institute of Geography of the Russian Academy of Sciences, Russia.

<https://orcid.org/0000-0002-1642-6335>

E-mail: alexdru9@mail.ru

Dr **Denis A. Volkhin**, Assistant Professor, V.I. Vernadsky Crimean Federal University, Russia.

<https://orcid.org/0000-0001-6975-559X>

E-mail: lomden@mail.ru

Prof **Olga V. Kuznetsova**, Deputy Director for Research, Institute of Economic Forecasting of the Russian Academy of Sciences, Russia.

<https://orcid.org/0000-0003-4341-0934>

E-mail: kouznetsova_olga@mail.ru



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ENTLHV

REGIONAL PATTERNS OF THE MANUFACTURING INDUSTRY IN THE BALTIC REGIONS OF RUSSIA: A MORAN'S I SPATIAL ANALYSIS

S. S. Krasnykh 



Institute of Economics Ural Branch of the Russian Academy of Sciences,
29 Moskovskaya St., Ekaterinburg, 620014, Russia

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The manufacturing industry of Russia's Baltic regions has faced major global challenges in recent years, including the COVID-19 pandemic and Western sanctions. This study aims to identify the spatiotemporal effects of these external shocks on industrial dynamics in Saint Petersburg, Leningrad and Kaliningrad regions, and to identify local clusters of industrial growth and decline. The methodological framework of the study is spatial analysis based on differential global and local Moran's I statistics, which allows for the assessment of spatial autocorrelation in changes in industrial output at the municipal level during 2019–2023. Official Rosstat data, normalized (deflated) to pre-crisis levels, serve as the empirical basis of the study. The findings reveal pronounced heterogeneity in regional responses. In the Kaliningrad region, extensive zones of industrial decline emerged, reflecting the region's high dependence on imports. By contrast, several municipalities in the Leningrad region demonstrated growth, supported by production diversification and government measures. These results make it possible to identify local poles of decline and growth, highlighting significant spatial disparities in the resilience of the manufacturing sector across Russia's Baltic regions.

Keywords:

Baltic regions, Russia, manufacturing industry, municipalities, spatiotemporal autocorrelation, pandemic, sanctions

Introduction

The Baltic regions of Russia (the city of Saint Petersburg, the Leningrad and Kaliningrad regions) have traditionally played a pivotal role in the national economy. Saint Petersburg serves as a major industrial, scientific, and transport hub on Russia's Baltic coast. Leningrad region, adjacent to Saint Petersburg, is distinguished by its well-developed engineering sector and agro-industrial

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complex, while the Kaliningrad region, a Russian coastal exclave, specializes in shipbuilding, food processing, and light industry. All three regions are characterized by highly developed manufacturing industries and active foreign trade relations (in particular, Kaliningrad is a resident of a special economic zone with intensive external trade) [1].

In recent years, Russia's manufacturing sector has encountered two major external shocks: the COVID-19 pandemic and unprecedented sanctions imposed by Western countries. The pandemic disrupted global supply chains and depressed demand (for example, in 2020–2021, global GDP and industrial output contracted) [2]. At the same time, lockdowns curtailed enterprise activity, while sanctions-related pressures further limited access to foreign technologies and capital, resulting in significant disruptions to imports, particularly of high-technology goods and intermediate components [3]. As a result, in 2022–2023, Russian industries displayed divergent trajectories: while some regions and sectors (notably extractive and high-technology) experienced growth, others (including mechanical engineering) faced significant difficulties.

The relevance of this study stems from the need to identify the spatial patterns in how the manufacturing sector responds to systemic external shocks, specifically the COVID-19 pandemic and sanctions-related pressures. The Baltic regions constitute important industrial hubs and zones of external economic activity, deeply integrated into global production and logistics chains. Amid the abrupt disruption of global and regional production chains, issues of resilience in territories with differing industrial structures and logistical positions became particularly acute. Moreover, regional economies often display marked spatial heterogeneity in their responses to crises, underscoring the need for spatial analytical approaches capable of identifying both centres of contraction and poles of growth. The integration of geo-analytical methods with municipal-level data allows for a more nuanced understanding of regional crisis dynamics and supports the development of targeted industrial policy measures.

The present study seeks to assess the spatio-temporal effects of external shocks on the manufacturing sector's dynamics in Russia's Baltic regions, and to identify local clusters of industrial growth and decline at the municipal level using spatial analysis techniques, particularly the differential Moran's Index (Moran's I).

To achieve this aim, the following research objectives were formulated:

- to review theoretical and methodological approaches to spatial analysis applicable to the study of industrial dynamics at the regional and municipal levels;
- to evaluate the spatio-temporal autocorrelation of changes in industrial output using the differential Local Indicators of Spatial Association (LISA), and to identify clusters of growth and decline at the municipal level;
- to formulate recommendations for territorially differentiated industrial policy aimed at overcoming the consequences of crises and enhancing the resilience of the manufacturing sector in the Baltic regions.

It should be noted that the present study has several limitations. First, the spatial autocorrelation analysis is based on aggregate data for the manufacturing sector, without disaggregation by individual industries. Second, a single regional deflator was applied uniformly across municipalities, as local consumer price indices are unavailable at the municipal level. Third, the differential local Moran's I used in the analysis identifies spatial patterns of change but does not reveal the underlying determinants of the observed differences, thereby necessitating further investigation. These limitations outline the directions for future research.

Theoretical review

The global manufacturing sector experienced substantial losses as a result of the COVID-19 pandemic. Studies indicate that the pandemic led to severe disruptions in supply chains, temporary plant shutdowns, and significant logistical delays. The impact was highly uneven: while some sectors (e.g., personal protective equipment and electronic components) experienced explosive growth, others (such as the automotive and aerospace industries) witnessed a sharp decline. At the same time, as governments and businesses adapted, the severity of the crisis gradually diminished [2]. IMF reports emphasized that industrial output began to recover as early as the second half of 2021, with particularly strong resilience observed in China and Russia.¹

In Russia, the effects of the pandemic across regions were heterogeneous. Large metropolitan areas such as Moscow and Saint Petersburg, despite high infection rates and the vulnerability of the service sector, demonstrated relative economic resilience due to diversified economies, strong innovation potential, and well-developed digital infrastructure. This allowed declines in some sectors to be offset by growth in others, particularly in IT and pharmaceuticals. In contrast, regions with narrow industrial specialization, especially those reliant on the automotive industry and the fuel and energy complex, experienced a deeper economic downturn as a result of falling global demand [5]. Structural features of the Russian economy—including a low share of non-productive services and small businesses, as well as limited development of the financial sector—helped to mitigate the overall negative impact of the crisis. Moreover, less stringent restrictions in industries such as agriculture, construction, and extractive sectors helped sustain economic activity in several regions [6].

In the early months of the pandemic, enterprises faced supply disruptions, shortages of components, and sharp declines in demand. Experts note that the labour market in the Kaliningrad region was particularly weakened by restrictive measures, with manufacturing, transport, and logistics sectors suffering the most [7]. According to World Bank estimates, approximately 1.78 million jobs were lost in Russia in 2020, with a significant share of these losses occurring in

¹ TASS, 2025. The IMF stated that the global economy is recovering faster than expected, URL: <https://tass.ru/ekonomika/10955549> (accessed 25.04.2025).

manufacturing.¹ In Saint Petersburg and the Leningrad region, although lockdown measures were somewhat less restrictive, many enterprises—especially in mechanical engineering and the automotive industry—also reported production declines.

During 2020–2021, growth rates of industrial production varied significantly across regions. In the Kaliningrad region, for instance, industrial output fell by almost 27 % over the first two years of the crisis, whereas in some other regions production grew (e.g., Bryansk Region recorded +38 % over the same period) [4]. These differences were largely explained by industrial specialization: the largest declines (beyond Kaliningrad) occurred in traditionally export-oriented sectors, including wood processing, metallurgy, and particularly automotive manufacturing. As noted by Zubarevich, among regions with developed automotive industries, the Kaliningrad region suffered the most severe contraction [8]. This was linked to the cessation of imported components essential for car assembly, with parallel imports unable to fully compensate for the disruption. Overall, production declines were most acute in regions with high external dependence.

The sanctions of 2022–2023 constituted an even more profound shock. Even before 2022, Russia's manufacturing sector had been under sanctions-related pressure, but following the events of February 2022, the situation deteriorated sharply. Studies show that manufacturing has been disproportionately affected compared with other sectors due to its integration into global value chains. For example, Stepanov et al. identified the complex impact of sanctions on industrial dynamics across regions and described scenarios of import substitution and logistical restructuring [3].

Declines in imports of components and equipment exacerbated the difficulties of enterprises in the Baltic regions, which are deeply embedded in global production networks. Research indicates that Kaliningrad and Leningrad regions exhibit high levels of import dependence in mechanical engineering, particularly in the automotive sector, due to their integration into global supply chains [9]. In 2022, this led to significant disruptions in cooperation: enterprises were forced to reconfigure logistics, seek new suppliers, and redirect production toward the domestic market (particularly in the context of growing demand for domestically produced goods) [10]. A notable consequence was the restructuring of regional economies: in the Kaliningrad region, authorities pursued radical changes in foreign economic relations and industrial policy to minimize losses.

By 2022–2023, however, a process of adaptation had begun. According to research [11], the overall dependence of Russian industrial production on imports had decreased by nearly 1.5 times by the end of 2023 compared with early 2022. This reflects large-scale import substitution, with enterprises in the Baltic regions increasingly producing goods from domestic components. The geography of

¹ World Bank Group, 2025, *How has Russia's economy fared in the pandemic era?*, URL: <https://www.worldbank.org/en/news/opinion/2021/06/08/how-has-russia-s-economy-fared-in-the-pandemic-era> (accessed 25.04.2025).

dependency also shifted: instead of assembly plants with high import intensity (as in the automotive sector), new leaders in import dependence emerged—namely, territories with projects involving foreign participation and substantial reliance on imported equipment. For example, in Saint Petersburg, certain pharmaceutical producers (e.g., Biocad, Cytomed, Solopharm) demonstrate high import dependence due to reliance on foreign equipment, while in the Leningrad region, several chemical enterprises with foreign participation (e.g., Poliplast North-West, EuroChem North-West, Fosforit) fall into this category. At the same time, industrial dependence on imports declined by 57.5 percentage points in the Kaliningrad region and by 17.9 percentage points in the Leningrad region [11]. This sharp reconfiguration indicates that regions are pursuing broad-based import substitution and developing local supply chains.

Nevertheless, the pace of change has been uneven. In the export-oriented territories of the Northwest—Saint Petersburg, Kaliningrad, and Leningrad regions—the sanctions shock of 2022 was expected to trigger a substantial decline in economic activity. Estimates suggest that the Northwest (including the Kaliningrad region) was more severely affected than the Russian average in 2022: in May—June, many surveyed enterprises reported the urgent need to overhaul supplier networks and redirect production to the domestic market [12]. From January to autumn 2023, however, these impacts weakened significantly as adaptation measures—including logistical restructuring, the development of new markets, and expanded state support—helped to alleviate the sanctions shock.

Government intervention and the development of regional industrial policies played a crucial role. During 2022–2023, regional authorities intensified measures to stimulate local production (through clusters, industrial parks, subsidies, and special tax regimes), thereby enhancing industrial resilience. Studies indicate that by 2023, the share of manufacturing in regional GRP had become an important factor in industrial growth. Increased state participation (via higher public ownership and fiscal injections) also played a stabilizing role in supporting industrial development during the crisis [4]. Import substitution and policies aimed at strengthening the real sector delivered tangible results: although the decline in imports of components was inevitable, the gap was increasingly offset through local cooperation and parallel supply schemes.

Thus, the pandemic and sanctions exerted heterogeneous effects on the manufacturing sector of the Baltic regions. On the one hand, sharp contractions were observed, particularly in sectors with high import intensity (e.g., Kaliningrad's automotive industry and export-oriented enterprises). On the other hand, by 2022–2023, significant structural adjustments were underway: the decline in industrial activity was less severe than initially expected due to the push toward import substitution and localization. As a result, reliance on foreign components diminished across all key sectors.

Local experts note that over the course of two years, revised procurement strategies and restructured logistics chains helped partially offset the adverse

effects of sanctions. Following the withdrawal of foreign automotive giants, new ventures emerged: for instance, local automobile production (e.g., Solaris replacing Hyundai) was launched at vacated facilities.¹ The Izmeron plant, operated by Bronka Group, secured 2 billion rubles in 2023 to expand oil and gas equipment capacities, reflecting a re-engineering shift toward high-tech niches.² In the Kaliningrad region, adaptation progressed through the Vostok programme relaunched in early 2025, which doubled concessional loan limits to stimulate new industries in the eastern zone.³ In the Chernyakhovsk industrial park, DMS Vostok invested approximately 2.3 billion roubles in a deep dairy processing plant producing milk powder and butter, with export plans covering 40–60 % of output and operations scheduled to begin in 2025. The Leningrad region experienced growth driven by chemical enterprises redirecting activities to the domestic market and to Asian partners. Localization of anticorrosion coatings began in late 2022, while fertiliser producers (EuroChem, Fosforit) adapted through the adoption of domestic equipment and reconfigured internal supply chains.

Overall, the industrial complex of Saint Petersburg, the Leningrad region, and the Kaliningrad region ultimately demonstrated considerable adaptability: despite severe shocks, authorities and businesses identified new niches (both in the domestic market and within the pivot to Asia) and continued the development of manufacturing industries.

Alongside these empirical findings, it is essential to review methodological approaches for analyzing the structures and dynamics of manufacturing. In recent decades, economic geography and regional studies have employed a broad range of spatial modelling methods to study industrial structures and trends.

Classical regression models (e.g., OLS regression) assume independence of observations and fail to account for spatial autocorrelation. In spatial econometrics, traditional methods often yield biased results when spatial autocorrelation is present [13]. To address this issue, spatial regression models have been developed. The spatial lag model (SAR) incorporates the influence of neighbouring regions on the dependent variable by including a spatially lagged term [14]. The spatial error model (SEM) captures spatial structure in the error term [15]. Both approaches formalize the phenomenon of interdependence among geographically proximate regions and produce more reliable estimates of production factors. However, they require the construction of a spatial weight matrix and complicate econometric interpretation (e.g., the presence of multiplicative effects). A further extension

¹ RIA Novosti, 2025. *Car production of Solaris launched in Saint Petersburg*, URL: <https://ria.ru/20240222/avto-1928999404.html> (accessed 25.06.2025).

² Delovoy Peterburg, 2025. *With new conditions: the main investment projects of the year in Saint Petersburg*, URL: https://www.dp.ru/a/2023/01/11/S_novimi_vvodnimi (accessed 25.06.2025).

³ RBC, 2025. *The «Vostok» business support program resumed in Kaliningrad*, URL: <https://kaliningrad.rbc.ru/kaliningrad/31/03/2025/67ea65c29a79472b8f09f70d> (accessed 25.06.2025).

is the spatial Durbin model (SDM), which accounts for spatial lags of both dependent and independent variables [16]. This increases flexibility in modelling interregional interactions but also expands the parameter space and raises issues of multicollinearity.

An alternative approach involves regression models with spatial non-stationarity [17]. Geographically Weighted Regression (GWR) allows model coefficients to vary by location, thereby capturing local heterogeneity. In GWR, a separate OLS regression is estimated for each location based on nearby observations, thus relaxing the assumption of spatially constant relationships [18]. This approach improves model fit in the presence of substantial regional heterogeneity and facilitates the interpretation of local effects. According to Mamontov and Ostrovskaya, GWR's advantages include computational simplicity and interpretability under conditions of pronounced regional diversity. Its drawbacks include reduced generalizability—since the model no longer produces a single global relationship—and risks of multicollinearity and complex model diagnostics. Nonetheless, the authors conclude that for analyzing Russian regional convergence, GWR is the most suitable modelling method due to the strong interregional disparities [19]. For the study of industrial production, this implies that GWR reveals spatially localized dependencies among variables.

Another group of methods consists of tools for analyzing spatial autocorrelation, which measure the similarity of values across neighbouring territories. The principal methodological approaches here are global and local indices of spatial autocorrelation, including Moran's I [20], Geary's C [21], and the Getis—Ord statistics (G and G_i^*) [22; 23]. The global Moran's I assesses the overall tendency toward clustering across the study area: positive values indicate that neighbouring regions exhibit similar levels of the studied variable (either high or low), while negative values suggest alternating high and low values. For example, a study of the spatial distribution of manufacturing enterprises demonstrated significant positive autocorrelation: production sites are not randomly distributed but cluster spatially [24]. The drawback of these global measures lies in their generality: they identify clustering across the entire study area but not its precise locations.

To locate clusters, local indices are applied, particularly the Local Moran's I (LISA, Anselin's Local Moran's I). This method identifies 'hot spots' (concentrations of high values), 'cold spots' (concentrations of low values), as well as spatial outliers — regions with unusually high values surrounded by low ones (or vice versa). Results, however, are sensitive to the choice of spatial weights matrix and the scale of analysis. In addition to Moran's I, Getis—Ord statistics (for hot/cold spot detection) and Geary's C (an alternative global autocorrelation measure) are sometimes used. Such methods are widely applied in GIS-based spatial analysis. For instance, Hassan et al. combined kernel density, Ripley's K function, and global and local Moran's indices to study enterprise activity, identifying clear clustering patterns in several industries and a strong relationship between firm locations and infrastructure access [25].

Geoinformation methods complement statistical analysis: GIS systems enable visualization of spatial patterns, overlaying and analyzing multiple map layers, buffering, and data aggregation within specified boundaries. However, GIS analysis is often descriptive in nature: it highlights local clusters but does not fully capture causal relationships. Moreover, results depend heavily on data quality, which must be taken into account during interpretation.

For analyzing temporal changes in production volumes, standard spatial indices are not directly applicable, as they assess static autocorrelation. For comparisons across two time points, spatial-temporal statistics are more useful. One such tool is the differential local Moran's I, which calculates local Moran's I based on the changes in a variable between two periods. Unlike the conventional local Moran's I, which uses absolute values, the differential index uses differences (e.g., increases or decreases in regional production) to construct the statistic [26]. This method refines global indices: while the global differential Moran's I captures overall clustering trends, the local differential index pinpoints specific areas with significant changes.

In summary, a review of existing methodological approaches demonstrates that the use of the differential local Moran's I is the most appropriate for studying industrial dynamics in the Baltic regions. This method is specifically designed to assess spatial-temporal autocorrelation of changes, thereby identifying local clusters of industrial growth or decline. Given the objectives of this study—analyzing spatial-temporal changes in manufacturing output and formulating policy recommendations—this approach ensures the necessary level of detail and statistical rigour.

Research methodology

This study employs the local indicator of spatial autocorrelation (LISA) developed by Anselin, adapted for assessing two-period differences of the indicator — the differential Moran's I [13]. This index makes it possible to determine the extent to which changes in a given variable at a specific location depend on similar changes in neighbouring territories. Put simply, it identifies clusters of municipalities with similar rates of industrial production growth or decline over the study period.

At the first stage, global spatial autocorrelation was assessed using the global Moran's I [20]:

$$I = \frac{N}{W} \cdot \frac{\sum_{i=1}^N \sum_{j=1}^N w_{ij} (x_i - \bar{x})(x_j - \bar{x})}{\sum_{i=1}^N (x_i - \bar{x})^2}, \quad (1)$$

where N — the total number of territorial units;

x_i — the indicator value for territory i (volume of shipped own-produced manufacturing goods in the municipality, expressed in constant 2019 prices);

$\bar{x}$ — the mean value of the indicator across all territories;

w_{ij} — an element of the spatial weight matrix, defining the degree of neighbourhood between i and j ;

$\sum_{i=1}^N (x_i - \bar{x})^2$ — the variance of the indicator across all units.

A positive index value (ranging from 0.01 to 1.0) indicates positive spatial autocorrelation (clustering of territories with similar values—either high or low). The closer the value is to 0.01, the weaker the spatial association; the closer to 1.0, the stronger the spatial dependence and the more stable the clusters. Negative values (–0.01 to –1.0) indicate negative autocorrelation (adjacency of territories with contrasting values). Values close to –0.01 imply weak spatial association, whereas those near –1.0 reflect strong spatial disintegration, where growth in one territory coincides with decline in another. Values near zero (–0.01 to 0.01) suggest randomness and absence of spatial structure.

The spatial weights matrix w_{ij} of size $N \times N$ (where $N = 167$) was constructed based on distances between the geographic administrative centres of municipalities, calculated using Euclidean distance from latitude and longitude coordinates. Diagonal elements were set to zero $w_{ij} = 0$, since a municipality does not influence itself. After determining the initial weights, the matrix was row-standardized, ensuring that the sum of all elements in each row equalled one. This normalization guaranteed the comparability and validity of the subsequent spatial analysis. A linear distance-based weights matrix was used in this study, reflecting the uneven distribution of municipalities in terms of area, population density, presence of large urban agglomerations, and disparities in economic development. Such heterogeneity makes simple binary contiguity matrices inadequate, as they ignore interaction intensity between non-adjacent municipalities.

In this article, the terms ‘territory’, ‘municipality’, and ‘district’ are used interchangeably to denote municipal units (urban okrugs and municipal districts) of the three regions under study (167 units in total). A cluster is defined as a group of municipalities exhibiting similar industrial production dynamics.

Next, the local Moran’s I was calculated for each municipality:

$$I_i = c (x_{i,t} - x_{i,t-1}) \sum_j w_{ij} (x_{j,t} - x_{j,t-1}), \quad (2)$$

where c — is a scaling coefficient, calculated as the inverse variance of changes in manufacturing output to ensure comparability; t — denotes the time period.

The local index takes positive values when changes in a given municipality coincide with those in its neighbours (either jointly exceeding the average—forming a growth cluster—or jointly declining). Negative values indicate that the dynamics of a municipality diverge sharply from those of its neighbours, i.e., the municipality functions as a spatial outlier.

The statistical significance of local indices was determined using a permutation test with 999 permutations (significance level $p < 0,05$). Based on results, municipalities were classified into categories of spatial autocorrelation (LISA):

- High—High (HH): high dynamics in a municipality and its neighbours, growth cluster (marked in yellow in Figures 2, 4);
- Low—Low (LL): low dynamics in a municipality and its neighbours, decline cluster (marked in blue in Figures 2—4);
- High—Low (HL): a municipality with high growth surrounded by low-growth neighbours, growth pole (marked in red in Figures 1—4);
- Low—High (LH): a municipality with low dynamics surrounded by high-growth neighbours, depression island (marked in green in Figures 3, 4);
- all other municipalities with insignificant indices (no pronounced spatial dependence).

The Moran's I was calculated separately for each municipality, allowing the analysis to focus on the spatial distribution of changes in manufacturing output (growth or decline), rather than static levels of the indicator. All computations were carried out by the author; cluster maps were prepared using GeoDa and QGIS software.

Data and preparation

This study draws upon municipal-level data on the dynamics of manufacturing output for the years 2019—2021 and 2023. The year 2019 was selected as the baseline (pre-crisis) period to normalize the data and ensure comparability of indicators. Two crisis stages were examined: the pandemic-related restrictions (2020—2021) and the period of sanctions pressure (2022—2023). The primary source of data is the official statistical materials of Rosstat for the municipalities of Saint Petersburg,¹ the Leningrad region² and the Kaliningrad region.³

To reduce the effect of inflation, all monetary indicators for 2021 and 2023 were converted to 2019 constant prices by deflating with consumer price indices, thereby allowing calculations in real terms. Unified regional deflators were applied, without disaggregation to the municipal level.

The first crisis stage (2019—2021) was marked by strict restrictions associated with the COVID-19 pandemic, leading to enterprise closures and disruptions in production chains (particularly in the light industry and automotive manufacturing). The second crisis stage (2022—2023) reflects the impact of international sanctions and associated economic counter-shocks, manifested in

¹ Rosstat, 2025. *Database of municipal formations of Saint Petersburg*, URL: <https://rosstat.gov.ru/dbscripts/munst/munst40/DBInet.cgi> (accessed 25.04.2025).

² Rosstat, 2025. *Database of municipal formations of Leningrad Region*, URL: <https://rosstat.gov.ru/dbscripts/munst/munst41/DBInet.cgi> (accessed 25.04.2025).

³ Rosstat, 2025. *Database of municipal formations of Kaliningrad Region*, URL: <https://rosstat.gov.ru/dbscripts/munst/munst27/DBInet.cgi> (accessed 25.04.2025).

shortages of imported equipment and components. Despite the import substitution programs introduced from 2022 onward, regional recovery was uneven, while technological shortages contributed to inflationary pressures.

The results of the study

Before conducting spatial clustering of manufacturing in the Baltic regions, the differential Moran's I was analyzed for the period 2019–2020. The resulting value of -0.016 indicates weak negative spatial autocorrelation, reflecting only minor spatial heterogeneity among municipalities in terms of manufacturing dynamics. Statistically significant spatial clusters were extremely rare: only two municipalities of Leningrad region—Slantsevsky municipal district and Boksitogorsk municipal district (MD) (HL-type clusters) (Fig. 1).

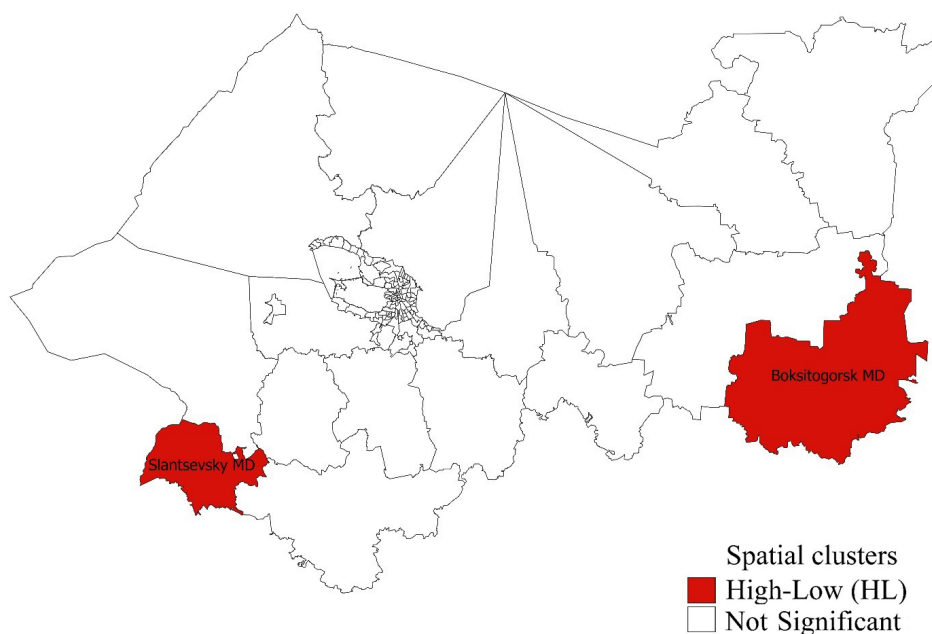


Fig. 1. Spatial clustering of manufacturing in the Baltic regions, 2019–2020

Note: The Kaliningrad region is not shown due to the absence of statistically significant municipalities. Calculations are based on Rosstat data.

These clusters are characterized by high values of manufacturing output in the given municipalities surrounded by neighbours with low values. Altogether, the two significant clusters represent just 1.2 % of all municipalities. This supports the overall conclusion that the pandemic crisis of 2020 was predominantly absolute in nature, affecting municipalities uniformly without the formation of stable spatial groupings of growth or decline [27].

A subsequent analysis of the differential Moran's I for 2019–2021 revealed similar tendencies. The value of -0.011 again confirmed weak negative spatial autocorrelation, i.e., minimal stratification in the development of manufacturing across municipalities in the Baltic regions (Fig. 2).

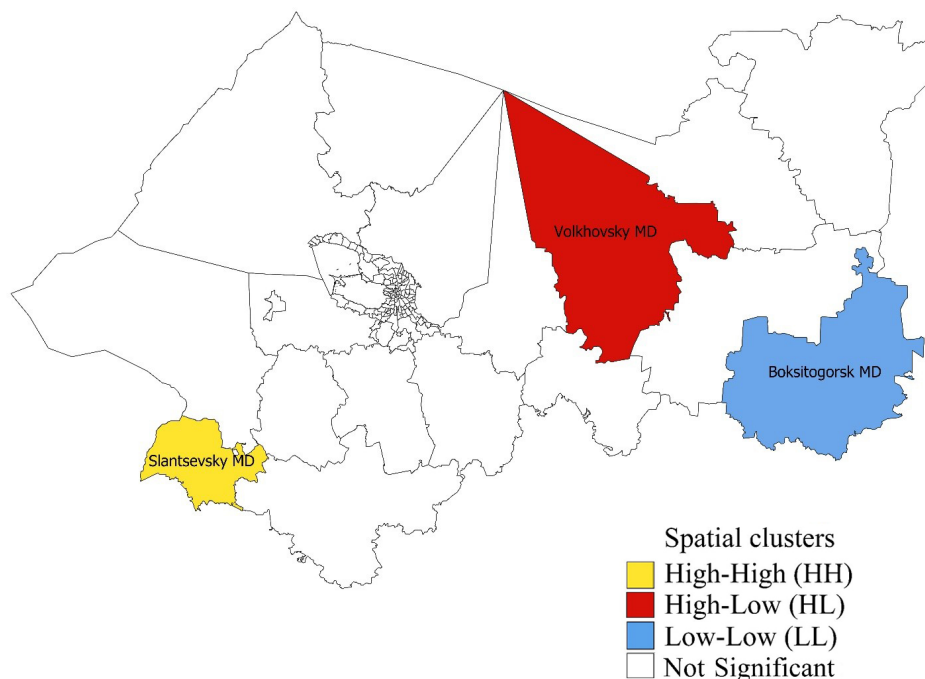


Fig. 2. Spatial clustering of manufacturing in the Leningrad region and Saint Petersburg, 2019–2021

Note: the Kaliningrad region is not shown due to the absence of statistically significant municipalities. Calculations are based on Rosstat data.

The local analysis identified only three significant clusters in the Leningrad region. Slantsevsky municipal district fell into the HH-type cluster, where both the municipality and its neighbours showed strong positive dynamics. This was driven by the relative resilience of major chemical enterprises, as confirmed by sectoral statistics. In contrast, Boksitogorsk municipal district formed an LL-type cluster with declining dynamics both locally and in surrounding municipalities, due to structural weakness and dependence on industries most affected by the pandemic (such as extractive industries and construction materials). Volkhovsky municipal district was identified as a growth pole (HL-type), outperforming its neighbours thanks to investment projects, notably the construction of a PhosAgro plant producing nitrogen-phosphate fertilizers.

In Saint Petersburg and the Kaliningrad region, no significant spatial clusters were identified for these periods. This can be explained by the relatively balanced structure of manufacturing and the uniform impact of crisis factors such as

disrupted logistics and enterprise shutdowns. In the Leningrad region, more pronounced clustering reflected the structural heterogeneity of its industrial base, where some districts depended on a narrow set of industries and enterprises that adapted differently to external shocks.

For the period 2021 – 2023, the differential global Moran’s I was close to zero (0.001), suggesting almost no spatial autocorrelation and hence weak or absent spatial interdependencies in the distribution of manufacturing (Fig. 3).

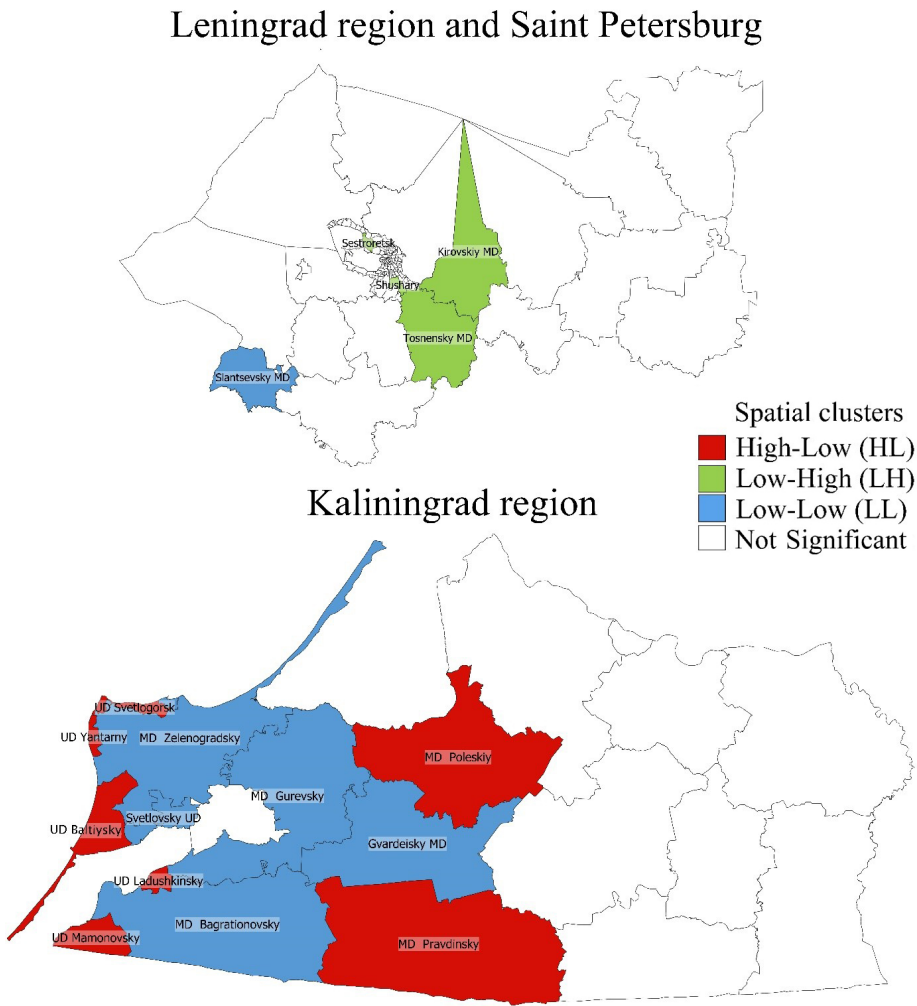


Fig. 3. Spatial clustering of manufacturing in the Baltic regions, 2021 – 2023

Calculations are based on Rosstat data.

However, the number of significant clusters increased markedly. Of 167 municipalities, 26 (16 %) were statistically significant: 21 in the Kaliningrad region, three in the Leningrad region, and two in Saint Petersburg.

In the Kaliningrad region, a large zone of decline was identified: Svetlovsky urban district (UD), Gvardeisky, Bagrationovsky, Guryevsky, and Zelenogradsky municipal districts—all exhibiting low production dynamics alongside neighbouring municipalities with similarly weak performance. At the same time, growth poles (HL-type clusters) were identified Polesky MD, Pravdinsky MD, Ladushkinsky UD, Svetlogorsk UD, Mamonovsky UD, Yantarny UD and Baltiysky UD. Overall, a large LL-type cluster of decline encompassed much of the Kaliningrad region, linked to the loss of transit corridors and dependence on external trade. For example, in spring 2022, Lithuania banned rail transit of coal, metals, cement, timber, and construction materials to Kaliningrad, affecting 40–50 % of the region's cargo. Simultaneously, Avtotor suspended car production for BMW, Hyundai, and Kia, resuming only in late 2022 with Chinese brands. Experts estimate that in 2024, Kaliningrad's industrial output was 23 % lower than in 2021. Yet, local HL-type growth poles also emerged, supported by successful enterprises or subsidies (e.g., agricultural machinery, food industry).

In the Leningrad region, the following territories were identified: Slantsevsky municipal district once again fell into an LL-type zone—by 2023, even the region's chemical enterprises faced declining demand and export difficulties, resulting in dynamics similar to those of neighbouring municipalities. Tosnensky and Kirovsky municipal districts became 'depression islands' (LH-type): their own growth rates remained low compared with surrounding areas. In Tosnensky MD, earlier projects in reinforced concrete and household chemical production encountered shortages of imported components and falling domestic demand. The key industrial sectors of Kirovsky MD, such as shipbuilding and mechanical engineering, suffered from declining investment and difficulties in equipment supply.

In Saint Petersburg, the following 'depression islands' were identified: Shushary and Sestroretsk, both classified as LH-type clusters. This indicates that their industries grew more slowly than those of the surrounding territories. Shushary, a major industrial zone in southern Saint Petersburg (cement, chemical, and light industries), was hit by logistic disruptions and demand contraction. At the same time, other districts of the city benefited from state defense contracts: for example, shipbuilding and defense orders supported industrial growth, improving overall performance.

For the combined period 2019–2023, the global differential Moran's I amounted to -0.013 , indicating negative spatial autocorrelation and a tendency toward divergence in manufacturing development among neighboring municipalities (Fig. 4).

A total of 25 municipalities were statistically significant: 21 in the Kaliningrad region, three in the Leningrad region, and one in Saint Petersburg. Almost all Kaliningrad municipalities once again formed a large LL-type cluster

(low dynamics across the region), confirming persistent industrial depression. In the Leningrad region, an HH-type cluster was identified for Kirovsky municipal district, which displayed relatively strong growth, whereas Tosnensky and Kirishi municipal districts remained LH-type (underperforming compared to neighbours). This reflects the fact that Kirovsky municipal district specializes in shipbuilding, supported by state defense orders, while Tosnensky and Kirishi MD depend on construction and refining industries, which were more strongly affected by sanctions and shrinking demand. In Saint Petersburg, only Shushary was classified as LH, lagging behind positive dynamics in the surrounding districts.

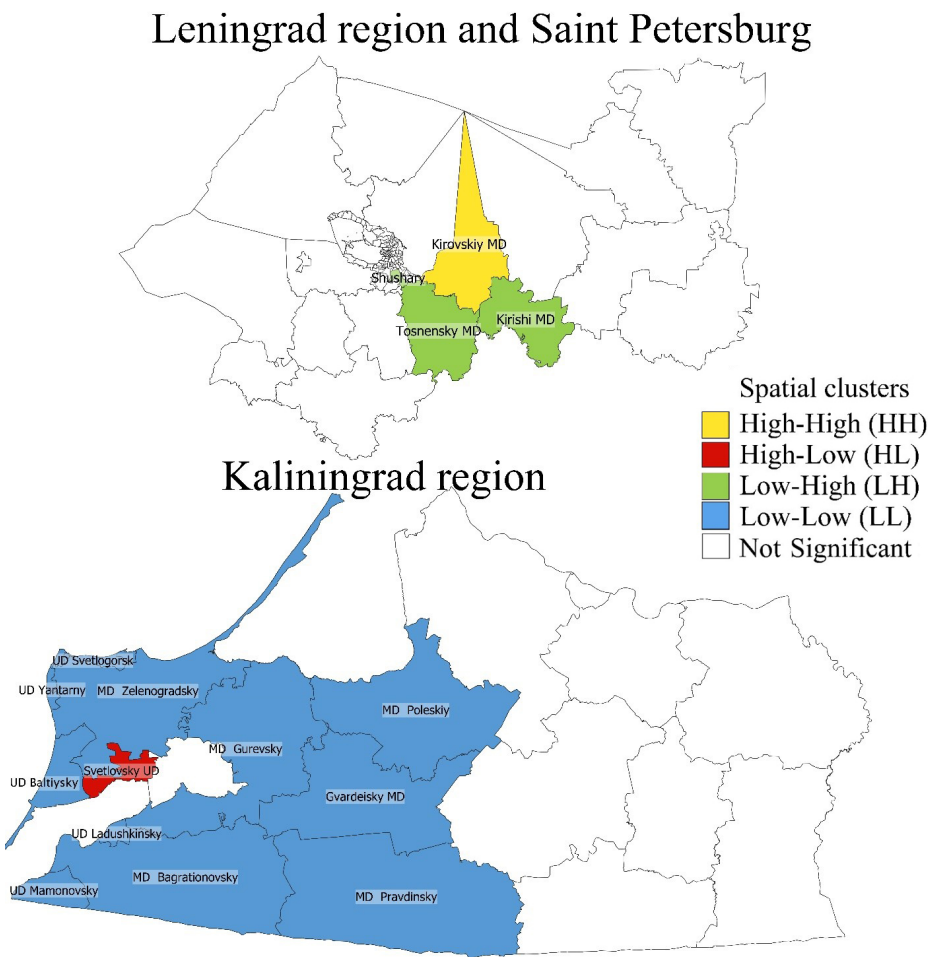


Fig. 4. Spatial clustering of manufacturing in the Baltic regions, 2019–2023.

Calculations are based on Rosstat data.

Thus, the spatial structure of industrial change in the Baltic regions reveals distinct clusters: the Kaliningrad region consistently emerged as a zone of

decline across both crises, most strikingly in 2023 when an LL-type cluster encompassed the majority of the region. This corresponds with Kaliningrad's dependence on foreign trade and limited access to technology. By contrast, Kirovsky municipal district in the Leningrad region became a growth pole over 2019–2023. HL-type clusters are also visible in the Kaliningrad region (e.g., Svetlovsky urban district in 2023 became a growth pole, showing growth against a backdrop of decline in neighbouring municipalities), pointing to the role of successful enterprises or subsidies in certain areas. In the Leningrad region, LH-type clusters (Tosnensky and Kirishi MD) and LL-type clusters (Slantsevsky MD) reflect spatial heterogeneity: some districts performed worse, while their neighbours expanded.

In summary, several key trends can be identified. First, the sanctions generated greater spatial heterogeneity in the manufacturing sector than the pandemic. By 2023, clear zones of decline (Kaliningrad region) and resilience (Kirovsky MD in the Leningrad region) had emerged against the general backdrop of recovery. Second, there is a clear link between industrial structure and clustering: industrially developed districts (e.g., Kirovsky MD) managed to sustain growth even during crises, while territories with vulnerable sectors (e.g., Slantsevsky municipal district, dependent on extractive and energy-intensive industries) fell into decline. This confirms the relevance of the concept of spatial resilience of industrial clusters [28]. Third, the identified spatial clusters correspond to well-known structural factors: export-oriented Kaliningrad, heavily impacted by disrupted supplies, became a zone of decline, while the more diversified Leningrad region, exemplified by Kirovsky MD, proved to be a cluster of high performance. Finally, the widespread LL-type cluster in Kaliningrad highlights systemic regional problems, whereas isolated HL/HH clusters illustrate the effects of local initiatives or investments.

On the basis of these findings, several policy implications arise. First, support should be concentrated in clusters of decline. In the Kaliningrad region, specific measures are needed: accelerated import substitution (reorienting enterprises to domestic components), logistical diversification (development of maritime corridors with partner countries), and investment incentives for priority sectors (pharmaceuticals, instrumentation), where other regions have already advanced [29]. Second, in HH-type regions, existing competitive advantages should be reinforced—for example, expanding large-scale industries and clusters (shipbuilding, electronics). Third, in LH-type municipalities such as Tosno and Kirishi, interaction should be stimulated: support for small enterprises, strengthening educational and training programs to improve workforce skills (given that human capital quality is a key growth factor). In addition, continued state support for agglomerations and core enterprises is advisable, since under such conditions the role of state-owned companies becomes especially prominent.

At the strategic level, it is crucial to emphasize that the Baltic regions should leverage their foreign trade connections not for importing scarce technologies but for exporting processed goods. Greater emphasis should be placed on deeper processing, innovation, and digitalization of production. Developing flexible logistics and diversifying export markets (e.g., strengthening cooperation with China, the CIS, and other partner countries) will also minimize risks of external disruptions.

Conclusion

The identified spatial heterogeneity is largely explained by differences in the industrial structure and resilience of municipal economies. The Leningrad region, in particular, exhibits substantial sectoral diversity: in Slantsevsky municipal district (HH-type cluster), the chemical industry dominates, with large enterprises able to weather the crisis relatively smoothly. By contrast, Boksitogorsk municipal district specializes in extractive industries and building materials, which were less resilient during the pandemic and recorded a sharp decline in output (LL-type cluster). Volkhovsky municipal district, on the other hand, displayed higher-than-average local growth, explained by new investment projects such as the PhosAgro fertilizer plant. This unevenness reflects the differing shares of chemicals, mechanical engineering, extractives, and light industry, which create distinct external risks and growth potentials. Regions with developed defense and engineering industries demonstrated stable growth, while resource-based clusters experienced fluctuations and decline. The resilience of large enterprises (metallurgical and chemical) in the Leningrad region generated local ‘islands of stability’, whereas municipalities with more vulnerable industries entered crisis more quickly. Investment projects (fertilizers, shipbuilding) generated HL-type growth poles even against the general backdrop of decline.

The COVID-19 pandemic and subsequent sanctions affected all territories. In Saint Petersburg and the Kaliningrad region, logistics breakdowns, supply chain disruptions, and widespread enterprise shutdowns impacted sectors in a relatively uniform manner. In Kaliningrad, dependence on foreign trade and supply restrictions produced overall industrial decline, reinforcing a region-wide downturn and leading to LL-type clustering across the region—making it one of the few regions that has not recovered from the 2022 contraction.

The Leningrad region differed from its neighbours in that its districts reacted unevenly to the pandemic of 2020—2021. All statistically significant clusters of this period were concentrated there. Slantsevsky municipal district avoided major losses by relying on large chemical enterprises, while Boksitogorsk municipal district suffered a notable decline and entered an LL-type cluster. Volkhovsky municipal district, benefiting from new investment, emerged as a growth pole (HL-type). This indicates strong intra-regional differentiation:

some municipalities possessed consolidated resources and state contracts, while others depended on a narrow set of industries. By contrast, no significant clusters formed in Saint Petersburg and Kaliningrad: their industrial structures were more homogeneous, and crisis factors affected most enterprises in a broadly similar manner. The absence of significant HH or LL clusters means that local changes in production volumes were largely random (with the global Moran's I close to zero). This corresponds to a situation where sectoral shocks are distributed evenly and enterprises share similar structures, preventing the formation of distinct spatial clusters.

The results highlight the necessity of a territorially differentiated approach to industrial policy. In the short and medium term, priority should be given to targeted support for municipalities in decline clusters: developing mechanisms of import substitution, stimulating logistical adaptation, and forming stable production and sales networks oriented toward the domestic market and alternative external destinations. At the same time, municipalities in growth clusters require measures to scale up their production potential and deepen industrial specialization. Moreover, at the interface between growth and decline zones, it is advisable to promote connecting infrastructure, support small and medium-sized enterprises, and develop inter-municipal production chains, thereby contributing to balanced spatial industrial development.

Looking ahead, it is advisable to expand the analytical framework by incorporating additional socio-economic indicators such as investment levels, employment, and innovation activity. Furthermore, applying spatial regression models (including spatial lag and spatial error specifications) would enable a deeper interpretation of the factors underlying territorial disparities in industrial dynamics.

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The author

Dr **Sergey S. Krasnykh**, Senior Research Fellow, Institute of Economics, Ural Branch of the Russian Academy of Sciences, Russia.

<https://orcid.org/0000-0002-2692-5656>

E-mail: krasnykh.ss@uiec.ru



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PLZDNN

THE LINKAGE BETWEEN FOREIGN DIRECT INVESTMENT AND TRADE OPENNESS IN THE RUSSIAN ECONOMY: AN ARDL BOUND TESTING APPROACH

E. Yeboah 


Mendel University,
1 Zemedelska St., 613 00, Brno, Czech Republic

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This study examines the relationship between foreign direct investment (FDI), trade openness, and economic growth in Russia using annual time series data from 1993 to 2022. Utilizing the Autoregressive Distributed Lag (ARDL) approach, the findings reveal that FDI and trade have positive short-term effects on economic growth but no significant long-term impact. Supporting variables such as the real effective exchange rate positively influence growth in both the short and long term, while youth unemployment shows mixed short-term effects and a consistently negative long-term impact. Military spending has no short-term effect but negatively impacts growth in the long term, whereas inflation exhibits both positive and negative short-term influences and a negative long-term relationship with growth. Granger causality analysis highlights a unidirectional relationship between economic growth and trade openness, military spending, and the real effective exchange rate. The findings suggest policies to attract sustainable foreign investment, enhance trade, tackle youth unemployment, reassess defense budgets, and maintain stable monetary policies.

Keywords:

GDP per capita, FDI, trade openness, inflation, real effective exchange rate

Introduction

Foreign direct investment and trade openness are essential components of economic globalization, often regarded as significant drivers of growth, development, and integration into the global economy. For a resource-rich nation like Russia, FDI and trade openness not only stimulate economic activity but also influence its strategic positioning in global trade networks. As Russia seeks

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to modernize its industries and diversify its economy, these two factors play a central role in fostering international cooperation, advancing economic reforms, and promoting technological progress.

FDI, defined as investments made by foreign entities in a domestic economy, has been a transformative source of capital, expertise, and technology transfer for Russia, especially since the dissolution of the Soviet Union. Following the transition to a market-oriented economy in the early 1990s, Russia actively pursued FDI to modernize its industrial base, improve competitiveness, and support economic development [1; 2]. The energy sector, especially oil and gas, has traditionally attracted the largest share of FDI inflows, significantly contributing to exploration, production, and infrastructure development [3]. However, FDI has gradually expanded into other sectors such as telecommunications, manufacturing, finance, and technology, diversifying the economy and accelerating modernization efforts [4; 5].

Despite these achievements, FDI flows into Russia have been inconsistent, influenced by external shocks, geopolitical instability, and global economic trends [6]. Trade openness, another important pillar of Russia's economic strategy, is characterized by the degree of a country's integration into global trade networks. Russia's accession to the World Trade Organization (WTO) in 2012 represented a major milestone in its efforts to enhance trade liberalization and position itself as a competitive player in global markets [7]. By leveraging its abundant natural resources, skilled labour, and industrial capacity, Russia has aimed to increase trade volumes, attract foreign investment, and diversify trade partnerships [8]. Trade openness has enabled Russia to capitalize on its comparative advantages in resource extraction and energy, while gaining access to new technologies and investment opportunities.

However, FDI and trade openness in Russia face significant challenges. Geopolitical tensions, economic sanctions, regulatory uncertainties, and structural inefficiencies continue to hinder the full realization of globalization's potential benefits [9; 10]. The COVID-19 pandemic increased these challenges by disrupting global supply chains, reducing export demand, and eroding investor confidence [11]. These issues raise critical questions about how effectively Russia can leverage FDI and trade openness to drive sustainable growth in a volatile global environment.

This study examines the dynamics and impact of FDI and trade openness on Russia's economic growth. Specifically, it investigates how these factors have influenced GDP per capita and the total economic performance in both the short and long term. Additionally, the study evaluates the role of main variables such as military spending, inflation, and exchange rate fluctuations to provide a comprehensive analysis of the interconnected challenges facing the Russian economy. The underlying hypothesis is that while FDI and trade openness have the potential to stimulate economic growth, their effectiveness may be constrained by domestic factors such as institutional quality, regulatory frameworks, and

external economic shocks. By analyzing the trends, challenges, and opportunities associated with FDI and trade openness, this paper seeks to contribute to the understanding of Russia's economic dynamics within the broader context of globalization. The findings aim to inform policies that enhance the positive effects of FDI and trade liberalization while addressing structural and geopolitical challenges that limit their full potential.

Literature review

The relationship between FDI, trade openness, and economic growth has been widely supported by established economic theories. These frameworks explain how these factors interact to enhance economic performance in Russia. According to neoclassical growth theory, particularly the Solow–Swan model [12; 13], FDI plays a major role in augmenting a country's capital stock, thereby increasing production capacity and overall economic output. FDI also supplements domestic savings by providing the capital necessary for investment, especially in sectors where domestic resources are insufficient.

In Russia, FDI has significantly contributed to the expansion of capital-intensive industries such as energy and manufacturing. However, the neoclassical model suggests that the impact of FDI on growth diminishes over time due to diminishing returns to capital. Consequently, sustained long-term growth requires continuous advancements in technology, where FDI can serve as a secondary role by facilitating access to advanced technologies and production techniques. Nonetheless, structural and institutional limitations, including regulatory and geopolitical challenges, may restrict FDI's potential to fully enhance long-term growth in Russia.

In contrast, endogenous growth theory Romer [14] and Lucas [15] provides a more optimistic view of FDI's long-term impact on economic growth. Endogenous growth models argue that FDI not only increases the capital stock but also promotes innovation and technological progress through spillover effects. Multinational companies investing in Russia bring advanced technologies, managerial expertise, and technical know-how, which can spill over into the local economy, enhancing productivity and fostering sustained growth. However, the effectiveness of these spillovers depends on the absorptive capacity of the host economy. Factors such as human capital, institutional quality, and technological infrastructure are significant in determining the extent of these benefits. Research by Smith and Thomas [16] supports this perspective, showing that FDI positively influences regional innovation in Russia, especially in regions with higher levels of human capital.

Trade openness also supports economic growth by facilitating the exchange of goods, services, and technologies across borders. The Heckscher–Ohlin trade theory posits that trade enables countries to specialize in industries where they have a comparative advantage, thereby increasing efficiency and national income. For Russia, trade openness facilitates the export of natural resources, such as

oil and gas, which represent areas of clear comparative advantage. By accessing larger global markets, Russian firms can achieve economies of scale, boosting productivity and economic output. However, an over-reliance on resource exports renders the Russian economy vulnerable to external shocks, such as fluctuations in commodity prices and geopolitical tensions. These vulnerabilities are well-documented in the literature, which emphasizes the importance of economic diversification to mitigate such risks.

The new trade theory by Krugman [17] introduces another dimension by indicating the role of economies of scale and network effects in trade. Trade openness enables domestic firms to access international markets, fostering productivity gains through specialization and increased competition. This theory is relevant to Russia's manufacturing sector, where firms benefit from exporting to larger markets and importing advanced machinery and intermediate goods. These activities not only enhance domestic production capabilities but also lead to knowledge transfers that support innovation and long-term growth.

The interaction between FDI and trade openness creates a powerful pathway for economic growth. FDI introduces capital and technology, while trade openness grants access to international markets, enabling firms to leverage these resources effectively. Transmission channels such as capital accumulation, technology transfer, and innovation are central to this relationship. FDI increases the stock of capital in the host country, while trade openness facilitates the importation of capital goods and technology, further enhancing productive capacity. In Russia, FDI in capital-intensive sectors and trade in natural resources have played significant roles in economic growth. However, institutional quality and human capital are important in ensuring these benefits are fully realized. Studies have consistently showed that without strong institutions and skilled labour, the potential benefits of FDI and trade openness may remain underutilized.

Trade, FDI, and labour market dynamics in Russia

Russia's economic framework demonstrates the relationships between its trade dynamics, FDI inflows, trade relations with neighboring regions, and youth unemployment, with each factor influencing and reflecting the others. Exports and imports are vital to Russia's economic health, significantly affecting its trade balance and growth. As a major exporter of energy resources, including oil, natural gas, and coal, Russia generates a substantial portion of its revenue from these sectors [18–20]. Supported by vast reserves and an extensive pipeline infrastructure, this reliance on energy exports positions Russia as a global energy leader. Recent efforts to diversify exports into non-energy sectors, such as aerospace, automotive, machinery, and technology, aim to reduce dependence on commodities and enhance economic stability [21].

Conversely, Russia's imports consist of goods and services essential for industrial modernization and consumer needs, including technology-intensive products and agricultural goods [22; 23]. The import of machinery and equipment is important for supporting industrial production and infrastructure development.

FDI inflows into Russia are influenced by economic, political, and institutional factors. Factors such as market size, natural resource availability, infrastructure, and macroeconomic stability support the roles in attracting FDI [24]. However, geopolitical tensions and sanctions especially after the events in Crimea in 2014, have led to a decline in Western investment [25; 26]. For example, FDI fell to approximately \$18 billion in 2022 [27], reflecting diminished investor confidence. This trend is further exacerbated by high youth unemployment rates, which signal economic inefficiencies and structural challenges that deter potential investors. High youth unemployment often reflects a mismatch between educational outcomes and labour market demands, reducing the labour market's attractiveness to foreign investors [28; 29].

Russia's trade with the Baltic states (Estonia, Latvia, and Lithuania) shows the interconnected nature of its economic factors. Historically, the Baltic states have been significant importers of Russian energy resources. However, efforts by these countries to diversify their energy sources and reduce reliance on Russian imports have altered this relationship [30;31]. Investments in renewable energy and infrastructure by the Baltic states have reduced Russia's energy export revenues, influencing its trade balance and FDI attractiveness. Despite ongoing Russian investments in sectors like real estate, finance, and retail within the Baltic region [32], political tensions and sanctions have periodically disrupted these economic connections. Additionally, tourism and transportation networks that facilitate trade between Russia and the Baltic countries have been affected by geopolitical factors, further impacting trade flows and investment opportunities [33; 34]. The integration of the Baltic countries into the EU and NATO has diversified their trade partnerships, reducing their reliance on Russia, although economic ties remain significant [35].

Youth unemployment in Russia adds another layer of complexity to these economic dynamics. High unemployment rates among young people reflect structural problems in the labour market, such as a mismatch between education and job market demands. This mismatch limits domestic consumption and reduces demand for imports, including technology-intensive products essential for industrial modernization [36]. The informal sector further complicates the labour market by trapping many young workers in low-quality jobs without social protections [28]. Regional disparities exacerbate these challenges, with urban centres like Moscow and St. Petersburg providing better job prospects compared to rural areas, leading to uneven economic development and higher youth unemployment in less-developed regions [29; 36]. Addressing these challenges requires targeted labour market reforms and education initiatives to promote sustainable employment opportunities [37]. The connections between

Russia's trade patterns, FDI trends, and youth unemployment illustrate the interdependent nature of these factors. Each element shapes and is shaped by broader economic and geopolitical forces, emphasizing the importance of addressing these challenges in a coordinated manner.

Challenges of the Russian economy

Economic sanctions imposed by Western countries, following the events in Crimea in 2014 and the intensification of the conflict between Russia and Ukraine in 2022, have had substantial effects. These sanctions have restricted access to international capital markets, advanced technology, and foreign investments, further isolating the economy [38]. Additionally, Russia's heavy reliance on natural resources, especially oil and gas, exposes the economy to fluctuations in global commodity prices. This dependence undermines efforts to diversify and reduces long-term sustainability [39]. Recent efforts by European countries to reduce reliance on Russian energy have further disrupted revenue streams and export dynamics.

Structural weaknesses also pose significant barriers to economic growth. Inefficiencies, excessive bureaucracy, and a lack of institutional reforms deter foreign investment and hinder domestic economic activity [40]. Demographic challenges remain a critical concern. An aging population and declining birth rates continue to strain social security systems and reduce labour force participation. These issues are compounded by recent emigration trends, driven by geopolitical tensions and military mobilization policies, leading to the loss of skilled workers and further risks to long-term productivity [27; 41].

The technological gap is another pressing issue. Limited investment in research and development, combined with restricted access to modern technologies due to sanctions, has slowed Russia's progress in digitalization and innovation [42]. This gap significantly reduces the competitiveness of Russian industries and hinders the transition to a knowledge-based economy.

Income inequality continues to widen, fueled by the concentration of wealth among a small elite. This unequal distribution of resources undermines social cohesion and limits broader economic growth potential [43]. Moreover, geopolitical tensions and ongoing military conflicts have introduced significant economic uncertainties. These factors disrupt trade relationships and foreign investments while increasing fiscal pressures due to higher defense spending and the economic costs of prolonged conflict [27; 40].

Empirical review

The relationship between FDI, trade openness, and economic growth has been widely examined from the perspective of emerging economies, including Russia. Iwasaki and Suganuma [44] analyzed the impact of FDI on productivity across Russian regions before and after 2003. Their findings revealed that regions with

higher FDI inflows experienced productivity gains, emphasizing the importance of foreign investment in boosting regional economic performance. This research indicates the transformative role of FDI in Russia's development, although recent geopolitical changes and sanctions have introduced complexities not covered in the study.

Burange et al. [8] examined trade openness and economic growth in BRICS nations. While their findings identified export- and import-led growth for China and South Africa, they found no clear causal relationship between trade openness and growth in Brazil and Russia. This result emphasizes the need for further investigation into how trade openness affects economic performance in Russia, given its reliance on resource exports. Similarly, Shah and Khan [45] analyzed trade liberalization and FDI inflows in six emerging economies, including Russia. Their study emphasized that reducing barriers to trade and investment can attract FDI and foster economic growth.

Mariev et al. [46] explored FDI patterns in Russia, finding that larger developed economies tend to 'overinvest', while smaller or less developed nations 'underinvest'. This suggests that FDI inflows into Russia are driven by both economic size and strategic considerations. Arman et al. [47] studied trade openness among Central Asian countries and found that more open economies benefited from reduced trade costs, while less open nations relied heavily on resource exports. Their findings show how trade openness can shape regional economic dynamics, a factor also relevant to Russia's trade patterns. Guris and Gozgor [48] explored the role of trade openness in attracting FDI to Turkey. Their findings demonstrate that greater trade openness fosters FDI inflows by reducing barriers and improving market access. While these results are applicable to emerging economies, Russia's geopolitical and institutional factors, including sanctions, create a more complex environment for trade and investment interactions.

Gusarova [49] investigated BRICS nations' potential to drive global economic growth through trade and investment cooperation. The study indicates China's dominant role as an investor and the contributions of intra-BRICS trade to economic development. However, the evolving role of Russia within BRICS, under the pressures of sanctions and geopolitical tensions, remains less explored. Rani and Kumar [50] examined the relationship between trade openness, capital formation, and growth in BRICS nations, concluding that trade openness significantly influences economic growth. Their findings indicated the importance of global trade integration, but do not fully address the specific challenges Russia faces, such as institutional weaknesses and political risks.

Smith and Thomas [16] analyzed the relationship between FDI and innovation in Russia, demonstrating that FDI positively impacts regional innovation. Their research emphasizes the role of absorptive capacity, such as human capital and institutional quality, in maximizing the benefits of FDI. Similarly, Kaneva and Untura [51] indicated the importance of FDI and imports in promoting

regional development through knowledge spillovers. These studies emphasize the significance of FDI for technological advancement and regional economic growth in Russia.

Farhad et al. [52] focused on energy trade patterns between Russia and the Asia-Pacific region, revealing a positive relationship between export flows and economic growth. This finding illustrates the centrality of energy exports in Russia's economy but does not address how FDI and trade openness interact with the energy sector under global economic and political pressures. Nepal et al. [53] examined energy security, FDI, and economic output in India, finding strong long-term relationships between energy use, carbon emissions, and economic growth. Although this research is relevant for energy-exporting countries, its applicability to Russia requires consideration of the unique challenges posed by sanctions and institutional constraints.

Cheon et al. [54] explored the effects of trade openness on environmental quality in the CIS region, finding a dual effect on CO₂ emissions: trade openness increases emissions but also reduces them indirectly by raising per capita income. While this environmental perspective adds depth to understanding trade openness, it does not explore its relationship with FDI and economic growth in Russia.

In a broader empirical perspective, Sadia et al. [55] explored the role of trade openness, inflation, FDI, and other macroeconomic factors in Pakistan's economic growth. Khan and Nawaz [56] similarly examined the impact of trade and FDI on income inequality in CIS countries. Although these studies are beneficial, their findings may not translate directly to Russia, given the different institutional and geopolitical environments.

Although substantial empirical research exists on FDI and trade openness, gaps remain in understanding Russia's unique case. Existing studies often focus on economic drivers without fully addressing the impact of geopolitical risks, sanctions, and institutional challenges. This study aims to bridge these gaps by analyzing how economic and non-economic factors collectively influence Russia's economic growth. By doing so, it seeks to provide a more comprehensive understanding of the dynamics shaping FDI, trade openness, and growth in Russia.

Materials and methods

Data source

This study utilized annual time series data obtained from the World Development Indicators (WDI) database, covering the period from 1993 to 2022. The selected variables include GDP per capita, youth unemployment rate, trade openness, military spending, real effective exchange rate, inflation rate, and FDI inflows. GDP per capita is measured in thousands of United States dollars (USD). The youth unemployment rate is expressed as a percentage (%), representing the proportion of the youth labour force that is unemployed. Similarly, the inflation rate is expressed as a percentage (%), reflecting the annual percentage change in

the general price level of goods and services. The real effective exchange rate is presented as an index, measuring the value of a country's currency relative to a basket of foreign currencies, adjusted for inflation differentials.

Trade openness is calculated as the ratio of total trade (exports plus imports) to gross domestic product (GDP), reflecting the degree of a country's integration into international trade relative to its economic size. Military spending and FDI inflows are expressed as ratios to GDP, indicating the proportion of economic output allocated to military expenditures and the proportion contributed by foreign investments, respectively.

Figure 1 illustrates the trends of the selected economic and social indicators from 1995 to 2020. GDP per capita shows consistent growth over time, with a significant increase between 2005 and 2015, followed by a slight decline prior to 2020. Inflation experienced a sharp decline during the late 1990s, stabilizing at low levels in subsequent years. Military spending remained relatively stable, with minor fluctuations and a peak around 2015. FDI inflows exhibit significant volatility, with peaks in the early 2000s and subsequent fluctuations. The real effective exchange rate displays an upward trend, despite occasional declines, especially during 2008. Trade openness peaked in the late 1990s but declined consistently thereafter. Lastly, youth unemployment decreased substantially after 1995, reaching its lowest level around 2007, before showing some variability in the following years and stabilizing after 2010.

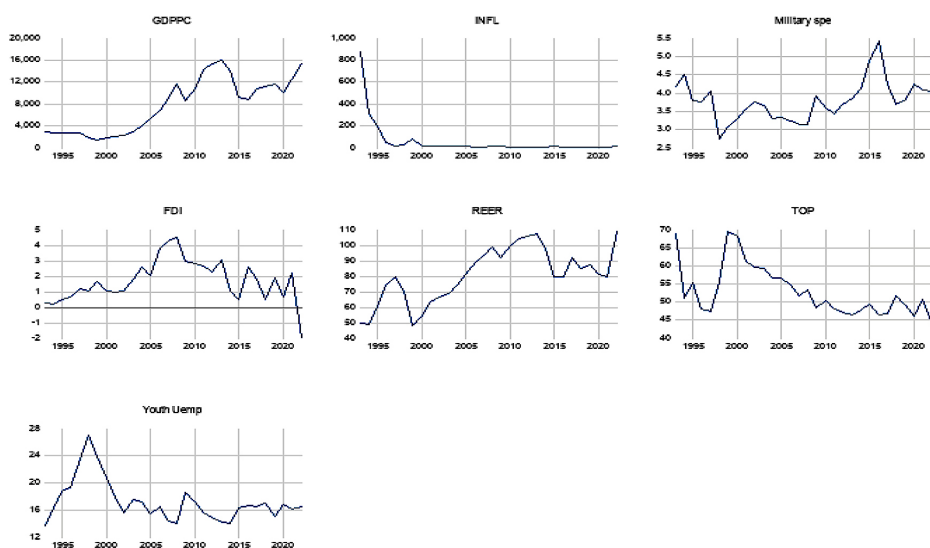


Fig. 1. Trends of the variables in Russia (1993–2022)

Theoretical framework and model specification

The theoretical framework guiding this study is rooted in economic theories that explain the dynamics of Russia's economy. It posits that Russia's economic performance and development are influenced by the interaction of factors, including GDP per capita, youth unemployment rate, trade openness, military

spending, real effective exchange rate, inflation rate, and FDI. These factors collectively both shape and are shaped by Russia's unique economic and geopolitical conditions. GDP per capita is employed as the primary indicator of economic performance and living standards. It reflects the average income of the population and serves as a measure of aggregate economic activity. Theoretical perspectives, such as those by Mankiw et al. [57], suggest that higher GDP per capita is associated with improved economic conditions and living standards, which in turn interact with other variables like trade openness and FDI.

The youth unemployment rate is included to assess the impact of economic and trade policies on Russia's younger workforce. High youth unemployment often signals economic inefficiencies and labour market challenges, which can hinder economic growth and stability. Theoretical understanding from Blanchard and Johnson [58] emphasizes the significant implications of elevated youth unemployment for economic performance and social cohesion. Trade openness measures Russia's engagement in international trade relative to GDP. This variable is critical for understanding how trade policies affect economic growth and development. Economic theory, such as the work of Frankel and Romer [59], suggests that increased trade openness enhances growth by providing greater market access and attracting foreign investment. This is especially relevant for Russia, given its reliance on energy exports and its efforts to diversify its economy.

Military spending is examined to evaluate its effects on economic performance and trade dynamics. While the relationship between defense expenditures and economic growth is complex, military spending can influence national budgets, infrastructure investments, and total economic stability. The defense-economic growth nexus, as discussed by Barro [60], provides details on how military expenditures interact with other economic variables in the Russian economy. The real effective exchange rate captures the relative value of the Russian ruble against a basket of foreign currencies, adjusted for inflation. This variable is crucial for assessing trade competitiveness and inflationary pressures. Theoretical models, such as those by Dornbusch [61], show the significant impact of exchange rate fluctuations on export competitiveness and trade balance.

The inflation rate represents the aggregate increase in price levels within Russia. It is an important variable for understanding how inflation affects economic stability and trade. High inflation erodes purchasing power and deters investment, while stable inflation is generally associated with economic growth and stability, as noted by Fisher [62]. FDI is included to examine the effects of international investment flows on Russia's economic growth and development. Theoretical frameworks, such as Dunning's [63] theory, emphasize the role of FDI in enhancing productivity, transferring technology, and fostering economic growth. This is relevant for Russia's efforts to attract foreign investment and diversify its economy. To ensure correct econometric specification, the variables were transformed into their natural logarithmic forms before estimation. Based on the theoretical perspective, the model to be estimated is represented in Equation 1.

$$GDPpc_t = \beta_0 + \beta_1 Yuemp_t + \beta_2 Top_t + \beta_3 Milsp_t + \beta_4 Reer_t + \beta_5 Infl_t + \beta_6 FDI_t + \mu_t, \quad (1)$$

where: $GDPpc_t$ represents GDP per capita; $Yuemp$ denotes the youth unemployment rate; Top stands for trade openness; $Milsp$ indicates military spending; $Reer$ represents the real effective exchange rate; $Infl$ refers to the inflation rate, and FDI is foreign direct investment.

Estimation approach

To investigate both the long-term and short-term relationships among the variables, this study employed the ARDL bounds testing approach introduced by Pesaran et al. [64]. This method is suited for analyzing the connections between FDI, trade openness, and GDP per capita, as these factors significantly influence economic performance. The ARDL model is widely regarded as a robust tool in econometric analysis due to its flexibility and advantages over other methods. One major advantage is its ability to handle variables with different orders of integration, such as $I(0)$ and $I(1)$, without requiring prior differencing. This characteristic ensures that the model is adaptable to diverse datasets while maintaining robustness in the analysis [65; 66].

Equation 2 presents the specific ARDL model formulation used in this study. This specification facilitates a detailed examination of the relationships among the variables, enabling a better understanding of their contributions to economic growth and development over time.

$$\begin{aligned} \Delta GDPpc_t = & a + \sum_{i=1}^h \varpi_i \Delta GDPpc_{t-i} + \sum_{i=1}^{\rho} \psi_i \Delta Yuemp_{t-i} + \sum_{i=1}^{\partial} \varphi_i \Delta Top_{t-i} + \sum_{i=1}^s \vartheta_i \Delta Milsp_{t-i} \\ & + \sum_{i=1}^{\sigma} \Psi_i \Delta Reer_{t-i} + \sum_{i=1}^{\lambda} \Phi_i \Delta Infl_{t-i} + \sum_{i=1}^k \delta_i \Delta FDI_{t-i} + \varepsilon_t. \end{aligned}$$

ARDL bound testing for cointegration

In conducting the ARDL bounds test for cointegration, this study adopts the methodology proposed by Pesaran and Shin [71]. This approach employs the Wald statistic within the ARDL framework to evaluate the significance of the lagged coefficients of the variables. The F-statistic, derived from the correlation coefficient in the F-test, is then compared to the critical values for the ARDL cointegration test. These critical values are determined based on the maximum asymptotic spread of the F-statistic and guide the decision-making process regarding the acceptance or rejection of the null hypothesis [64].

Given the relatively small sample size used in this analysis, it is necessary to compare the calculated F-statistic value with the critical thresholds recommended by Narayan [67] for the asymptotic distribution of the F-statistic. This adjustment ensures that the conclusions remain robust and reliable, even when the analysis is constrained by sample size limitations. The expression for the ARDL bounds

testing cointegration is presented in Equation 3, summarizing the statistical basis for assessing the presence of cointegration among the variables. This rigorous approach enhances the reliability of the study's findings and reinforces the validity of the conclusions drawn regarding the long-term relationships among the variables.

$$\begin{aligned} \Delta GDPpc_t = & a + \sum_{i=1}^h \varpi_i \Delta GDPpc_{t-i} + \sum_{i=1}^{\rho} \psi_i \Delta Yunemp_{t-i} + \sum_{i=1}^{\partial} \varphi_i \Delta Top_{t-i} + \sum_{i=1}^{\varsigma} \vartheta_i \Delta Milsp_{t-i} \\ & + \sum_{i=1}^{\sigma} \Psi_i \Delta Reer_{t-i} + \sum_{i=1}^{\lambda} \Phi_i \Delta Infl_{t-i} + \sum_{i=1}^k \delta_i \Delta FDI_{t-i} + \theta Ect_{t-1} + \varepsilon_t, \end{aligned}$$

The short-run coefficients to be estimated are denoted by symbols like ω , ψ , φ , θ , Ψ , Φ , and δ , while the long-run parameters are represented by $\lambda_1, \lambda_2, \lambda_3, \lambda_4, \lambda_5, \lambda_6, \wedge \lambda_7$. Cointegration determination hinges on rejecting the null hypothesis ($\lambda_1 = \lambda_2 = \lambda_3 = \lambda_4 = \lambda_5 = \lambda_6 = \lambda_7 = 0$) against the alternative hypothesis which states that $\lambda_1 \neq \lambda_2 \neq \lambda_3 \neq \lambda_4 \neq \lambda_5 \neq \lambda_6 \neq \lambda_7 = 0$. In ARDL bound testing, confirmation of a cointegration relationship occurs when the F-statistic of the estimated model exceeds the highest critical value listed for I (1) or falls below the lowest critical bound for I (0). However, the estimation of an error correction model (ECM) is necessary due to the presence of at least one causal relationship among the variables, as indicated by the F-statistic in the long-run estimation and the lag structure of the model. The short-run dynamics of the variables are derived from the ECM, which complements the long-run estimation by capturing the adjustments toward equilibrium after a short-term shock. The specification of the error correction model is presented in Equation 4.

$$\begin{aligned} \Delta GDPpc_t = & a + \sum_{i=1}^h \varpi_i \Delta GDPpc_{t-i} + \sum_{i=1}^{\rho} \psi_i \Delta Yunemp_{t-i} + \sum_{i=1}^{\partial} \varphi_i \Delta Top_{t-i} + \sum_{i=1}^{\varsigma} \vartheta_i \Delta Milsp_{t-i} \\ & + \sum_{i=1}^{\sigma} \Psi_i \Delta Reer_{t-i} + \sum_{i=1}^{\lambda} \Phi_i \Delta Infl_{t-i} + \sum_{i=1}^k \delta_i \Delta FDI_{t-i} + \theta Ect_{t-1} + \varepsilon_t, \end{aligned}$$

where θEct_{t-1} represents the error correction term to be estimated. The coefficient θ signifies the rate at which short-run deviations are adjusted toward the long-run equilibrium. According to the criteria of the ARDL error correction model, the error correction coefficient must be negative and statistically significant to confirm the presence of a valid long-run relationship.

Results

The descriptive statistics in Table 1 provide an overview of the variables within the Russian economy. The mean GDP per capita is \$8,688, representing the average economic output per person. The standard deviation of \$799 reflects the degree of variation in GDP per capita over time. Trade openness has a mean value of 52.94%, indicating the average level of engagement in international

trade relative to GDP. The standard deviation of 6.96 % indicates the variability in trade openness across different years or economic conditions. The mean youth unemployment rate is 17.244 %, reflecting the average proportion of unemployed youth within the labour force. A standard deviation of 3.085 % suggests moderate variability in youth unemployment rates across regions or time periods in Russia.

Military spending, as a percentage of GDP, has a mean value of 3.786 %, indicating the average allocation of the country’s economic output to defense expenditures. The standard deviation of 0.558 % points to limited variability in military spending across different budgetary periods. The real effective exchange rate (REER) has a mean value of 4.364, representing the average competitiveness of Russian goods and services in international markets when adjusted for inflation. The standard deviation of 0.237 indicates slight variability in the exchange rate over time or in response to external economic factors. The mean inflation rate is 2.734 %, reflecting the average rate of increase in the general price level of goods and services. The standard deviation of 1.322 % indicates moderate variability in inflation across time or sectors. Finally, the mean foreign direct investment (FDI) inflows stand at 1.687, representing the average level of foreign investment as a percentage of GDP. The standard deviation of 1.359 shows the variability in FDI inflows due to changes in economic policies, external conditions, or geopolitical events.

The correlation matrix results presented in Figure 2 reveal the relationships among the variables. GDP per capita shows a strong positive correlation with FDI, suggesting that higher levels of GDP per capita are associated with increased foreign investment. Conversely, trade openness exhibits a strong negative correlation with both GDP per capita and REER, implying that higher trade openness is generally associated with lower GDP per capita and a less favorable exchange rate. Youth unemployment displays a moderate negative correlation with GDP per capita, indicating that higher unemployment rates among youth are linked to lower economic output per person. Inflation is also moderately negatively correlated with REER, suggesting that higher inflation tends to reduce the competitiveness of Russian goods and services in international markets.

Military spending exhibits a weak negative correlation with youth unemployment, suggesting that increased defense spending may have a slight association with lower unemployment rates among the youth. However, military spending does not show significant correlations with most other variables. FDI demonstrates weak correlations with both GDP per capita and youth unemployment, but these relationships are not strong. Most other variables show limited or no significant correlations with one another.

Table 1

Descriptive statistics

Indicators / Descriptive Statistics	GDPpc	Yunemp	Top	Milsp	Reer	Infl	FDI
Mean	8.688	17.244	52.940	3.786	4.364	2.734	1.687
Median	9.063	16.410	50.755	3.760	4.384	2.498	1.735

The end of Table 1

Indicators / Descriptive Statistics	GDPpc	Yunemp	Top	Milsp	Reer	Infl	FDI
Maximum	9.678	27.090	69.390	5.430	4.688	6.773	4.500
Minimum	7.193	13.640	43.770	2.730	3.871	1.057	-1.930
Std.Dev	0.799	3.085	6.960	0.558	0.237	1.322	1.359
Skewness	-0.355	1.614	1.059	0.772	-0.640	1.496	-0.056
Kurtosis	1.582	5.394	3.272	4.115	2.527	4.929	3.436
Jarque-Bera	3.143	20.182	5.704	4.535	2.329	15.845	0.253
Probability	0.207	0.000	0.057	0.103	0.312	0.000	0.881
Sum	260.642	517.33	1588	113.5	130.9	82.03	50.63
Sum Sq. Dev	18.517	276.16	1405	9.054	1.635	50.72	53.58
Observation	30	30	30	30	30	30	30

Based on World Bank data.

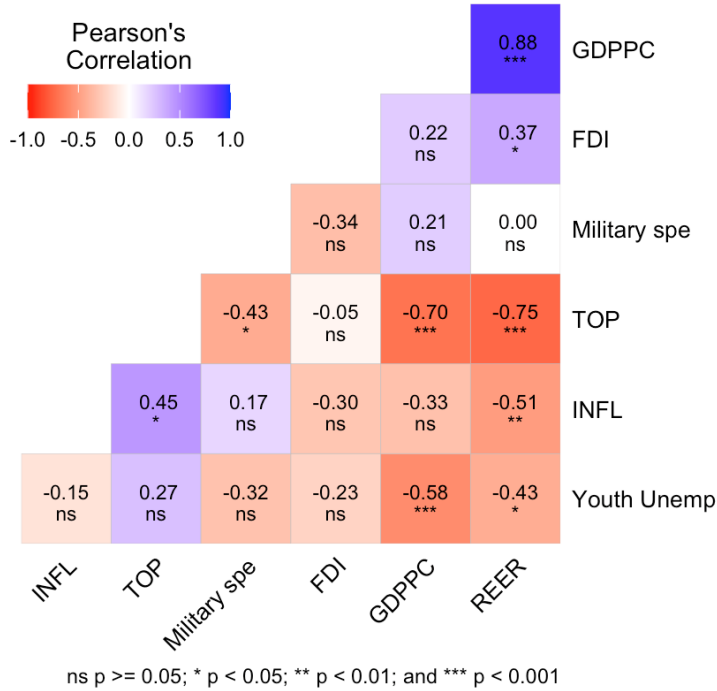


Fig. 2. Pearson correlation coefficients of the variables

Stationarity test

Table 2 presents the results of the unit root tests conducted for seven economic variables: GDP per capita, youth unemployment rate, trade openness, military spending, real effective exchange rate, inflation rate, and FDI. These tests were performed at both the original level of the variables (denoted as I (0) and their first differences (denoted as I (1), utilizing two statistical methods, the Augmented Dickey-Fuller (ADF) test [69] and the Phillips-Perron (PP) test [70]. The stationarity properties of each variable were evaluated based on these tests.

The results indicate that GDP per capita and the youth unemployment rate exhibit stationarity after differencing at the 5 % significance level according to both the ADF and PP test statistics. Similarly, trade openness and FDI show evidence of stationarity after differencing, with highly negative test statistics at both levels I (0) and first differences I (1), indicating significance at the 1 % level.

Military spending is stationary after differencing at the 1 % significance level, while the real effective exchange rate achieves stationarity after differencing at the 5 % significance level. Interestingly, the inflation rate appears stationary at its original level I (0) without requiring differencing, as indicated by the ADF and PP test statistics, which show significance at the 1 % level. These findings confirm the varying stationarity properties of the variables and justify the use of the ARDL model, which accommodates variables with mixed orders of integration I (0) and I (1).

Table 2

Results of the unit root test

Variable	Level	ADF	PP
GDPpc	0	-0.481	-0.654
DGDPpc	1	-3.623**	-3.576**
Yunemp	0	-2.093	-2.318
DYunemp	1	-4.381***	-4.376***
TOP	0	-1.716	-2.989**
DTOP	1	-6.680***	-8.780***
Milsp	0	-2.509	-2.570
DMilsp	1	-5.047***	-5.965***
Reer	0	-1.915	-1.761
DReer	1	-3.820***	-3.336**
Infl	0	-3.755***	-5.093***
FDI	0	-2.115	-1.923
DFDI	1	-6.843***	-6.853***

Significance codes: ***1 %; **5 %.

Based on World Bank data.

ARDL bound test cointegration

Table 3 presents the results of the bound test for cointegration using the ARDL model. The F-statistic for the ARDL bound test is calculated as 9.449. This statistic is compared against critical values at three significance levels (10 %, 5 %, and 1 %) to determine the presence of cointegration among the variables. At the 10 % significance level, the critical values for the F-statistic are 1.99 for I (0) and 2.94 for I (1). At the 5 % level, the critical values are 2.27 for I (0) and 3.28 for I (1). At the 1 % level, the critical values are 2.88 for I (0) and 3.99 for I (1). Comparing the calculated F-statistic of 9.449 to these critical values, it is evident that the F-statistic exceeds all critical values at all levels of significance for both I (0) and I (1).

These results provide strong evidence of cointegration among the variables included in the ARDL model. Consequently, the null hypothesis of no cointegration is rejected, confirming the existence of a long-term relationship among the variables. This finding suggests that despite short-term fluctuations, the variables move together over the long term.

Table 3

ARDL Bound test cointegration results

Test Statistic	Value	Significance	I (0)	I (1)
F-statistic	9.449	10 %	1.99	2.94
		5 %	2.27	3.28
		1 %	2.88	3.99

Based on World Bank data; AIC selection criterion (3,2,1,1,2,2,1) for optimum lag selection.

ARDL estimated results

The ARDL estimation results, presented in Table 4, show the long- and short-run dynamics influencing GDP per capita in Russia. In the long run, youth unemployment exhibits a strong negative association with GDP per capita, reflecting inefficiencies in the labour market and the underutilization of human capital. Both trade openness and FDI show no significant long-term impact on economic growth, likely due to structural challenges such as heavy reliance on energy exports and institutional barriers.

Military spending demonstrates a significant negative relationship with GDP per capita, suggesting that high defense expenditures may divert resources from critical sectors such as infrastructure, education, and technology, which are essential for sustainable growth. Conversely, the real effective exchange rate has a positive long-term association with GDP per capita, indicating that exchange rate appreciation enhances consumer purchasing power and reduces import costs, thereby supporting economic growth. Inflation, on the other hand, shows a negative association with GDP per capita, emphasizing the detrimental effects of price instability on purchasing power and investment.

Youth unemployment continues to negatively affect GDP per capita in the short run, emphasizing its immediate adverse economic consequences. While trade openness and FDI are insignificant in the long run, they exhibit positive short-run effects, displaying their role in stimulating economic activity through exports and investment inflows. Similarly, the real effective exchange rate exerts a significant short-run influence, supporting domestic demand and contributing to economic growth. In the short run, approximately 44 % of deviations from the long-term equilibrium are corrected each period, as indicated by the error correction term. This reflects the economy’s capacity to adjust toward its long-term equilibrium following short-term shocks.

Table 4

Estimated coefficients from the ARDL model

Long Run	Coefficient	Std.Error	t-statistic	Prob.
Yunemp	-0.164***	0.035	-4.611	0.002
Top	-0.004	0.023	-0.155	0.880
Milsp	-0.602**	0.184	-3.267	0.011
Reer	1.654**	0.637	2.597	0.032
Infl	-0.552***	0.117	-4.708	0.002
FDI	-0.001	0.048	-0.011	0.991
Constant	8.296*	4.035	2.055	0.073
<i>Short Run</i>				
Δ GDPpc (-1)	-0.207*	0.102	-2.019	0.078
Δ GDPpc (-2)	-0.700***	0.083	-8.400	0.000
Δ Yunemp	-0.027***	0.004	-6.244	0.000
Δ Yunemp (-1)	0.034***	0.006	5.086	0.001
Δ Top	0.031***	0.004	6.978	0.000
Δ Milsp	0.049	0.003	1.593	0.149
Δ Reer	2.128***	0.014	14.787	0.000
Δ Reer (-1)	0.331**	0.136	2.426	0.042
Δ Infl	-0.130***	0.017	-7.576	0.000
Δ Infl (-1)	0.114***	0.022	4.970	0.001
Δ FDI	0.038***	0.007	4.773	0.001
ECT (-1)	-0.442***	0.037	-11.905	0.000
<i>Diagnostic test</i>				
χ^2 Reset			0.405	0.698
χ^2 Normality			1.014	0.602
χ^2 ARCH			0.011	0.915
χ^2 Serial correlation			2.461	0.165

Significance codes: ***1 %, **5 %, *10 %; AIC (3,2,1,1,2,2,1); $R^2=0.98$; R^2 Adjusted=0.97; DW=2.516; χ^2 Normality, normality test for residuals, χ^2 Serial, LM serial correlation test, χ^2 Arch, autoregressive conditional heteroscedasticity, χ^2 Reset, Ramsey reset test. The probability values are provided in parentheses.

Based on World Bank data.

Stability diagnostic test

The diagnostic tests conducted on the ARDL model, as shown in Table 4, indicate that the model is well-specified and reliable. The Ramsey RESET test confirms that there are no issues with model misspecification, validating the functional form and ensuring that no important variables have been omitted. The normality test demonstrates that the residuals (the differences between the observed and predicted values) follow a normal distribution, which is essential for drawing valid statistical inferences. The ARCH test indicates the absence of heteroskedasticity, confirming that the variance of the error terms remains constant over time. Additionally, the serial correlation test shows no evidence of autocorrelation in the residuals, ensuring that the error terms are independent from one period to another.

The recursive cumulative sum (CUSUM) and recursive cumulative sum of squares (CUSUMSQ) tests were performed to evaluate the stability of the estimated coefficients and residuals over time. These tests assess whether the model remains stable by checking for structural breaks or changes in the coefficients and variance of the residuals. The results, shown in Figures 3 and 4, indicate that the CUSUM and CUSUMSQ lines fall within the critical bands, suggesting no significant deviations from stability. This finding confirms that the ARDL model is stable and reliable for analyzing the long-run and short-run relationships among the variables.

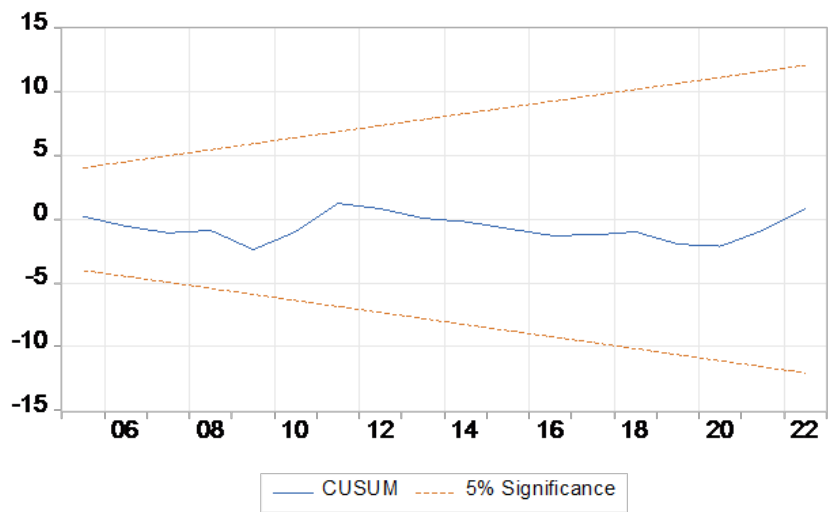


Fig. 3. Cumulative sum of recursive residuals

Based on World Bank data.

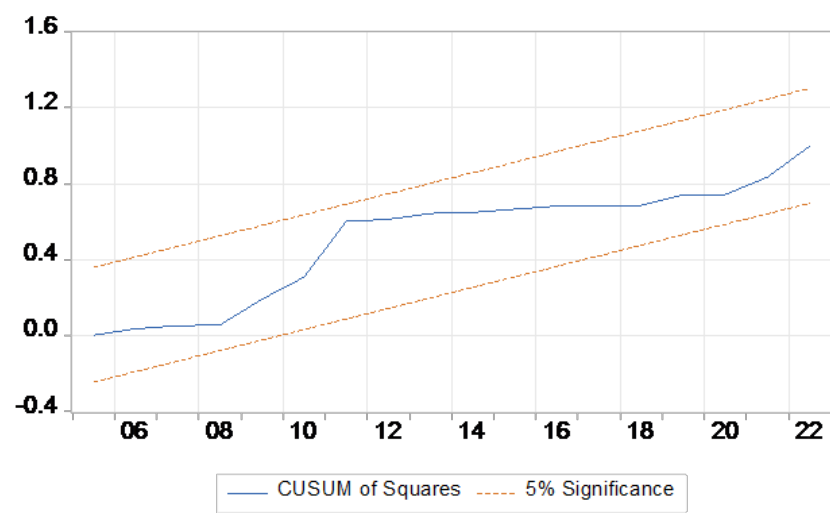


Fig. 4. Cumulative sum of squares of recursive residuals

Based on World Bank data.

Granger causality test

The Granger causality test results in Table 5 provide details on the causal relationships among variables within the Russian economy. The analysis reveals that past values of the youth unemployment rate and GDP per capita do not significantly predict changes in each other, indicating no causal relationship between these variables. For trade openness, past values do not significantly predict changes in GDP per capita. However, GDP per capita has significant predictive power for changes in trade openness, suggesting a unidirectional causality from economic performance to trade activity. Regarding military spending, past values of military expenditures do not significantly predict changes in GDP per capita. In contrast, past GDP per capita values significantly predict changes in military spending, showing the influence of economic performance on defense expenditures.

The results for the real effective exchange rate show that past values of REER do not significantly predict changes in GDP per capita. However, past GDP per capita values significantly predict changes in REER, indicating a one-way causal relationship from economic output to exchange rate movements. In the case of the inflation rate, neither past values of inflation nor GDP per capita significantly predict changes in each other, suggesting no causal relationship between these two variables. Lastly, the findings for FDI reveal that neither past values of FDI nor GDP per capita significantly predict changes in each other, indicating the absence of a causal relationship between these variables.

Table 5

Granger causality test results

Null Hypothesis	F-Statistic	Prob.	Decision
Yunemp $\rightarrow$ GDPpc	0.732	0.491	Not rejected
GDPpc $\rightarrow$ Yunemp	0.901	0.419	Not rejected
Top $\rightarrow$ GDPpc	2.061	0.150	Not rejected
GDPpc $\rightarrow$ TOP	6.631	0.005	Rejected
Milsp $\rightarrow$ GDPpc	0.731	0.492	Not rejected
GDPpc $\rightarrow$ Milsp	3.845	0.036	Rejected
Reer $\rightarrow$ GDPpc	1.922	0.169	Not rejected
GDPpc $\rightarrow$ Reer	9.343	0.001	Rejected
Infl $\rightarrow$ GDPpc	0.222	0.802	Not rejected
GDPpc $\rightarrow$ Infl	0.377	0.689	Not rejected
FDI $\rightarrow$ GDPpc	0.317	0.731	Not rejected
GDPpc $\rightarrow$ FDI	0.779	0.470	Not rejected

Based on World Bank data.

Discussion

The results show major factors shaping GDP per capita in Russia. The negative association between youth unemployment and economic growth reflects inefficiencies in the labour market, such as skill mismatches and underutilized

human capital. This finding is consistent with research by Giovanni et al. [73] and Baah-Boateng [74], who observed similar challenges in other economies. Reducing youth unemployment in Russia could enhance economic performance and labour market efficiency. The lack of a significant long-term effect of trade openness on GDP per capita challenges theoretical expectations that trade liberalization directly fosters growth through access to international markets. Similar results have been documented by Zakaria and Bibi [75], Amity and Konings [76] and Guris and Gozgor [48], who found that trade benefits depend on institutional quality and the structure of the economy. In Russia's case, a reliance on energy exports and limited diversification appear to limit the broader economic benefits of trade openness.

The absence of a measurable long-term impact of FDI on GDP per capita aligns with findings by Hayat [77], Peres et al. [78], Nistor [68] and Sabir et al. [70]. Barriers such as institutional inefficiencies, regulatory challenges, and geopolitical factors, including sanctions, likely discourage sustained foreign investment. These constraints reduce the potential of FDI to drive significant economic growth in Russia. The negative relationship between military spending and GDP per capita suggests that high defense expenditures divert resources away from sectors critical for long-term growth, such as infrastructure, education, and technology. This aligns with Desli and Gkoulgkoutsika [79], Azam [80], d'Agostino et al. [81], Phiri [82], Kollias et al. [83] emphasized the trade-offs between military budgets and development investments. The positive association between the real effective exchange rate and GDP per capita indicates the benefits of a stable currency. Exchange rate appreciation appears to boost purchasing power and reduce import costs, supporting domestic economic activity. These results are consistent with observations by Zhang and Zhang [84] and Guzman et al. [85]. However, risks related to exchange rate volatility and its impact on export competitiveness remain an important consideration.

The negative effect of inflation on economic growth emphasizes its role in reducing purchasing power and discouraging investment. This result aligns with the findings of Doan Van [86], Mohseni and Jouzaryan [87] and Hami [88], Kryeziu and Durguti [89], Tenzin [90], who noted similar patterns in other emerging economies. Effective policies to manage inflation are essential for promoting economic stability and growth in Russia. In the short term, trade openness and FDI exhibit positive effects on GDP per capita, suggesting their importance in addressing immediate economic challenges. The error correction mechanism indicates that the economy adjusts quickly to deviations from its long-term growth trajectory, demonstrating its ability to maintain stability despite short-term disruptions.

Conclusion

This study examined the relationship between foreign direct investment (FDI) and trade openness in the Russian economy, utilizing annual time series data from 1993 to 2022 and applying the Autoregressive Distributed Lag (ARDL) bounds

testing approach. The short-run analysis reveals that both FDI and trade positively influence economic activities in Russia. However, in the long run, neither FDI nor trade demonstrates a significant impact on the economy. Supporting variables, such as the real effective exchange rate, have a positive influence on economic growth in both the short and long run. The youth unemployment rate shows mixed effects, with both positive and negative impacts in the short run, but a consistent negative influence on economic growth in the long run. Military spending has no short-run effect but exhibits a long-term negative relationship with GDP per capita, suggesting resource misallocation. Similarly, the inflation rate displays mixed effects in the short term and a negative association with economic growth in the long term. The Granger causality test shows unidirectional relationships between economic growth, trade openness, military spending, and the real effective exchange rate.

Based on the study's findings, some policy recommendations emerge. First, policies designed to attract foreign investment and encourage trade could stimulate economic activity in the short term. Maintaining a competitive exchange rate and ensuring currency market stability would further support economic growth, as evidenced by the positive impact of the real effective exchange rate. Additionally, targeted measures to address youth unemployment, such as skill development programs and support for youth entrepreneurship, are essential for mitigating long-term unemployment challenges. Policymakers should also reassess defense budgets to ensure that excessive military expenditures do not detract from critical investments in infrastructure, education, and technology. Lastly, implementing sound monetary policies to maintain inflation within manageable limits is crucial for economic stability and sustainable growth.

This study acknowledges certain limitations. The reliance on annual time series data may not fully capture short-term fluctuations or the dynamic nature of relationships between variables. Additionally, while the ARDL approach provides robust results, it may not account for all potential interactions among variables. Alternative econometric models could yield different outcomes. Furthermore, the findings are specific to the Russian economy and may not be directly transferable to other countries or regions. External factors, such as geopolitical tensions and global economic conditions, may also affect the relationships among variables and were not comprehensively addressed in this analysis.

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The author

Evans Yeboah, Mendel University in Brno, Czech Republic.

<https://orcid.org/0000-0002-0934-3996>

E-mail: yeboah.evans869@gmail.com



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KOSTOMUKSHA AT A TOURIST CROSSROADS: EXPERT PERSPECTIVES FROM AN ARCTIC BORDER CITY

S. V. Kondrateva 



Institute of Economics Karelian Research Centre
Russian Academy of Sciences,
50 A. Nevskogo St., Petrozavodsk,
Republic of Karelia, 185030, Russia

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The study examines the challenges and prospects of tourism development in the Arctic city of Kostomuksha, located in the Karelian — Finnish borderland. Founded in the late 20th century as a model of Russian — Finnish cooperation, Kostomuksha is now seeking new development paths in the 21st century, following the cessation of cross-border mobility and cooperation. Given the depletion of natural resources, the municipality faces acute pressure to identify alternative development strategies, including a reorientation of its tourism sector. This study aims to identify promising directions for tourism development in Kostomuksha under the new conditions, drawing on data from a sociological survey of the expert community. The analysis is based on materials collected through a focus group and a series of semi-structured interviews conducted by the author in May 2024 with senior officials and key specialists from state, commercial, and non-profit organisations involved in the district's tourism sector. The findings highlight the main constraints on tourism development in the Kostomuksha urban district: economic limitations, infrastructural deficiencies, shortage of qualified personnel, weak marketing, environmental restrictions, and the pronounced seasonality of the tourism industry. Despite these challenges, nature-based tourism is identified as the priority direction, encompassing not only ecological but also active, cultural-educational, and event-related forms of tourism. The inclusion of Kostomuksha in the Arctic zone is viewed as an important factor in adjusting the municipality's strategic priorities. Considering its geographic location, the availability of sports and tourism infrastructure for winter activities, and the successful experience of organising large-scale events, winter tourism appears to be one of the most promising areas for further development. The study also underscores the necessity of cooperation among government, business, and civil society in shaping sustainable tourism in the urban district.

Keywords:

Kostomuksha, tourism development, borderland, Arctic, nature-based tourism, expert community

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Amid current challenges, the border town of Kostomuksha, the administrative centre of the urban municipal district, has transformed from a hub of cross-border cooperation and transboundary tourism in the Karelian—Finnish borderlands into a peripheral locality seeking a new trajectory of development as a tourist destination. This study aims to address several key questions: (1) what changes have taken place in tourism within this border municipality; (2) whether Kostomuksha's location in the Karelian Arctic Zone creates additional constraints or opportunities for tourism development; and (3) what short-term prospects exist for tourism in this border Arctic town. The research is based on data from a sociological survey of the expert community, including a focus group and a series of interviews, conducted by the author in Kostomuksha at the end of May 2024.

Kostomuksha municipal district: theoretical aspects

The research framework on borderlands issues and tourism development includes numerous studies showing how the operation of national borders both facilitates and restricts the growth of transboundary tourism. The medical-biological and geopolitical challenges of the 2020s, which terminated international tourist exchange in the Karelian—Finnish borderlands, are typical of all transboundary areas in the Baltic region.

Regarding the study territory — Kostomuksha municipal district (classified as an urban district before 21 April 2025)¹ — it is essential to consider its borderland, industrial and more recently Arctic status, which is broadly discussed in research works on this municipality. Firstly, given the industrial orientation of Kostomuksha's development — Karelia's youngest town, founded in 1982 — and that of its wider municipality, it is unsurprising that many studies address environmental issues and the challenges of further economic exploitation of the territory [1—3]. As has been aptly observed, the public portrayal of Kostomuksha on official platforms is inextricably linked to the establishment and growth of the local mining and processing plant [4]. For reference, JSC Karelsky Okatysh, a subsidiary of PJSC Severstal, is Russia's leading iron ore extraction and processing enterprise.

¹ In April 2025, pursuant to Law No. 3042-RK of 21 April 2025 On the Transformation of the Municipality "Kostomuksha Urban District" of the Republic of Karelia Following Its Designation as a Municipal District, adopted by the Legislative Assembly of the Republic of Karelia on 17 April 2025, the Kostomuksha Urban District was reorganized into the Kostomuksha Municipal District. The territory of the Kostomuksha municipal district includes the following settlements: the town of Kostomuksha (administrative centre), the settlement of Zarechny, and the villages of Voknavolok, Ladvozero, Pongaguba, Sudnozero, and Tolloreka. Since the Kostomuksha urban district was reorganized into the Kostomuksha municipal district in April 2025, the earlier names of organizations are retained in this article, while references to research groundwork, as well as citations of strategic and other official documents, preserve the terminology and designations in use at the time of writing.

The second major and extensively researched area is the tourism potential of the Kostomuksha municipal district, including its limitations and development prospects. Most studies do not focus exclusively on the town of Kostomuksha itself but instead consider a broader geographical context, while some concentrate specifically on the border municipality.

Research on the development of the Kostomuksha urban district encompasses topics such as strategic management in tourism [5; 6]; the municipality's protected areas, recreational use of natural resources and ecotourism [7–11]; historical and cultural heritage and residents' identity [4; 12–15]; prospects for the municipality and local tourism growth as assessed by the local population [16–19]; tourism infrastructure [20–22]; transboundary mobility [17; 23]; project-based activities [24]; and myths about the border town and their role in attracting tourists [25; 26].

The benefits of tourism-oriented development in the border municipality stemmed largely from its formerly well-established cross-border cooperation, which led to the creation of a network of protected natural areas and the development of new transboundary tourism products and routes, along with the promotion of cross-border tourism mobility. In this regard, the municipality's self-presentation in the Unified Tourism Passport is particularly illustrative: the Kostomuksha urban district is described as “a unique destination where Europe's last wild taiga expanse, Northwest Russia's largest mining enterprise, and ancient Karelian villages — the cradle of the Karelian-Finnish epic Kalevala — come together in one remarkable place”.¹

Given the significance of cooperation between the border municipality and neighbouring Finland, the literature frequently notes that media publications devoted to the western neighbour — emphasising that “international cooperation remained highly relevant for the border town” — were abundant even during the COVID-19 period, although the focus at that time shifted to the closure of national borders and the suspension of Schengen visa issuance [4, p. 15].

Studies examining the municipality's recently conferred ‘Arctic’ status merit particular attention. Despite the municipality's inclusion in the Karelian Arctic Zone, Arctic-related topics, according to a media analysis conducted by Karelian researchers, “are scarcely represented in local or social media in Kostomuksha; those that do appear are mainly intended to inform the population about the launch of relevant programmes. These issues are presented more clearly and in greater detail on the website of the Kostomuksha town district administration. The Arctic narrative is evidently promoted through ‘administrative’ means and has yet to generate first-hand accounts or evaluations of participation in such programmes and initiatives” [4, p. 15]. Given the data sources underpinning this study's findings,

¹ Unified Tourist Passport of the Kostomuksha Urban District, 2025, *Official Website of the Information and Tourist Centre of the Kostomuksha urban district*, URL: <https://kostravel.ru/turizm/turpasport/> (accessed 31.03.2025).

particular interest is directed towards research employing sociological methods to analyse various aspects of the Kostomuksha municipality's development [1; 5; 16; 27; 28].

To summarise, scholarly research on tourism development in the border Arctic locality of Kostomuksha remains relatively limited. Existing studies are narrow in scope and do not provide a comprehensive understanding of the state of tourism within the municipality — a particularly pertinent issue as the area undergoes a fundamental transformation in this sector in response to contemporary challenges. The present study seeks to address this gap.

Methods and data

This study aims to identify the trajectories of tourism development in the border Arctic town of Kostomuksha under current and evolving conditions, drawing on data from a survey of the local expert community. The research approach, which combines analysis of a focus group session with a series of semi-structured interviews, makes it possible to explore the following key aspects:

- the specific changes in the trajectory of tourism development in the border Arctic town of Kostomuksha in response to contemporary challenges;
- the main constraints on tourism development in the town under present and near-term conditions;
- prospective directions for tourism growth, taking into account both the municipality's location in the Russian—Finnish borderlands and its position within the Arctic region of Karelia.

The empirical basis of the study is the border Kostomuksha municipal district, whose external boundary coincides with the national border between the Russian Federation and Finland.

— The focus group comprised senior officials and leading specialists representing municipal authorities, major tourism organisations, protected natural areas, cultural institutions, and the non-profit sector. All participants were directly involved in tourism development or in providing services to visitors and residents of the municipality, and possessed relevant expertise in the subject under study. As part of a field study in the Kostomuksha urban district in May 2024, the author conducted a focus group session with 13 participants, along with five semi-structured interviews held at the International Barents Business Centre. The present research is based on the aggregated results derived from the analysis of these data. Tourism experts from the Kostomuksha municipal district included senior officials and leading specialists from the following organisations, invited either individually or through their respective institutions:

- Administration of the Kostomuksha urban district;
- Tourist Information Centre of the Kostomuksha urban district;
- Kostomuksha Town Museum;
- Kostomuksha Centre for Cultural Development;

- United Directorate of the Kostomuksha State Nature Reserve and Kalevala National Park;
- LLC Kotiranta (travel agency and holiday centre);
- Emerald Town holiday centre (private entrepreneur Lyubov Volkova);
- Kipatry tourist club (non-profit organization);
- Pryalka autonomous non-profit organization;
- TaivalTravel (recreation in the village of Pirttiguba)
- other institutions.

A substantial number of the organizations listed above have been key players in tourism development in the Kostomuksha municipal district. For example, Kotiranta, a company that until recently focused primarily on servicing transboundary tourist flows, has withdrawn from the Unified Federal Register of Tour Operators while maintaining its travel agency activities. As of 25 April 2024, no tour operators listed in the federal register were active within the municipality, whereas three such organisations had operated in the area prior to 2022. It is also noteworthy that the district administration and the directorate of the municipality's protected natural areas — represented by heads of relevant departments — have demonstrated a strong interest in promoting tourism development across the territory.

The two-hour focus group session addressed seven key questions aimed at eliciting the expert community's views on the current state, constraints, and development prospects of tourism in the border Arctic town of Kostomuksha under contemporary conditions. The semi-structured interviews consisted of eleven questions focusing on the need for tourism development in the Arctic municipality; the assessment of existing tourism potential and its exploitation; the current state of the tourism sector, including types of tourism, structure of tourist flows, average tourist profile, tour organization, intra- and inter-municipal cooperation, and the level of competition; and the identification of constraints and prospects for tourism development over the next five to ten years. Each interview lasted between thirty and ninety minutes.

Particular attention in both the focus group discussions and interviews was devoted to local community involvement in tourism activities, recreation opportunities for residents, and environmental issues. The following questions were discussed:

- What consequences (positive and negative) does tourism have for the environmental situation in the municipality?
- To what extent do the tourism business and the local population seek to mitigate them?
- What effects does tourism have on the local population? (focus group)
- What leisure and recreation opportunities exist for the local population?
- To what extent do residents make use of the municipality's tourism opportunities?

- Do you spend your leisure time locally? If so, where and why? (focus group)
- Does the local population participate in providing services to tourists? (interview)
- The shifts in the municipality's tourism development trajectory were explored through the following questions:
 - How have tourists in your municipality changed in recent years, and what changes have occurred in the range of services offered? (focus group)
 - What is the profile of tourists visiting your municipality?
 - What is the proportion of tourists arriving from the Republic of Karelia, other regions of Russia, and foreign countries? (interview)

The focus group and interview questions were complementary rather than overlapping, ensuring a comprehensive understanding of the expert community's perspectives on the directions of tourism development in the border Arctic municipality, as well as on the existing constraints.

All participants were informed that the results of the study would be presented in aggregate form and published in academic journals. The focus group session and five semi-structured interviews were recorded and transcribed, followed by data analysis and interpretation of the findings.

Results

The border town of Kostomuksha at a tourism crossroads

Despite Kostomuksha's industrial development orientation, the municipality's strategic planning documents identify tourism as a key priority for socio-economic development. According to the Strategy 2030 for the Socio-Economic Development of the Kostomuksha Urban District, "the development of the municipal district's tourism industry, including the enhancement of its network of protected natural areas," is listed among the municipality's strategic objectives.¹ Several local companies have been recognised at the regional level for their achievements in tourism. For instance, the Kotiranta guesthouse has repeatedly won the regional Leaders of Karelian Tourism Business competition in the category Best Small Hotel (up to 30 rooms). Moreover, the hovercraft route Along Ancient Paths: Journey to Voknavolok and Kormilo, offered by the same company, was recognized as Russia's best ethnographic route in the finals of the fourth annual All-Russian Route of the Year 2017 award, organized with the support of Rostourism [28, p. 182—183].

¹ Strategy 2030 for the Socio-Economic Development of the "Kostomuksha Urban District" Municipality. Decision of the Council of the Kostomuksha Urban District dated 26.03.2020 №457-SO/III, 2020, *Kostomuksha Municipal District*, URL: <https://www.kostomuksha-city.ru/strategiya-sotsialno-ekonomicheskogo-razvitiya-munitsipalnogo-obrazovaniya-kostomukshskij-gorodskoj-okrug-do-2030-goda> (accessed 02.04.2025).

The municipality's border position played a critical role in its tourism-driven development. Yet it has now turned Kostomuksha from a hub of cross-border cooperation and transboundary tourism in the Karelian—Finnish borderlands into a peripheral town seeking ways to re-emerge as a tourist destination. The strategic documents of the Kostomuksha urban district, adopted before the onset of recent challenges, emphasized the territory's 'border location and proximity to Finland and thus the European Union', along with its 'transit and distribution' function. Although these advantages continue to occupy the top position in strategic planning documents, they have lost much of their former relevance. At the same time, the municipality's weaknesses have become increasingly evident, including "transport isolation — no air service; rail connections limited to twice a week; poor condition of the federal motorway; and the status of a restricted border area, which serves as a constraint on tourism development." (Interview excerpts.)

The Strategy envisaged development leveraging opportunities that are no longer available, such as closer international cooperation, the reconstruction and expansion of the Lyuttya border checkpoint, on the one hand, and unlocking the Arctic potential, including benefits for tourism and related services arising from the inclusion of the Kostomuksha urban district in Russia's Arctic Zone, on the other.¹ The document states that "incorporating the municipal district into the Arctic Zone, alongside a special regulatory framework for investment under the Kostomuksha Priority Development Area initiative, would provide further benefits to enterprises and entrepreneurs operating in the district".²

Under the new conditions, the expert community expresses considerable optimism regarding the opportunities associated with the Arctic, including those in the sphere of tourism development. As one focus group participant observed: "It seems to me that this is also inspiring in terms of positioning our region... not only as part of Karelia and our national culture... Now we have another recognisable and easily promotable element of our brand: the Arctic dimension".

At the same time, for a wide range of firms focused on Finnish tourists rather than Russians travelling to or from Finland, the closure of the national border created serious logistical, organizational and ultimately financial problems. Overcoming these challenges required a complete overhaul of company operations and a search for new tourism offerings, market niches and lines of activity. Nevertheless, some organizations were forced to shut down.

The Kostomuksha municipality's situation in tourism is aggravated by its remoteness from major cities — Petrozavodsk, Moscow and St Petersburg —

¹ Strategy 2030 for the Socio-Economic Development of the "Kostomuksha Urban District" Municipality. Decision of the Council of the Kostomuksha Urban District dated 26.03.2020 №457-SO/III, 2020, *Kostomuksha Municipal District*, p. 28—29, URL: <https://www.kostomuksha-city.ru/strategiya-sotsialno-ekonomicheskogo-razvitiya-munitsipalnogo-obrazovaniya-kostomukshskij-gorodskoj-okrug-do-2030-goda> (accessed 02.04.2025).

² Ibid. P. 70.

and the main transport routes of the Republic of Karelia (see Table). Unlike Sortavala, an established tourist destination in the Karelian—Finnish borderlands that combines unique recreational potential with reliable motorway and rail connections to Russia's central cities and the region's capital, Kostomuksha occupies a far less advantageous position.

**Transport connections between tourist hubs
in the Karelian—Finnish borderlands and major Russian cities**

Town	Railway connection, travel time (days of train operation in both directions)		
	Moscow	St. Petersburg	Petrozavodsk
Kostomuksha	No direct connection	Approximately 16 hours, one departure a day, twice a week	12—14 hours, one departure a day, twice a week
Sortavala	12—14 hours, one departure daily	4—6 hours, several departures a day	4—6 hours, several departures a day, 5 hours 23 minutes, one departure daily
<i>Distance</i>			
Kostomuksha	1491 km	891 km	495 km
Sortavala	972 km	270 km	246 km
<i>Bus connection</i>			
Kostomuksha	No direct connection	No direct connection	6 hours 30 minutes—9 hours, daily
Sortavala	No direct connection	5—6 hours, daily	4—6 hours, daily

As of 1 January 2024, the Kostomuksha urban district had a population of 26,500 residents, accounting for 5.1 % of the total population of the Republic of Karelia.¹ Unlike most other municipalities in the region, Kostomuksha has maintained a relatively favourable demographic situation.

Until recently, the Kostomuksha municipal district, together with the Kalevala national municipal district, comprised the Russian part of the second-order Mid-Karelian cross-border microregion, which handled one-fifth of the traffic on the Karelian section of the Russia—Finland boundary via the Lyuttya-Vartius border crossing, 30 km from the town. The two neighbouring countries were linked by several cross-border tourism routes, such as the White Road or Ontrei Malinen's Kantele, set up within international cross-border cooperation projects. Most of the projects implemented in the Kostomuksha urban district between 1990 and 2022 were funded under the Cross-Border Cooperation Programme of the European Neighbourhood and Partnership Instrument, carried out from 2007 through 2013. Between 2001 and 2022, municipal organizations received grants

¹ Municipal Formations of the Republic of Karelia for 2023, in 2 volumes, 2024, *Statistical Digest*, Petrozavodsk, vol. 2, p. 9.

for 13 international projects; when including those in which these institutions participated as partners, the total number of projects implemented increases significantly.

In terms of tourism infrastructure — accommodation, dining, leisure and recreation — the Kostomuksha municipal district ranks among the top ten municipalities in the Republic of Karelia, and is second only to the Louhi municipal district among Arctic districts. The municipality's developed hospitality industry stems largely from its border location and former focus on transit tourists and cross-border shoppers, while its leisure and recreation infrastructure benefits from the area's remarkable natural and ethnocultural assets [28, p. 181].

Despite the decline in tourist flows, the Kostomuksha municipal district continues to attract visitors with its natural landmarks, including the Kostomuksha State Nature Reserve and the sections of Kalevala National Park located within its boundaries. Cultural and educational sites such as the rune-singing villages of Voknavolok and Akonlahti also remain key points of interest. The nature reserve preserves one of the oldest northern taiga forest areas in Northwest Russia, largely untouched by human activity, while the national park contains the largest stretch of primeval pine forest in the region, minimally affected by economic use, with trees over 120 years old covering more than 80 % of the forested area [10, p. 378—395].

During the Soviet period, the specific nature of borderland development under a strict state border regime enabled the preservation of extensive natural ecosystems along the frontiers between socialist and capitalist countries. The Green Belt of Fennoscandia forms a unique ecological framework with valuable recreational sites, unmatched elsewhere in Russia and offering significant potential for tourism development. International projects implemented along the Karelian section of the border contributed to the creation of a system of protected natural areas under federal and regional jurisdiction, covering a total of approximately 330,000 hectares, over 80 % of which is on the Russian territory [29].

Currently, a visitor centre — another outcome of international projects — operates to promote tourism in the Kostomuksha Nature Reserve. Both single- and multi-day ecological routes have been established, including seven hiking trails and two water routes. The national park has accommodation facilities and offers two one-day hiking trails and a one-day water route. Notably, the Marvels Nearby nature trail, situated within the town, is extremely popular with both residents and tourists: in 2023, it drew over 23,000 visitors [30], and in 2024, according to the director, around 26,000.

Before the closure of border crossing points, popular events included international music festivals such as the Chamber Art Festival, the Nordsession rock festival and the Kanteletar International Festival of Finno-Ugric Culture. Shopping tours across the Lyuttya-Vartius checkpoint were also common, undertaken by residents of Karelia and Finland, both in organised groups and independently.

In a special report by the Rossiya 24 TV channel on life in the border town of Kostomuksha, journalists highlighted concerns voiced by tourism experts. According to Olga Lekhtinen, head of a travel company, the tourism sector is 'losing a great deal': "For us, Finnish tourists and other tourists from Europe that we had hoped to attract through Finland and Finnish partners... they were, if not critical, then certainly very significant". Similar concerns were raised by Leonid Gundyrev, head of a passenger transport company, who stresses that "tourism cannot survive without visitors from Finland, since very few make it here because of poor transport accessibility". The heavy dependence of Kostomuksha's tourism industry on Finnish visitors is also confirmed by Nikolai Salakka, head of a hotel facility: "Eighty per cent of our guests were from Finland. The company welcomed 11 busloads of Finnish tourists daily".¹

Both in focus groups and interviews, experts confirm that the patterns of tourism have shifted significantly in the district, necessitating changes in approaches to its development. As one expert put it: "Previously, the administration focused on international relations. Domestic tourism hardly got any attention. So now, this is something new for us. We need to shift our focus to what we can develop here in our own town. It's really important to set up a coordinating council and update the tourism development programme for Kostomuksha — doing it together".

The district's Arctic localisation: emerging drivers or constraints?

The Kostomuksha municipal district became part of the Karelian Arctic Zone in 2020, although the first Karelian municipalities joined the region as early as 2017. On the one hand, this affiliation provides fresh momentum for tourism, given the strong interest in Arctic tourism development. On the other hand, it draws attention to the area's rather harsh natural and climatic conditions.

Despite the municipality's inclusion in the Karelian Arctic Zone, the expert community is fairly cautious in assessing the new impulses or prospects for Arctic tourism development. Yet, participants noted in passing certain 'advantages' of the municipality compared with Karelia's southern territories. Experts focus primarily on the municipality's current tourism and recreation potential — both its natural and human-made aspects — in the context of developing already established forms of tourism (an analysis of tourism types is provided below). Most participants emphasize the economic factors in tourism development.

Responding to the open-ended question, 'What do you see as the reasons for developing tourism in the Arctic areas of your municipality?', experts primarily cited economic factors and the multiplier effect generated by tourism. One respondent noted, "Tourism is important for our economic development, to keep tourists' money here. It is also crucial to make use of our advantage — or perhaps

¹ The life of the border town of Kostomuksha shown on federal TV, *Runa*, 2022, "Guberniya" Publishing House Information and Entertainment Project, 23.06.2022, URL: <https://runaruna.ru/articles/38000-federalnij-kanal-pokazal-kak-zhivet-prigranichnaya-kostomuksha/> (accessed 02.04.2025).

disadvantage — snow... which is here nine months a year. It is the end of May, and snow is still on the ground. This is part of the territory's brand. Kostomuksha definitely belongs to the Arctic". Similarly, a focus group expert observed, "Arctic Karelia is completely different from Southern Karelia. It has its own beauty, but unfortunately, in terms of tourism, infrastructure, and accessibility, the area is at a disadvantage. Production comes first here". Moreover, based on the conclusion of a state environmental review, "the total operational lifespan of the planned quarry is 35 years from 2018",¹ which places unprecedented responsibility on regional and municipal authorities for the future of the border Arctic municipality and increases the urgency of defining trajectories for its development.

In response to another open question, 'What do you think motivates tourism in the Arctic areas of your municipality? What attracts visitors?' Arctic identity was mentioned only in passing, with experts placing greater emphasis on the pristine nature, silence and tranquillity. Respondents commented on this matter as follows: "Everyone comes for the same thing: for silence and peace, and we still have that... the untouched wilderness is, of course, very appealing"; "pristine nature"; "as for the Arctic, this topic has come up only recently... the Arctic itself is associated with cold and hardship... of course, Arctic tourism should and must be developed... the nature here is clean... what's great about Kostomuksha is that there are no ticks or snakes, which is a major advantage". Experts also observed that the Kostomuksha urban district was included in the Arctic Zone for economic reasons and, unlike Karelia's well-established tourism brand, the Arctic narrative is only gaining momentum.

Arctic-focused events are held annually in Kostomuksha. The Arctic Snow Festival 'Along the Paths of Metsola' is one such event, organised by the Kostomuksha Nature Reserve in collaboration with the Kostomuksha municipal administration and the town's major enterprise, Karelsky Okatysh. In February 2025, the local family festival, which brings together winter sports enthusiasts of all ages, took place for the ninth time. Traditional two-day festival events include Nordic walking (mass start), classic-style ski races, snowshoe races, timed competitions on kicksleds and snow scooters, as well as activities for children.² The inclusion of the district in the Arctic Zone prompted the renaming of the traditional festival to reflect its Arctic character. As one focus group expert noted, "The Arctic Zone reframes the perspective. Before, we kept all of Karelia

¹ Positive Conclusion of the State Environmental Review for the Project on Developing the Reserves of the Central Segment of the Kostomuksha Iron Quartzite Deposit Quarry (Adjustment of the Mining and Transport Section), 2025, "SPb-Giproshakht" Design and Consulting Company, URL: <https://spbgiopro.ru/news/stati/polucheno-polozhitelnoe-zaklyuchenie-gosudarstvennoy-ekologicheskoy-ekspertizy-po-obektu-proekt-otra/> (accessed 02.04.2025).

² "Along the Paths of Metsola' Arctic Snow Festival Opens Its Doors Again!", 2025, Official Internet Portal of the Republic of Karelia, URL: <https://economy.gov.karelia.ru/search/?q=Тропами+Метсолы&how=r> (accessed 02.04.2025).

in mind, but now we also consider the Arctic Zone. Immediately after inclusion into the Arctic Zone, we renamed our festival the Arctic Festival. The festival is linked to winter tourism, sports and all kinds of winter activities”.

At the same time, due to the district’s harsh climate, the weather has a major impact on tourism development. Summers are cool and cloudy, with the warm season lasting three months and July — the hottest month — averaging a high of +20 °C and a low of +10 °C, while winters are snowy.¹ Respondents complained that they are “very dependent on the weather. Last year (2024. — S.K.), we did not have summer at all: +10 °C and rain. All summer. Even booked tours were cancelled 70 % of the time. That is the biggest downside for us”.

Tourism dimension of the town of Kostomuksha: current challenges and experts’ hopes

Central to developing any tourist destination is its tourism and recreation potential and the ability to utilise it fully, adhering to sustainable development principles and taking into account the interests of the local community. Experts unanimously observed the currently low utilisation of Kostomuksha’s tourism potential, attributing it primarily to present challenges and the crucial influence of transport and logistics factors. As one expert noted: “At the moment, the potential is underutilised because there’s no logistics. Kostomuksha is off the beaten track. People have to make a special trip to get here — it’s not somewhere tourists can stop by on the way. No, they have to come here deliberately”. Another participant remarked: “First of all, the transport factor is crucial. Then there is the information aspect, considering we are in such a backwater, with only Finland beyond us. You cannot pass through here in transit; you have to come on purpose, which means 99 % of tourists never reach us. They stay in southern Karelia — Sortavala, Petrozavodsk — also because of the awareness factor. Southern Karelia gets a lot of publicity; we do not. And I understand why: there just are not enough tourist products to offer. You can attract visitors, they’ll come, but what to do with them — we simply don’t know”. Alongside the transport and logistics constraints, the study identified several other factors holding back tourism development: insufficient marketing and a limited range of tourism offerings. Most experts’ expectations are tied to improvements in transport infrastructure — the planned opening of an airport in 2027, the expansion of train services and enhanced, more comfortable bus connections.

Out of the 17 types of tourism identified by experts during the interviews, seven were highlighted as priority avenues for the Kostomuksha town district: ecotourism (noted by 80 % of experts), sports tourism (80 %), heritage tourism

¹ Climate and Average Weather Year-Round in Kostomuksha, 2025, *Weather Spark*, URL: <https://ru.weatherspark.com/y/96775/Обычная-погода-в-Kostomuksha-Россия-весь-год> (accessed 31.03.2025).

(80 %), and family travel (40 %), with one in five experts also mentioning event tourism, business travel, and agritourism. The preference for nature-based forms of tourism is particularly notable.

Although the principal heritage tourism destinations are the village of Voknavolok, with its well-preserved Karelian way of life and dwellings, and the nearby small villages of Pongoguba, Sudnozero, Ladvozero, and Tolloreka, set within picturesque water-forest landscapes,¹ the types of tourism highlighted by experts — sports, event and heritage tourism — are not only rooted in the area's unique tourism and recreation potential. They also rely on principles of sustainable natural resource use. For example, the Petrunpäivä festival, or the Feast of the Holy Apostles Peter and Paul, held since 1993 by the Kostomuksha Nature Reserve and marking the patronal holiday of the village of Akonlahti, is, according to the director of the reserve, the establishment's 'modest contribution to preserving and reviving the culture of the region's indigenous inhabitants' [13, p. 23]. In this village, first mentioned in chronicles in 1679, Elias Lönnrot recorded songs and runes, laying the groundwork for the world-famous epos *Kalevala*.² Moreover, to visit Akonlahti, which became part of the Kostomuksha Nature Reserve in 1983, visitors must "follow the reserve's ecological water route Along the Rune-Singing Sites and Old Settlements of Lake Kamennoe" [13, p. 22].

Sports tourism offers proliferating in the district include water tourism, such as whitewater summer rafting managed by local companies, and winter ski festivals that bring together families at the Kostomuksha Nature Reserve. Considerable effort put in organising sports events and the availability of corresponding infrastructure reinforce respondents' optimistic outlook on the prospects for sports tourism. In September 2024, a year-round fitness and wellness facility was opened in the town under the Demography national project. Experts' expectations centre on the planned development of an indoor ice rink and a ski-biathlon facility, along with the realisation of the human-made natural mountain landscape concept. So far, respondents can only lament that, "unlike Finland's Vuokatti resort, which features artificial as well as natural hills, the district has not yet utilised overburden material from the industrial plant for a potential ski resort".

A synthesis of expert opinions on the town's uniqueness, stemming from its location and its construction by Finnish builders in 1983, suggests that Kostomuksha is, above all, a 'forest' town. This uniqueness aligns well with 'the

¹ Strategy 2030 for the Socio-Economic Development of the "Kostomuksha Urban District" Municipality. Decision of the Council of the Kostomuksha Urban District dated 26.03.2020 №457-SO/III, 2020, *Kostomuksha Municipal District*, p. 69—70, URL: <https://www.kostomuksha-city.ru/strategiya-sotsialno-ekonomicheskogo-razvitiya-munitsipalnogo-obrazovaniya-kostomukshskij-gorodskoj-okrug-do-2030-goda> (accessed 02.04.2025).

² Petrunpäivä, 2025, *Official Website of the United Directorate of the "Kostomuksha" Nature Reserve and the "Kalevala" National Park*, URL: <https://kostzap.ru/saints-day> (accessed 31.03.2025).

key features of Kostomuksha conveyed in the traditional and social media', where 'the surrounding nature is presented as a source of pride... and the presence of a large mining enterprise is not perceived as harmful to the local environment' [4, p. 16]. As Aleksandra Basova, Head of the Kostomuksha Museum, aptly observed, "The Finnish designers integrated Kostomuksha into the landscape in a unique way: the result was a town within a forest — or a forest within a town." She illustrates this with a vivid example: "You can leave your flat in a nine-storey building and immediately step into the forest to pick berries".¹

As of 2022, the majority of tourists in the Kostomuksha urban district were independent travellers, accounting for 85 %, the highest share among border municipalities in the Republic of Karelia. According to expert assessments, the inbound flow of tourists and excursionists to the district reached approximately 25,000 people. The high proportion of independent tourists remains a pressing issue for the municipal administration, protected natural areas and tourism organizations. Among the reasons cited by respondents for this imbalance is the absence of local tour operators, as well as the outbound focus of the existing agencies' offerings (tours abroad or elsewhere in Russia). Experts' complaints are understandable: "There is no local tour operator. We used to have one. Now tourists are mainly brought here as part of packages by a company from Petrozavodsk; once tourists are here, attempts are made to come up with something, to make it work".

Describing changes in the municipality's tourism market, experts note a sharp decline in visitor numbers and a shift in its composition from a predominance of foreign tourists (70 %) to catering exclusively to Russian visitors. Respondents noted that "the number of tourists has fallen severalfold, since before COVID-19, Kostomuksha was an open town and served as a transit point to Finland and further to other parts of Karelia and Russia. There used to be queues and a significant flow of visitors." To partly compensate for this decline, significant emphasis is now placed on developing school tourism, with buses or trains bringing students from Karelian towns within curricular or extracurricular activities. Experts agree that "school tours should be developed, with one-day programmes combined with instruction. Geography and history lessons could be given within a single tour; pupils can visit Karelsky Okatysh to explore future career paths". In addition, they note the existence of a 'Karelia education law providing for subventions under which such activities can be financed'. Another underserved segment highlighted by experts is business travellers, who sometimes stay for several months at local accommodation facilities.

Drawing on its successful experience in international projects, the Kostomuksha expert community hopes for continued grant support from other sources,

¹ The life of the border town of Kostomuksha shown on federal TV, *Runa*, 2022, "Guberniya" Publishing House Information and Entertainment Project, 23.06.2022, URL: <https://runaruna.ru/articles/38000-federalnij-kanal-pokazal-kak-zhivet-prigranichnaya-kostomuksha/> (accessed 02.04.2025).

including federal or regional authorities and various foundations. Experts note an increase in grant opportunities, ‘which we (municipal organizations. — S.K.) actively make use of and which should soon bear fruit’. For example, the Emerald City campsite featuring the Lo Valley¹ rope adventure park opened in Kostomuksha in May 2023 within the Tourism and Hospitality Industry national project. Earlier, in 2022, the Kotiranta guesthouse received a 3 million rouble subsidy from the regional budget to implement an ethnic-style tourism project encompassing cultural events and accommodation opportunities.²

Experts believe that the emerging Arctic identity creates new opportunities for the territory’s development, as inclusion in the Arctic Zone has opened up additional economic prospects. New projects have emerged, along with the possibility of new funding. For instance, in September 2023, entrepreneur Olga Lekhtinen received federal funding of 37 million roubles to build modular non-permanent accommodation units on the premises of the Kotiranta tourist facility. The entrepreneur explains: “We are interested in increasing the attractiveness of Arctic regions for tourists. We want people to come north for our territory to develop, as is currently happening in the Ladoga region (Southern Karelia, centred on Sortavala. — S.K.). In constructing the facilities, we will follow modern modular building technologies and use locally sourced natural building materials”³.

Kostomuksha also participates in inter-municipal projects supported by the Grant Fund of the Head of the Republic of Karelia. For example, a 2022 grant titled Handmade Karelia: New Opportunities for Crafts in Regional Tourism (2 million roubles) aimed to create a platform for the craft sector rooted in the region’s cultural heritage, fostering, to this end, full collaboration among artisans, ethnocultural centres, tourism companies and local authorities.⁴

Other challenges for the municipality include poor coordination among tourism organizations, limited marketing of tourism products beyond Kostomuksha — i. e., across Karelia and other Russian regions (within the town, only a few information boards have been installed as part of international projects) — and a shortage of tourism offerings. Experts note that tourism development in the town “is

¹ Thanks to State Support, a New Camping Site with a Rope Adventure Park Opens in Kostomuksha, 2023, *Official Karelia*, 12.12.2023, URL: <https://economy.gov.karelia.ru/news/12-12-2023-blagodarya-gospodderzhke-v-kostomukshe-rabotaet-novyy-kemping-s-verevochnym-parkom-razvlecheniy/> (accessed 31.03.2025).

² Kotiranta Received a Grant, *64th Parallel Online*, 04.08.2022, URL: <https://64parallel.ru/novosti/kotiranta-poluchil-grant/> (accessed 02.04.2025).

³ “Arctic Star” to Shine in Kostomuksha, *64th Parallel Online*, 20.09.2023, URL: <https://64parallel.ru/novosti/arkticheskaya-zvezda-zasiyaet-v-kostomukshe/> (accessed 02.04.2025).

⁴ Handmade Karelia: New Opportunities for Crafts in Regional Tourism, *Official Website of the Grant Fund of the Head of the Republic of Karelia*, URL: <https://xn--80akjfh2a2i.xn--80af5akm8c.xn--p1ai/public/application/item?id=6fe1c9bc-adfe-468f-be9f-7a087c9ef657> (accessed 02.04.2025).

constrained by the lack of information... There is very interesting material, and it could be presented not academically, but in a popular, engaging and captivating way. If such information were available in leaflet form, every entrepreneur working in tourism could organise and conduct a series of tours in these locations". This concern is echoed in another expert's remark: "There is no single point where tourism opportunities can be brought together. It is not only that visiting tourists struggle to figure out what and where things are — we ourselves do not even know what is available". During the focus-group discussion, one participant summarised: "So, what are the difficulties? Transport accessibility, lack of hotels, low-quality service, absence of information and promotion. Are there enough tourist attractions? Are there prospects for new ones?"

At the same time, while acknowledging tourists' interest in local Karelian cuisine, experts question the profitability of opening specialised venues outside festival periods, such as the Vendace Festival. "On other days, when there are no festivals and no large numbers of tourists who specifically want Karelian cuisine, there is no demand. Ordinary townspeople want sushi and pizza. The café is unprofitable, completely unprofitable. We don't have such an influx of tourists. Nor even a steady flow of people who could ensure a constant income. That is why masterclasses are preferred: you devote three hours and can then focus on other activities... Whereas a café requires service, staff, rent — it is a completely different undertaking".

Another concern involves the district's missed opportunities. One such example is the annual Land of Kalevala Festival in St Petersburg, which brings together participants from over thirty countries worldwide. Karelia joined the event only at its fifteenth edition, having only recently learned of its existence. Experts express several reasons for regret in this situation. First, Elias Lönnrot's fourth expedition took place precisely within the present-day territory of the Kostomuksha municipal district. Second, there is currently "not a single tangible marker" commemorating this fact. Third, "fewer and fewer people remember Elias Lönnrot with each passing year". Seeking to consolidate local resources, experts proposed joint efforts to prepare for the 190th anniversary of the first edition of Kalevala. A further positive development has been the intensified work on designing new interactive routes for Russian tourists, including both adults and schoolchildren, such as the proposed "Hello, Kostomuksha" immersive city tour.

It is noteworthy that the adjectives chosen by focus group participants to characterise contemporary tourism in the Kostomuksha municipal district were highly indicative (each expert was asked to write three adjectives at the end of the session). Taken together, the responses predominantly highlight positive qualities and development prospects for tourism in the area. The adjectives were grouped thematically by the author of this study as follows:

- Type of tourism: 'wild' (4 responses), rejuvenating, event-based, cultural, educational, diverse
- Prospects: promising (3 responses), encouraging

- Current condition: developing, actual
- Emotions: delightful, beautiful, wonderful, enchanting, beloved
- Organization: independent (2), spontaneous
- Negative characteristics: harsh, unworthy, illegal
- Cost-related characteristics: expensive

The adjective ‘wild’ merits particular attention: used four times as a synonym for ecotourism, it highlights the Kostomuksha municipal district’s distinctive quality as a protected area largely untouched by human activity. This definition arises from the focus-group discussion and the experts’ sense of pride in the district’s pristine (‘wild’) nature. The adjective is also associated with the term ‘rejuvenating’, symbolising opportunities for a digital detox for residents of large cities within the preserved natural environment (the term ‘digital detox’ was repeatedly mentioned by experts as a key asset for tourism development in the municipality).

Experts are unanimous in profiling the typical tourist: a married couple in their late thirties or early forties with children aged 10 to 15, from major cities, travelling independently and purchasing specific services that interest them from local providers.

Summarising the expert community’s assessment of the key constraints on tourism development in the Kostomuksha municipal district, the following factors can be distinguished:

- infrastructural limitations, including transport and logistics challenges, as well as insufficient accommodation and catering facilities;
- seasonality of tourism;
- marketing weaknesses, such as the limited online promotion of the district’s tourism and recreational potential and available products;
- shortage of qualified personnel;
- economic constraints, which could be alleviated through more effective participation of the municipality in federal and regional programmes aimed at attracting funding, as well as through stronger engagement of local businesses and the non-profit sector;
- conservation-related restrictions, encompassing legal requirements for environmental protection and limitations on access to certain areas (visitors, particularly foreign nationals, are required to obtain permits); the lengthy approval process for new sites and routes; and practical difficulties in establishing snow-mobile trails, including negotiations with land leaseholders, securing permission to cross frozen rivers in winter, and installing appropriate signage;
- environmental risks associated with increased human activity in protected areas.

Environmental concerns run as a common thread throughout both the focus group and the interviews. Experts are primarily concerned about the level of ecological awareness among local residents rather than visiting tourists, noting that “most of the litter does not come from kayakers, but from those who go out

for barbecues — mostly locals. There is also vandalism.” They also expressed apprehension about uncontrolled tourist flows, which could have adverse effects on the northern ecosystem. As one focus group participant observed, “Northern nature recovers very slowly and with difficulty, and this must be taken into account when designing routes. There must be limits on the number of people per group.” Another expert added, “Where there are many tourists, especially independent ones, the terrain becomes completely trampled. The natural cover is destroyed. Campsites therefore need to be properly organised, with designated paths and toilet facilities”.

These observations highlight the expert community’s strong sense of responsibility for preserving fragile ecosystems and its commitment to promoting the principles of sustainable resource management. Despite the fact that many organizations participating in the focus group have long been key actors in tourism development within the Kostomuksha municipal district, a clear lack of both vertical and horizontal networking remains evident. For example, several experts met each other in person for the first time at the International Barents Business Centre in Kostomuksha during the focus group organized by the author. The shortage of horizontal linkages may be partly explained by the previously high demand for cross-border tourism services, when cooperation with other local organizations was not seen as particularly necessary. Within the ‘authorities — business — community’ framework, some organizations were reported to maintain productive collaboration with the relevant administrative committees, whereas for others this remains an objective yet to be achieved.

Conclusion

In summary, the border Arctic municipality of Kostomuksha is facing significant challenges that have fundamentally altered its previously successful tourism development trajectory. Foremost is the transformation of the district from a hub of cross-border cooperation and tourism in the Karelian—Finnish borderlands into a peripheral settlement actively seeking new pathways for developing as a tourist destination. The limited iron quartzite reserves and the relative obsolescence of strategic documents on certain development opportunities and prospects further exacerbate the challenge of identifying new directions within a constrained timeframe of roughly 35 years. The emergence of the Arctic angle as a factor in the tourism-driven development of the territory is regarded by experts with caution, seen primarily as an opportunity to create a new brand and leverage new economic prospects. The municipality’s unique characteristics, with protected areas covering one third of its territory, largely determine the specifics of its tourism industry and local recreation. The study found that most types of tourism developing in the Kostomuksha municipal district are nature-oriented, encompassing not only ecotourism but also sports, cultural and heritage, event-based, and family tourism.

Given the broad range of constraints on tourism development in the border Arctic municipality, stemming both from the particularities of the destination's development and the impact of contemporary challenges, the following recommendations appear to be the most effective for addressing them.

1. Current circumstances require a reorientation of tourism in Kostomuksha from cross-border travel and international transit toward domestic tourism, with particular attention to previously overlooked visitor groups such as schoolchildren and business travellers. Targeted engagement with these audiences may also help to mitigate the effects of seasonality.

2. Winter tourism and related services may constitute a particularly promising area for development, given the district's Arctic location, consistent snow cover, and the availability — as well as ongoing improvement — of sports and tourism infrastructure for winter activities. The municipality's prior experience in hosting successful events further strengthens this potential.

3. A science-based approach is essential for the effective development of tourism in the Kostomuksha municipal district. Comprehensive geographical and ethnographic studies of Kostomuksha and its surroundings would help to identify the area's distinctive features and emphasise its unique appeal, providing strong incentives for visitation. A clearer understanding of the municipality's strengths would, in turn, facilitate the creation of new tourism products and expand opportunities to attract visitors from within the Republic of Karelia, other Russian regions, and abroad.

In conclusion, it is important to emphasize that contemporary challenges compel all segments of the triad — authorities, business, and society — to reconsider development opportunities through the lens of cooperation and collaboration for the benefit of the municipality's socio-economic progress. At present, interactions within the municipality remain somewhat fragmented, resulting in the absence of a comprehensive approach to tourism development. While such fragmentation may once have been economically justified, current conditions call for stronger networking between commercial and non-commercial tourism organizations. Establishing a tourism council under the district administration could play a pivotal role in facilitating this process. Regular meetings of the triad's representatives would make it possible to gain a fuller understanding of existing challenges in tourism development, identify priority areas for joint action, generate new tourism initiatives, and strengthen applications for state subsidies and grants from various funding bodies. Given the distinctive contributions of both commercial and non-commercial tourism providers, the Kostomuksha municipal district would benefit more from coepetition, constructive cooperation amid competition, than from rigid rivalry.

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The author

Dr **Svetlana V. Kondrateva**, Senior Research Fellow, Institute of Economics, Karelian Research Centre of the Russian Academy of Sciences, Russia.

<https://orcid.org/0000-0001-8832-9182>

E-mail: svkorka@mail.ru



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