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CONTENTS

Geoeconomics and Geopolitics

Regional Economy

Political Regional Studies

Review

GEOECONOMICS AND GEOPOLITICS

THE 'COOL WAR' IN THE BALTIC SEA REGION: CONSEQUENCES AND FUTURE SCENARIOS

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The relevance of this topic is determined by the Baltic region playing a special role in the current confrontation between Russia and the West, which is most accurately defined by the term 'cool war'. Russia borders on the EU and NATO in that region. In this study, I aim to demonstrate the impact of the 'cool war' on international relations in the region and explain why the preservation of the status quo is the most likely scenario. I conclude that, in recent years, a certain regrouping has occurred in the region: there has been a stepping-up on the activities of the US and NATO, whereas the influence of EU institutions has decreased. A deep rift has developed between Russia and all other states in the region. There are five possible mid-term scenarios, ranging from outright confrontation to effective cooperation: an armed conflict, a dramatic aggravation of the current tensions without an armed conflict, the continuation of the 'cool war', the normalisation of relations, and a transition to large-scale cooperation. I argue that the 'cool war' scenario is the most likely, and the other four belong to the realm of the politically possible. Although the improvement of relations with the other states in the region is not very probable, Russia will benefit from taking every possible step towards it.

Keywords:
Baltic Sea region, cool war, Cold War, foreign policy of Russia,
USA, NATO, European Union

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Introduction

The deterioration of the world situation is visible in the confrontation between Russia and the West. Many politicians, experts, and journalists refer to it as a 'new Cold War'. This designation, however, is not universal. On February 4, 2019, Sergey Lavrov, Minister of Foreign Affairs of the Russian Federation, stressed in his speech that we were facing a new era rather than a new cold war.[1] According to Gültekin Sümer's definition, which is the most accurate in my opinion, a cold war is 'the highest stage of a polarized tension between two actors'. At the time of the Cold War, two actors monopolised world politics. Convinced that they were acting in the best interests of humanity, they made international relations extremely ideologised. Firstly, any step taken by one actor, no matter how insignificant, was interpreted by the other as an existential threat. Secondly, both societies felt that they had an enemy that threatened their very existence. Thirdly, there was a threat of escalation to an all-out war [1].

I believe that today we are facing a completely different phenomenon. Firstly, the Cold War was not a mere confrontation between two power blocs but rather a conflict between two antagonistic socio-political systems, each seeking to destroy the other. What we have now is a struggle between two capitalisms — state-driven authoritarian capitalism and its liberal democratic counterpart. It is a confrontation between institutions rather than between socio-political systems or civilisations. The goal of the actors is not to destroy each other but to change those international rules that, in their opinion, jeopardise their interests. The conflict is not antagonistic, and reconciliation is essentially possible. Although both parties are filled with fervour, the tensions do not stand comparison with the hatred of the Cold War.

Secondly, unlike the Cold War, today's confrontation is not global. Many countries of Latin America, Africa, Asia, and the post-Soviet space do not have a stance on the conflict.

Thirdly, the major areas of confrontation have changed. At the heart of the Cold War were the arms race and, to a lesser extent, ideological struggle. Today, the front line of confrontation runs through the realms of economy and cyberspace.

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[1] Ministry of Foreign Affairs of the Russian Federation. The speech and question and answer session given by Minister of Foreign Affairs Sergey Lavrov at the Kyrgyz-Russian Slavic University, Bishkek, February 4, 2019. Official Website of the Ministry of Foreign Affairs of the Russian Federation. Available at: http://www.mid.ru/posledniye_dobavlnenniye/-/asset_publisher/MCZ7HQuMdqBY/content/id/3499736 (accessed 10.02.2019).

Fourthly, countries are engaged in dialogue more deeply than they were during the Cold War: secret services and the military maintain contacts, which were unthinkable in the past; collaborations in culture, science, and education maintain their momentum.

Today's situation is described more accurately by the term *cool war* [2]. Naturally, this does not mean that one should underestimate the dangers and threats that might arise in the future. The major problem here is international processes becoming less manageable and less predictable. In this article, I aim to demonstrate how the cool war affects international relations in the Baltic Sea region and to explain why the continuation of the cool war is the most likely scenario. As for methodology, I analyse the evolution of international relations in the Baltic Sea region to describe the behaviour of the key actors in the region and to identify major trends. Moreover, I rely on the scenario method while taking into account the areas and intensity of interactions between Russia and the other countries of the Baltic Sea region.

New trends and new problems

International relations in the Baltic Sea region have been affected during the cool war by two major trends. These are the regrouping of the countries that belong to the 'traditional West' and the rift in relations between Russia and other Baltic Sea states.

The major factors behind the regrouping of the 'historically Western' states are the increasingly active stance of the US in the region, the growing role of NATO, and the shrinking role of the institutions of the European Union.

Between the end of the Cold War and the Ukraine crisis of 2014, the US paid limited attention to the Baltic Sea region. The Northern Europe initiative came to a halt when George Bush Jr replaced Bill Clinton as president.[2] Although, the US welcomed the accession of Poland, Lithuania, Latvia, and Estonia to NATO, its support for the new members was quite irregular. For instance, in 2006, Dick Cheney made critical remarks against Russia at a conference in Vilnius.[3] When deciding on a missile defence system in Poland, the US relied on global rather than regional vision.

Today, Washington has become a prominent actor across many areas: economics, security (including cybersecurity), politics, etc. Note that the increased

[2] The Northern Europe Initiative // United States Department of State Archive. Available at: https://1997–2001.state.gov/regions/eur/nei/index.html (accessed 10.02.2019).

[3] Vice President's Remarks at the 2006 Vilnius Conference. May 4, 2006 // The White House. Available at: https://georgewbush-whitehouse.archives.gov/news/releases/2006/05/20060504–1.html (accessed 10.02.2019).

activity of the US in the Baltic Sea region enjoys support from both the country's political elites (almost all the relevant bills and resolutions receive votes from both Republicans and Democrats in Congress) and the general public. According to recent polls, unprecedented 54% are in favour of the involvement of the US troops in a hypothetical military conflict between Russia and the Baltic States [3]. On the other hand, almost all the counties of the Baltic region, which have a friendly relationship with the US, are aligning with Washington rather than Brussels, viewing the former as the best guarantor of stability. All of them would welcome stronger US presence in the region and the country's greater involvement in the Baltic affairs, although they may differ in how they see the desired forms and extent of such involvement.

A logical continuation of this trend is the growing role of NATO. Although Poland, Lithuania, Latvia, and Estonia have been members of the alliance for quite some time, NATO infrastructure was almost absent in these countries. Now a battalion-size battlegroup operates in each country on a rotational basis as a proof of the commitment of the alliance to its obligations towards its allies.[4] The concerns expressed by some members of the Baltic elites regarding President Trump's commitment to NATO obligations were quickly dispelled. Since the 2014 NATO summit in Wales, connections and collaborations between NATO, on the one hand, and Finland and Sweden, on the other, have been growing [4; 5]. In autumn 2018, the largest post-1991 NATO exercise took place in and around Norway.[5] Although focused on the Arctic (which is quite logical since the Nordic countries, including Sweden and Finland, were involved), it affected the situation in the Baltic Sea region. Almost all the countries of the region view NATO as the major factor in ensuring their security and participate in various defence projects of the EU [6]. However, most Western analysts believe that NATO could ensure the security the Baltics States, using a range of military and non-military means. An influential American commentary on the issue says: 'NATO possesses a powerful military deterrent, but its political deterrent is more powerful still' [7]. The NATO factor will very likely play a growing role in the Baltic Sea region.

Until recently, the EU and its institutions contributed enormously to the Western policy towards the Baltic Sea region. Today they are playing a smaller yet noticeable role. The new state of affairs is a result of the internal problems of the EU: the failure to adopt a constitution, the financial crisis of 2008, the

[4] Boosting NATO's presence in the east and southeast. 2018. 10 Sept. // NATO. Available at: https://www.nato.int/cps/en/natohq/topics_136388.htm?selectedLocale=en (accessed 10.02.2019).

[5] Trident Juncture 2018 Press Conference. 10 Oct. 2018 // NATO. Available at: https://www.nato.int/cps/en/natohq/opinions_159119.htm?selectedLocale=en (accessed 10.02.2019).

Greece debt crisis, the migrant crisis, the 2016 Brexit referendum, etc. All the above made the ideas and accomplishments of the Union less attractive to some of its residents and gave a boost to Eurosceptics. Moreover, people in the new member states expected a greater effect of accession and a more rapid increase in living standards. An ideational and political differentiation has occurred in the Baltic Sea region. The positions of Liberalism and Euro-optimism became weaker. Right populists have gained ground in Germany. In Poland, the ruling Law and Justice party has embraced a policy that is being condemned by the EU as contradicting European values.[6]

Euroscepticism is growing in the Nordic countries. Critical attitudes towards the EU are becoming visible even in Lithuania, Latvia, and Estonia [8]. Differentiation affects the political moves of these states: they back contrary positions on such important issues as migration and the Nord Stream 2 pipeline. Although the Baltic Sea states were among the creators of the sanctions regime against Russia, there are nuances to their relations with the country.

Overall, differences between the Baltic Sea members of the EU are growing. These differences, however, will never go beyond a certain limit. Despite the escapades of individual politicians, it is hard to imagine any Baltic region country to embark on the journey of leaving the EU. Most of the local population and elites understand that they benefit from their EU membership. Moreover, the complications of Brexit (difficult negotiations with Brussels and a domestic political crisis) are another discouraging factor. The 2019 European Parliament elections proved that Eurosceptics and populists have a limited influence on the Baltic Sea states. Apparently, the problems faced today by the EU are a crisis of concrete forms of European integration rather than of the phenomenon per se.

One might conclude that the positions of the 'historical West' have strengthened and even consolidated to a degree in the Baltic Sea region.

At the same time, the Chinese factor is becoming more conspicuous in the Baltic Sea region. China works there along three avenues: strategic partnership with Russia, the 16+1, and the Belt and Road Initiative [9]. The country supports Russia by criticising any anti-Russian sanctions imposed without explicit UN Security Council authorisation, particularly, by the Baltic Sea members of the EU. In summer 2017, the first Russian-Chinese maritime exercise was held in the Baltic Sea [10]. It aroused immense interest because it preceded the *Zapad* Russian-Belarusian manoeuvres. The 16+1 initiative was launched to boost collaboration between the PRC and former socialist countries of CEE,

[6] The resolution of 15 November 2017 on the situation of the rule of law and democracy in Poland (2017/2931 (RSP)) // European Parliament. Available at: http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+TA+P8-TA-2017–0442+0+DOC+PDF+V0//EN (accessed 10.02.2019).

including Poland and the Baltics. Remarkably, the fifth prime ministers' meeting within the initiative took place in November 2016 in Latvia.[7] China's Belt and Road Initiative is meant to include as many states as possible, including those in the Baltic region. Both the 16+1 and the Belt and Road give priority to economic projects. The Chinese pay special attention to IT, communications, transport, development, and infrastructure [11]. Today, Beijing does not have any significant political differences with the Baltic Sea states; it rarely makes political statements regarding the situation in the region.

The rift between Russia and the other states is of more consequence to the future of international relations in the Baltic Sea region. At this stage, the Baltic Sea states, to a varying degree, consider Russia a violator of international law and threat to their security. The EU viewed the country as a strategic partner in 1991–2104 and tried, albeit not always consistently, to make it part of multilateral collaboration. Now even these attempts are a thing of the past. In practice, Russia treats both NATO and the EU as rivals, not as partners. Overall, the West has adopted a policy of soft containment. The US legislation of 2017 explicitly embodies this new approach [12].

The economic situation is deteriorating. After the beginning of the Ukraine crisis in 2014, the EU, Norway, and Iceland imposed sanctions on Russia (the measures were expanded later). Moscow responded with countersanctions, which included a ban on agricultural imports. The economies of both parties have adapted to the sanctions regimes. The Russian economy, however, sustained considerable losses because the sanctions coincided with a dramatic drop in oil prices and several other negative factors. Strained international relations have affected the economy of north-west Russia — the region that was the country's principal international trade operator for almost twenty years. Exports and imports shrank; the revenues of the largest exporters fell; the rates of economic growth and fixed-asset investment decreased [13]. The sanctions and the countersanctions, however, dealt a blow to both current business ties and future contracts. Because of uncertainty, businesspeople are opting for short-term deals and avoiding large projects requiring substantial investment. Whenever possible, international businesses from the Baltic Sea region are trying to replace Russians with partners from other countries.

In view of the proportion of energy exports in the EU–Russia bilateral trade and the contribution of levies on energy sales to the national budget revenue, any change in energy markets has a tremendous effect on the country. This

[7] Ministry of Foreign Affairs of the Republic of Latvia. 5th Meeting of Heads of Government of Central & Eastern European Countries and China (16+1). May 16, 2016. Riga, Latvia. Official website of the Ministry of Foreign Affairs of the Republic of Latvia. Available at: https://www.mfa.gov.lv/ru/sotrudnichestva-stran-centralnoj-i-vostochnoj-evropy-i-kitaya (accessed 10.02.2019).

explains the ferocity of the ongoing struggle over Nord Stream 2. The German government and businesses are welcoming the project, whereas the US and some Baltic Sea states are opposing it. The US adopted a law mandating special sanctions to prevent the construction of the gas pipeline.[8] Sanctions may cause Russia to incur substantial extra costs, covering which may prove difficult amid socioeconomic constraints. At the same time, US corporations are offering to arrange LNG shipment to Europe. Today Russian gas is cheaper than its US counterpart is. In the near future, however, the products from the two countries will compete for the markets. Of special interest here are the positions of Poland and Lithuania. The government of Poland has announced a plan to give up Russian gas by 2022.[9] Restructuring the energy sector to cut down on and finally give up Russian gas purchases is part of Lithuania's 2018 strategy for national energy independence.[10] Probably other states will follow the example of the Baltic country, albeit it not that ostentatiously. The outlines of a new divide running across the energy industry are becoming clear. This divide will have far-reaching consequences.

There is a serious rift between Russia and the other Baltic Sea countries as regards security issues. The region used to be one of the most peaceful during the Cold War and immediately after it. This is not, however, the case anymore. Mutual suspicion replaced long-standing trust.

A major trend in today's international relations, which has a profound effect on the Baltic Sea region, is the decay of the system of disarmament and arms control agreements. After the US withdrawal from the ABM Treaty, a missile defence base was sited in Poland. Russia's objections were ignored. The West interpreted it as the unwillingness of the country to accept that the former Warsaw Pact states had moved beyond Russia's sphere of influence. Russia suspended its participation in the Treaty on Conventional Armed Forces in Europe in 2007 and completely withdrew from it in 2015.[11] The reason for this decision

[8] Countering America's Adversaries Through Sanctions Act (H.R. 3364). 115th Congress Public Law 44. 2017. 8 Feb. Available at: https://www.congress.gov/bill/115th-congress/house-bill/3364/text (accessed 10.02.2019).

[9] Poland aims to stop importing natural gas from Russia after 2022. Available at: http://www.thenews.pl/1/9/Artykul/326978, Poland-aims-to-stop-buying-Russian-gas-after-2022-FM (accessed 10.02.2019).

[10] National Energy Independence Strategy of the Republic of Lithuania. P. 14. Available at: http://enmin.lrv.lt/en/sectoral-policy/renewable-energy-sources/legislation-2 (accessed 10.02.2019).

[11] RIA Novosti. Ministry of Foreign Affairs: Russia suspends CFE partnership. March 10, 2015. RIA Novosti website. Available at: https://ria.ru/20150310/1051832783.html (accessed 10.02.2019).

was the discontent of the Russian military with the treaty's flank restrictions.[12] The Intermediate-Range Nuclear Forces Treaty of 1987, which symbolised the end of the Cold War, was terminated in August 2019. All the above makes the situation in the Baltic Sea region less predictable. The region is ramping up its military capacity. Although it is incomparable with what was going on during the Cold War, militarisation is starting to affect the atmosphere in the region. Measures to build trust and increase control are becoming less efficient; moreover, they are used selectively in practice. The grievances of the parties are addressed either nominally or not at all.

A special case is the cyberspace situation. Recently there have been no conflicts in the region comparable to the accusations against Russia of interference in the 2016 US elections. A similar concern arose only in Sweden before the parliamentary election of 2018.[13] At the same time, the Baltic Sea states have suspicions against Russia concerning lesser episodes. The most important in this respect is the virtual absence of prospects for cybersecurity cooperation between Russia and the other Baltic Sea states. The parties are guided by completely different principles when developing their policies in this field. In this situation, it is very difficult to find common approaches even to concrete issues.

The political rift consisted of a dramatic reduction and even severance of contacts at the highest level, including the summits of the Council of the Baltic Sea States. Ministers of foreign affairs and other officials do not meet on a regular basis any more. Such meetings, if any, focus on current affairs. Parliamentary ties proved to be the most stable. The Baltic Sea Parliamentary Conference continues its work without major disruptions.[14] Russia and the other Baltic Sea states support opposite positions on almost all urgent international problems: the 2014 referendum in Crimea, the situations in the Donbas and Syria, etc. The Baltic Sea states supported London over the Skripal affair and expelled Russian diplomats in solidarity with the UK. The situation is aggravated by propaganda campaigns: Russia sharply criticises the US, the EU, NATO, and individual countries of the region, particularly, Poland and the Baltics. In their turn, these states and organisations have launched a propaganda campaign against Russia. The last but not the least, both sides suspect each other of intervention in their

[12] RBC. Russia offers NATO compromise on CFE. May 16, 2008. RBC. Available at: https://www.rbc.ru/politics/15/05/2008/5703cc899a79470eaf76a9eb (accessed 10.02.2019).

[13] Swedish PM warns of foreign influence ahead of 2018 poll // Radio Sweden. Available at: https://sverigesradio.se/sida/artikel.aspx?programid=2054&artikel=6655535 (accessed 10.02.2019).

[14] The 27th Baltic Sea Parlimentary Conference Mariehamn 26–28 August 2018. Available at: http://www.bspc.net/annual-conferences/the-27th-baltic-sea-parlimentary-conference-mariehamn-26–28-august-2018/ (accessed 10.02.2019).

domestic affairs. Moscow believes that the Russian opposition has support from not only the US and the EU, but also individual Baltic Sea countries (first of all, Lithuania), whereas the EU countries are convinced that the Russian leadership supports their far-right and far-left forces to weaken the Union as severely as possible.

The situation is better in culture, education, science, tourism, student exchange, cross-border cooperation, etc. Collaborations in those fields were curtailed (primarily, by the Russian side) for financial rather than political reasons. Most projects are, however, short-term. Alas, they cannot alter the current atmosphere of alienation.

Therefore, the main consequences of the cool war for the Baltic region are as follows:

the West has consolidated and strengthened its position; the significance of the US factor has increased;

new tangible and sensitive divides have appeared between Russia and the other states of the region;

the space for cooperation between Russia and the other Baltic Sea states has shrunk.

In effect, Russia's situation in the Baltic Sea region can be called 'soft isolation'. Overcoming it will require time, concrete targeted steps, and, most importantly, the restoration of trust and commitment to cooperation from all the states and international organisations in the Baltic Sea region.

What lies ahead: scenarios for the future

Probably the best method for estimating the prospects for international relations in the Baltic Sea region is scenario-building that relies on the principles formulated by the French school of *La prospective*. One of its prominent members, Michel Godet, suggested that scenarios should rely on structural analysis in view of internal and external variables affecting the strategic choices of actors [14; 15]. In the Baltic Sea region, the strategies of local actors are determined by domestic situations, regional trends, and the global context. In view of the apparent rift in relations between Russia and the other states of the region, one can expect these actors and their strategic choices to influence the situation in the region. Analysis of their interactions creates a framework for building concrete scenarios. Key indicators to be used in the scenarios are the general tenor of interactions (tendency towards cooperation or conflict) and their intensity (the degree of cooperation or conflict). If the current situation is used as the reference point, scenarios should estimate the potential for cooperation or conflict between actors. Once the intensity of interactions is determined, one can consider individual scenarios. Depending on the intensity of interactions, the

conflict behaviour of actors may translate into various scenarios ranging from growing regional tension (a low conflict intensity) to a global conflict (a high conflict intensity). There are diverse theoretical scenarios for cooperation: from a warming in relations (a low cooperation intensity) to effective cooperation (a high cooperation intensity).

Naturally, future developments will depend on not only the situation in the Baltic Sea region, but also international relations in a broader, global context. In a mid-term perspective, however, international relations will follow one of the five scenarios: a military conflict, growing tension without military escalation, the continuation of the cool war, normalisation of relations, and effective multilateral or bilateral cooperation. Below I will consider all these scenarios from the most to the least confrontational

The first one is the military conflict scenario. Today most international conflicts are domestic crises expanded under the influence of international interventions. Many Russian experts criticise how the Baltics have developed since independence, stressing that they have failed to create attractive economic and political models [16]. None of these countries, however, shows signs of a domestic confrontation that can paralyse or destroy governmental structures as was the case in Ukraine and some Arab states. Although domestic tension in the Baltics is lower than in the latter countries, a regional conflict is possible in three other cases. These are a direct clash between Russia and NATO; a conflict triggered by an incident, a technical malfunction, or a misinterpretation of the intentions of the other side; a conflict in an adjacent region spreading to the Baltic Sea region.

A direct clash between Russia and NATO in the Baltic Sea region is possible only in the case of a larger, global conflict. In December 2018, President Vladimir Putin expressed his concern about the trend to lower the threshold for the use of nuclear weapons.[15] Probably, one should pay attention to the experts believing that the Russian leadership's frequent declarations about the possibility of a nuclear conflict mean that the country does not rule out the hardest variant [17]. Some Russian military experts argue that nuclear disarmament went so far after the Cold War that nuclear conflicts would not lead to the destruction of humanity [18]. Moscow's most serious concerns in the Baltic region relate to the siting of missile defence elements in Poland and the potential placing of US medium- and small-range missiles. John Bolton, at the time National Security Advisor of the United States, stated that Washington did not plan to deploy me-

[15] Vladimir Putin's annual news conference. December 20, 2018. Available at: http://www.kremlin.ru/events/president/transcripts/59455/ (accessed 10.02.2019).

dium- and small-range missiles in Europe.[16] Moscow, however, did not take this statement seriously. The Committee on Defence and Security recommended the Security Council to consider a revision of national defence policy and to substitute the pre-emptive strike concept for the retaliatory strike one.[17] Not all Russian experts share this point of view. Some of them (rightfully, in my opinion) believe that no substantial changes have taken place in that area and thus there are no grounds for revising the policy [19]. Despite tough rhetoric, direct and deliberate military confrontation between Russia and NATO is very unlikely.

A more complicated question is whether a military conflict can be triggered by an incident, a technical malfunction, or a misinterpretation of the intentions of the other side. A text written by a group of prominent politicians to commemorate the 100th anniversary of the end of World War I describes a hypothetical incident: Russia holds a large military exercise in its regions bordering NATO states and shoots down a NATO surveillance aircraft, which approached the country's air space by accident. After that, the two sides exchange threats and ultimatums: Europe finds itself on a brink of a conventional conflict, which may devolve into nuclear warfare [20]. According to the US journalist Bob Woodward, whose statement, however, requires trustworthy evidence, the Russian military unofficially warned the US Secretary of Defence Jim Mattis that tactical nuclear weapons could be used if a conflict arose in the Baltics [21]. The contacts that Russia's Ministry of Defence uses to prevent incidents between its country and Finland (and some other states)[18] are useful, yet they cannot solve all the problems. At the same time, the level of trust between Russia and the other Baltic Sea states, particularly, as regards security matters, is today at its minimum. Confidential agreements are impossible now.

A serious threat is a conflict in a neighbouring region spreading to the Baltic: this chiefly concerns Belarus and the Arctic. The social contract between Belarusian authorities and people has been malfunctioning, whereas measures taken by the country's leadership in this respect have caused even greater tensions [22]. At some point (it is difficult to say when exactly), Belarus will wit-

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[16] Bolton says we're a long way from deploying U.S. missiles in Europe. October 23, 2018 // Reuters. Available at: https://www.reuters.com/article/us-usa-nuclear-bolton-inf/bolton-says-were-a-long-way-from-deploying-u-s-missiles-in-europe-idUSKCN1MX2L9 (accessed 10.02.2019).

[17] Finanz.ru. Putin receives proposal on pre-emptive nuclear strike. November 22, 2018. Finanz.ru website. Available at: https://www.finanz.ru/novosti/aktsii/putinu-predlozhili-uprezhdayushchiy-yaderny-udar-1027748608 (accessed 10.02.2019).

[18] Ministry of Defence of the Russian Federation. Deputy Minister of Defence of Russian Federation Colonel General Aleksandr Fomin meets Permanent Secretary of] Ministry of Defence of Finland Jukka Juusti. December 10, 2018. Official website of the Ministry of Defence of the Russian Federation. Available at: https://function.mil.ru/news_page/country/more.htm?id=12207555%40egNews (accessed 10.02.2019).

ness a transfer of power to younger politicians. The way the transfer will be carried out depends on how much external actors will intervene in the process. If the intervention is limited, the political class of Belarus will most probably achieve a compromise and the events will unfold peacefully, just as it happened in Armenia. Substantial intervention, however, may lead to outright conflict. Although the Russian leadership welcomes deeper and broader integration within the Union State, it continues to stress that the unification of the two countries is out of question.[19] Having taken a cautious position on the unification, Minsk is probing the ways to improve relations with the West. The West has many means to influence the situation in Belarus. According to some estimates, they are greater than those of Russia [23]. There are no signs, nevertheless, that the West is ready to exploit its enormous potential and enter another confrontation with Russia. Although it does not seem likely that the Ukrainian scenario will repeat in Belarus, such a turn of events cannot be excluded. If a similar crisis arises in Belarus, it will involve all the neighbouring states to varying degrees.

Even Western critics of the Russian leadership admit that the same two trends continue to dominate Moscow's policy in the Arctic after the Ukraine crisis of 2014. On the one hand, Russia views the West as a threat, yet, on the other, it is trying to establish constructive relations with other Arctic states [24]. The signs that the situation is taking a turn for worse have become evident: there is a general feeling of political uncertainty as to the demarcation of the external border of the continental shelf in the Arctic Ocean; dwindling cooperation on security; a deepening divide between Russia and the other Arctic states. At this stage, attempts to impose military control of disputed areas in the Arctic seem very unlikely. The same applies to a confrontation between Russia and NATO in the North Atlantic or an unintentional escalation of tensions at the Russian–Norwegian border [25]. NATO is equally cautious now in framing its policy ('low tensions' in the High North).[20] Of course, NATO will seek to expand its influence in the Arctic, however, without provoking a conflict. If the international situation deteriorates, a conflict may arise. Inadvertent escalation of tensions and even military confrontation can be triggered by misinterpreting the intentions of the other side. If such a conflict arises, it will very likely spread beyond the Arctic and involve the Baltic Sea states.

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[19] Izvestiya. Peskov on reaction of EAEU members to Belarusian integration. December 29, 2018. Izvesstiya website. Available at: https://iz.ru/829521/2018–12–29/peskov-rasskazal-o-reaktcii-chlenov-eaes-na-integratciiu-belorussii (accessed 10.02.2019).

[20] Joint press conference with NATO Secretary General Jens Stoltenberg and the Minister of Defence of Norway, Frank Bakke-Jensen at the Trident Juncture 2018 distinguished visitors' day // NATO Official Site. October 28, 2018. Available at: https://www.nato.int/cps/en/natohq/opinions_159853.htm?selectedLocale=en (accessed 10.02.2019).

Events in Ukraine will inevitably affect the situation in the Baltic Sea region. The effect of the Ukraine crisis, however, will be limited and very unlikely to cause an open military conflict.

Thus, the probability of the most dramatic scenario, an armed conflict in the Baltic Sea region, is very low.

The second scenario is growing tensions without military escalation. Such a turn of events will be possible if tensions grow between Russia, on the one hand, and the US and the EU, on the other, regardless of the reason or if a non-military crisis arises in Belarus or the Arctic. Growing confrontation is possible in any field. The most likely consequences are the complete blocking of Nord Stream 2 and the countries in the region switching to gas supply from other sources than Russia; an arms race in the region (although the placing of medium- and small-range missiles in the region is improbable, other weapons may be deployed there); an escalation in cyberspace and a new wave of mutual accusations reinforcing propaganda campaigns, harsh rhetoric at international forums and conferences, and a reduction in political contacts and meetings; dwindling cooperation in culture and education (although dramatic changes to the worse cannot be expected).

This scenario may cause the Baltic Sea region to fall back to the days of the Cold War, which, however, is not likely to return in full force. This scenario is more probable than that of a military conflict is.

The third scenario is the cool war continuing and confrontation persisting at the same level as today, with slight oscillations. This turn of events may be prompted by both internal and external factors. Trump believes that the principal rival of the US is China. He will try to avoid a serious escalation with Russia since it can encourage the country to forge closer ties with China on anti-Western grounds. The Baltic Sea EU states are not ready to make concessions to Russia, nor are they willing to increase confrontation, which is definitely against their interests. Russian elites believe that the national economy has generally adapted to the sanctions, that social and political stability has been ensured, and that the way to deal with the confrontation is to wait it out until the West gets tired of it. Although risky moves are possible, most of the population is tired of international tensions. The EU sanctions and the Russian anti-sanctions will remain, and there is no doubt that the US sanctions will not be lifted. The question is how much they will affect the situation in the region. The central issue is, of course, Nord Stream 2. If the cool war continues, the pipeline will be built, yet LNG supplies from the US to Europe will be arranged too. Europe is not likely to give up Russian gas in the foreseeable future. Gazprom, nevertheless, will have to comply fully with EU regulations and to take into account the competition when developing a pricing and supply policy. Although significant changes in the military are not expected, military capacities may be built up in the region [26]. The gradual development of relations between the

US, on the one hand, and Sweden and Finland, on the other, will continue, albeit at a slow pace [27]. Although Sweden and Finland will cooperate with NATO, they most probably will not join the alliance. The situation in the Baltic region will remain mostly unchanged. The intergovernmental dialogue will continue. Presumably, it will be more constructive as long as concrete urgent issues are concerned. Cooperation within short-term projects in culture, education, science and tourism and joint efforts of twin cities and border areas will develop at the same pace. Contacts in those areas may dwindle for financial rather than political reasons.

Global and regional actors are not interested in a dramatic deterioration in relation, nor are they ready to make concessions. Thus, the above scenario seems to be the most likely.

The fourth scenario is normalisation and gradual improvement in relations. It requires several conditions to be met: the lowering of tensions between Russia, on the one hand, and the US, NATO, and the EU, on the other; the resumption of serious constructive dialogue covering not only isolated issues but also the whole range of problems existing in the Baltic region; a significant reduction in military activities; the resumption of the summits of the Council of the Baltic Sea States; a gradual weakening of sanctions and countersanctions (lifting them in the most favourable case); abandonment of economic measures as a political means; closer cooperation in culture, education, science, and tourism. Going back to the 2014 situation, however, is impossible. This unlikely scenario largely depends on the situation in the global arena and relations between Russia and the West.

The fifth scenario is not only normalisation and improvement in relations, but also a dramatic shift to effective cooperation in the Baltic Sea region. Unlike the fourth scenario, it requires not only the leading actors but all the states in the region to come to an understanding. Cooperation between states and civil societies is necessary here.

In the mid-term, developments in the Baltic Sea region will be affected by both the domestic situation in each country (which will be more or less stable) and relations between major actors at a global and local level. Although the most likely scenario from this perspective is the continuation of the cool war, an increase in confrontation is more possible than a shift towards cooperation. The two extreme scenarios (a military conflict or effective cooperation) are possible in theory albeit improbable in practice.

Russia in the Baltic Sea region: ways out of soft isolation

The perspective adopted in the Global Forecast for 2019–2024 of the Russian International Affairs Council has become dominant in the Russian expert community. According to the forecast, Russia's relations with the other Baltic

Sea states will remain strained [28]. Although there is a strong tendency towards confrontation, one cannot fully agree with the above conclusion. A number of events of spring 2019 may be harbingers of an improvement. These are the International Arctic Forum in Saint Petersburg attended by the leaders of Sweden, Finland, and Iceland, who held bilateral negotiations with President Putin; the visit of President of Estonia Kersti Kaljulaid to Russia; a meeting of the Russian and Polish ministers of foreign affairs, the first in several years. These meetings show that, in the Baltic Sea states, there are influential circles that want normal relations with Russia. An objective interest of Russia is bilateral and multilateral cooperation in the Baltic Sea region rather than deeper confrontation, new rifts and conflicts, or stronger isolation. To overcome confrontation trends or, to begin with, to weaken them, Russian should be more active. At first, Russian initiatives can focus on issues of secondary importance. If they receive a positive response from the other side, problems of greater significance can be addressed. Russian initiatives should not seek to aggravate differences within the EU, NATO, and the Baltic Sea states, nor should they arouse such suspicions.

Firstly, it is necessary to move the problems of the Baltic Sea region up Russia's foreign policy agenda.

Although Russia has taken a turn to the East, its relations with the West remain significant in practice. Collaborations between Russia and the West focus on the struggle against terrorism, international crime, and drug trafficking, arms and arms race control, advances in science and technology, and conflict resolution. In the short term, the EU will remain Russia's major trade partner, and the Baltic Sea region will play a considerable role in relations between Russia and the West. The Russia–NATO and the Russia–EU border runs across the Baltic region, which has become a litmus test showing in what direction the relations between these actors will develop.

Whichever turn the situation takes, Russia should pay increased attention to the Baltic Sea region. Dmitry Lanko is right to stress that 'a region becomes a region only when it is perceived as such by the political and intellectual elites of states far beyond its borders' [29]. The above applies to the Baltic Sea region, which is perceived as such in many countries of the world. Of course, Russia's position in the region is very peculiar. No one in Russia or beyond it doubts that the country's Northwestern federal district is part of the Baltic Sea region, yet the country as a whole is never considered as such. International activities in the Baltic Sea region should, however, be one of Russia's priorities. The EU has devised a Baltic Sea strategy,[21] which goes beyond the EU member states. Russia does not have a similar federal-level document. The 2016 Foreign Policy

[21] European Union Strategy for the Baltic Sea Region. Available at: http://ec.europa.eu/transparency/regdoc/rep/1/2009/EN/1–2009–248-EN-F1–1.Pdf (accessed 10.02.2019).

Concept of Russia has only isolated mentions of the Council of the Baltic Sea States and the Northern Dimension.[22] Although the documents of the Northwestern federal district address some Baltic problems in more detail, that documentary framework is not sufficient. When developing a Baltic policy, Russia should take into account that the countries of the region are not destined to play a passive role. They can have a certain influence on international processes. Whether this influence is positive (conducive to lowering tension) or negative largely depends on the balance of political powers in the region.

An important contribution to creating a favourable context for political dialogue may be the abating of the propaganda campaign against the Baltic Sea states. Although this does not mean that Russia cannot criticise these countries for unfriendly moves in the international arena, Russian officials should not comment on the domestic processes in these countries and propaganda should not portray the Baltic Sea states in a negative light only. Anti-Baltic propaganda is playing into the hands of anti-Russian circles, which try to present Russia as the arch-enemy. An important issue is the perception of past events. Some of them will remain a sore point for a long time. However, these differences should not affect the current political situation. The perception of the past should not be an issue of intergovernmental relations. It should be reserved for discussion by historians, public figures, and civil society. Russia may score political points by doing unilateral favours to these countries. A strong move by President Putin was to lay flowers on the grave of Field Marshal Mannerheim in Finland in 2001.[23] A national hero in Finland, Mannerheim is an ambiguous historical figure in Russia. Since no Soviet or Russian leader had done so before Putin, his gesture received a positive response from the general public and political circles in Finland. Such steps could be taken in relation to other countries. It is worth reconsidering the proposal of the famous diplomat Yuri Deryabin on returning the interbellum symbols of presidential power to Estonia [30]. Of course, there are many other possibilities. Since the Baltic Sea states are democracies, the best way to improve relations with them is, if not winning affections (which is an arduous task), then achieving mutual understanding with both the ruling classes and the general public. In doing so, it would be wise to avoid contentious issues. Such gestures would look likes acts of good will rather than unilateral concessions.

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[22] The Foreign policy concept of the Russian Federation. Approved by decree of President of the Russian Federation No. 640 of November 30, 2016. Available at: http://www.kremlin.ru/acts/bank/41451 (accessed 10.02.2019).

[23] Presidential Executive Office. Vladimir Putin lays flowers at graves of presidents of Finland Marshal Carl Mannerheim and Urho Kekkonen at Hietaniemi cemetery. September 3, 2018. Available at: http://www.kremlin.ru/events/president/news/39984 (accessed 10.02.2019).

Although the detectable trend towards the erosion of arms control agreements is likely to persist, it should not become an obstacle to small local steps to lower military tension. Freezing the arms race in the Baltic Sea region when the opposite trend dominates world politics does not seem feasible. A more realistic plan is encouraging reciprocal steps to restore trust.

Despite all the difficulties, Russia should try to stimulate political dialogue on the problems of the Baltic Sea region, building on the positive developments of spring 2019. These attempts will be successful only if they are supported by other moves: negotiations with the US (available data suggest that they never address the Baltic Sea as a separate issue); negotiations with NATO (probably, in the framework of the Russia–NATO Council); negotiations with the European Union and with each Baltic Sea state. The latter point requires special attention. The Baltic Sea states are members of NATO and the EU. Thus, Washington and Brussels will take into account their positions when conducting negotiations with Russia. Regardless of the outcome of Brexit, the influence of the UK on European affairs will diminish, whereas that of medium EU states (Poland and, to some degree, Sweden) will grow. Dialogue with the mentioned states is necessary to improve the situation in the Baltic Sea region. An important aspect of bilateral negotiations with Lithuania and Estonia may be accelerating the ratification of border agreement.

It would be logical to encourage economic, cultural, research, and academic ties, as well as collaborations between regions and border areas. Selective engagement [31] can be very effective in this case. The economies and trade of the Baltics remain closely connected to Russia [32]. The other Baltic Sea states are also interested in business contacts with the country. Although the Northern Dimension did not meet all the expectations, one should not underestimate its effectiveness when it comes to individual projects. Sanctions against large Russian corporations lend urgency to collaborations between small and medium enterprises. The Baltic Sea region is among the world's leaders in the uptake of ICT advances (this holds true for both the elites and the general public). The Northwestern federal district may benefit from the experience of the Baltic Sea states in the area. Saint Petersburg State University, the Immanuel Kant Baltic Federal University, and other northwestern universities aiming to break into the top-100 in the world are committed to cooperation with their counterparts across the Baltic Sea region. Saint Petersburg, a world cultural centre, can become even more attractive as a destination for people (particularly, intellectuals) from all the Baltic Sea states [33]. The geographical location of Kaliningrad will always make it an attractive city to visit [34]. Experts maintain that cross-border cooperation can develop despite a deteriorating international situation. Moreover, it has the potential to strengthen Russia's position [35]. Success is possible if Russia acts pragmatically and does not react to minor changes in

the political situation. The Baltic Sea region has a complex and largely successful system of multilateral and bilateral cooperation, which has proved itself viable. Preserving this system is in the interest of all the countries.

Of course, improvement in relations will depend on whether the Western partners take steps in response. Since the border between Russia and the EU runs across the Baltic Sea, a positive development would be visa-free travel to the Schengen area for short-term visits of Russian citizens, first of all, young people and students. This step would contribute to the expansion of contacts and lighten the atmosphere.

Despite the unfavourable situation, if Russia carries out an active policy to develop bilateral and multilateral cooperation, there is a chance to reverse negative trends and break out of 'soft isolation'.

Conclusion

To summarise, my study into the current condition and prospects of international relations in the Baltic Sea region shows that the most likely scenario is the continuation of the cool war with minor fluctuations towards lower or higher tension. That scenario is increasingly possible because none of the regional or global actors is interested in escalation, nor is it ready to make concessions. Since compromises and the end of confrontation are impossible, the cool war between Russia and the West is likely to persist, whereas the domestic situations in the countries of the region will be relatively stable. Therefore, the situation will freeze at the current level of selective engagement. This fragile balance can be upset by a hasty move from almost any actor. The continuation of the Cool war and soft isolation is apparently against the interests of Russia. This situation precludes mutually beneficial partnerships in various fields. Russia, however, still has a chance to implement an active policy, to break out of soft isolation, and to restore its standing in the Baltic Sea region.

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ECONOMIC AND GEOPOLITICAL ASPECTS OF THE NORD STREAM 2 GAS PIPELINE

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The Nord Stream 2 gas pipeline project (NS 2) along the bottom of the Baltic Sea is aimed to increase gas supply from Russia to Germany and other EU countries. It serves mutual economic interests: the predicted growth in gas demand in the EU markets and the need to strengthen the energy security of the EU. The implementation of the NS 2 project is complicated by the need to allow for the EU energy legislation and by the expanding influence of geopolitical factors on EU — Russia cooperation, including those stemming from the aggressive US energy diplomacy seeking to prevent the project from being successful and thus promoting the geopolitical interests of Washington. In this work, we aim to study the economic and geopolitical stances taken by the project's supporters and opponents and to evaluate the prospects of NS 2. To this end, we carry out a factor analysis and employ the methods of economic, statistical and geopolitical analysis.We conclude that the project is high on the agenda of both EU-Russia economic relations and world politics. The project has good prospects despite counteraction from its geopolitical opponents. This is explained by it having a decided economic edge over alternative options for the EU. The launch of NS 2 may contribute both to providing the energy security of the EU and to easing the military tensions between NATO and Russia in the Baltic region. The need to ensure the reliable operation of gas supply infrastructure makes any military conflict in the region impossible.

Keywords:
Nord Stream 1, Nord Stream 2, third energy package, energy security, gas pipeline, NS 1, NS 2, geopolitical and economic factors

Introduction

Until recently, the global energy market was 90% dependent on economic factors and only 10% on geopolitical ones. Today, the situation has changed radical-

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ly: geopolitics dominates. It affects supply and demand, prices and the functioning of the oil and gas transportation infrastructure, as well as the implementation of several pipeline projects, including the Nord Stream-2.

Confirmation of how politics is trying to "steer" the economy and global energy is, for example, the actions of the United States, which has set the task of becoming an energy superpower, for which it is necessary to oust Russia from the markets and inhibit the modernization of the Russian energy sector using methods that aren't traditional energy diplomacy and geopolitical factors. Recall the regular statements by American leadership that the United States is ready to fill Europe with liquefied natural gas, given the likely increase in export potential in the face of the declared continued growth in shale gas production. This is actually a bluff. Indeed, the production of shale hydrocarbons poses considerable problems: firstly, environmental, and secondly, economic — an increase in the cost of their production in the United States is expected in a few years.

Another issue is energy security of the West, which the United States is considering the importance to reduce its dependence on oil and gas supplies from Russia — primarily to Europe, declaring that the Kremlin can use energy weapons to achieve the necessary Moscow policy. However, Europe cannot refuse Russian hydrocarbons and rely on alternative LNG supplies from the USA, which Washington imposes on Europe. That alternative based on geopolitical considerations will be too expensive from economic point of view. Besides, in order to receive large amounts of LNG, Europe needs to develop a new gas transmission infrastructure designed for pipeline gas, which will lead to additional costs.

In recent months, given the Ukrainian crisis, as well as imposed and envisaged sanctions against Russia in the media of the West, as well as from a number of senior representatives of the EU and the USA, the question of the supply of Russian gas to EU countries is often raised. This primarily concerns the construction of the Nord Stream-2 gas pipeline. From a conventional economic project, implemented on the basis of projected demand for Russian gas in the EU, the leadership of the United States and several countries of Eastern Europe are trying to politicise it and portray it as a geopolitical project. The media and political circles of several Western countries launched a fierce information "do or die" war in order to prevent its implementation using, mainly, not economic, but geopolitical arguments. This is reminiscent of the actively promoted Polish initiative in 2004–05, supported by the United States, about the formation of an energy NATO to protect itself from Russian energy resources. To date, we observe the following situation. Firstly, in the EU itself, there are serious disagreements between the Federal Republic of Germany and some EU countries supporting Nord Stream-2, with a small group of East European states led by Poland — opponents of this project. Also, there has been a serious conflict between the US and EU countries regarding the project. The last fact is the speech of German Chancellor A. Merkel on February 15, 2019, at the Munich Security Conference, in which she stated that this pipeline, which is in line with the economic interests of Germany and

other EU countries, will be built, despite political difficulties. The implementation of this project will significantly contribute to ensuring EU energy security and security in Europe as a whole. This is especially true for the Baltic Sea region, in which there has been an increase in military tension, in recent years, between NATO and Russia. The development of energy infrastructure, including NS-1 and NS-2, on the reliable operation of which depends the economic well-being of many EU countries, can help mitigate the situation in the region.

In our research, we paid special attention to the analysis of economic and geopolitical factors in the EU-Russia energy relations and surveyed an extensive body of Russian and international research papers. In our opinion, the most acceptable theoretical approaches for research purposes are the work of neoliberals, especially the theoretical approaches of A. Goldtau and N. Sitter to the problems of the EU's external energy policy and ensuring the EU's energy security [1, 2].

Important theoretical provisions on the influence of geopolitical factors on international energy markets, problems of gas relations between Russia and the EU, on the energy dimension of world politics, and political risks of energy security are described in the works of N. A. Simonia and A. V. Torkunov [3, 4, 6], as well as in articles by S. A. Kravchenko and V. I. Salygin [5], S. Z. Zhiznin- about geopolitical and economic aspects of energy diplomacy [7]. We can also note the work of T. Casier on geopolitics and security in energy relations between Russia and the EU [8, 9].

In this article we will analyse the role of Russia in the gas supply to the EU, the economic aspects of the Nord Stream-2 project, the economic and geopolitical positions of the countries-supporters and opponents of the project, Ukraine's actions to preserve gas transit through its territory, and prospects for the project.

The role of Russia in the gas supply to EU countries

Despite internal contradictions and an ever-growing number of issues, the European Union (EU), will continue to be one of the main post-industrial centres of the world. [10, p. 54]. The consumption of natural gas in the EU largely depends on its imports from third countries, whose share in the EU energy balance is constantly growing, and in 2017 amounted to about 24% [1] (22% in 2015). This trend is likely to continue, due to drops in domestic gas production in the EU, which is only partially offset by a decrease in gas demand due to energy efficiency and decarbonisation policies.

The share of net gas imports compared to the total gas consumption in the EU in 2017 amounted to 74.5%, according to the European Commission (69.3% in 2015).[2]

[1] BP Statistical Review of World Energy. June 2018.

[2] European Political Strategy Centre, 2017// Nord Stream 2 — Divide et Impera Again? URL: https://ec.europa.eu/epsc/publications/other-publications/nord-stream-2-%E2%80%93-divide-et-impera-again_en (accessed 10.12.2018)

Russia is the largest exporter of gas to the EU, accounting for 42% of total EU imports in 2016, followed by Norway (34%), Algeria (10%) and imports via liquefied natural gas terminals (14%), for more details see [11].

The consumption of Russian gas in the EU in recent years is constantly growing. In 2015, 2016 and 2017, Gazprom's exports amounted to 158, 178, 192 billion cubic meters, respectively, of which about 50% went through the gas transmission system of Ukraine, and the remaining volumes — through the Yamal-Europe and Nord Stream-1 (SP-1) gas pipelines. Russian relations with Ukraine remain difficult; therefore, PJSC Gazprom is looking for new and reliable routes for gas supplies to Europe.

In 2005, an international consortium of five major European energy companies, Nord Stream AG, was created to design, build, and operate a gas pipeline consisting of two 1224-km long pipelines on the seabed of the Baltic Sea (the longest offshore gas pipeline in the world) with headquarters in Zug, Switzerland.

NS-1 — a gas pipeline between Russia and Germany runs under the Baltic Sea, bypassing the three Baltic countries, as well as transit countries such as Poland, Slovakia and Ukraine. The latter, in particular, was seen by Russia as an unreliable and problematic transit country, as gas supply disruptions showed in 2006 and 2009. NS-1 connects two cities — Novy Urengoy (RF) and Lyubim (Germany) through Vyborg. The main resource base is the Yuzhno-Russkoye oil and gas field. Off the coast of Germany, the Nord Stream-1 gas pipeline connects the German OPAL and NEL gas pipelines and provides gas to Germany and European countries (Fig. 1).

In Germany, Nord Stream gas enters the EU market via two land pipelines:

1) The North European gas pipeline (the so-called NEL pipeline) in the direction of Western and Northern Europe, owned by the partnership of Wintershall Holding GmbH and Gazprom (51%), E.ON Ruhrgas (10%), Gasunie (20%) and Fluxys (19%);

2) OPAL, in the direction of Central and Southern Europe, which connects the Nord Stream pipeline with JAGAL (the continuation of the Yamal-Europe pipeline), and STEGAL (transports gas from the Central European Russian gas transit system (Transgas) through the Czech Republic and the Slovak Republic pipelines in Germany).

To implement the Nord Stream-1 project, a consortium of companies received permission from each of the five countries the territorial waters of which the route crosses: Russia, Finland, Sweden, Denmark and Germany.

According to the operator of NS-1 gas pipeline, in 2017, 51 billion cubic meters (93% of the annual throughput) was delivered to consumers in the European Union via the Nord Stream-1 pipeline system.

The total investment in Nord Stream-1 was 7.4 billion euros. The shareholders provided 30% of the project budget in proportion to their shares in the consortium. The remaining 70% came from external sources — banks and export credit agen-

cies — in the form of project financing.[3] Germany is a co-owner of the Nord Stream 1 project and is an important distribution centre for the Russian gas supplies.

For European countries, this project provides:

— a decrease in the volumes of domestic natural gas production by countries of North-West Europe and a relatively short route for its export to these countries;

— comparatively lower transportation costs for the export of natural gas and optimal logistics;

— as a result, the relatively low cost of gas;

— new jobs for EU citizens.

Despite significant political opposition from Poland and several other EU countries, economic feasibility has taken over political preferences. In this example, one can see that political factors did not stop purely economic energy projects, and some EU countries, such as Germany, are implementing mutually beneficial projects in cooperation with Russia. See [12] for more details.

According to the International Energy Agency (IEA), by 2030, gas consumption in the EU will reach 400 billion cubic meters, which will require an increase in supplies from Russia. Further, we are going to look into the peculiarities of the Nord Stream-2 project and discuss the main problems that might arise in the process of its implementation.

The economic aspects of the Nord Stream 2 gas pipeline (NS-2)

The Nord Stream-2 project is an extension of the successful Nord Stream-1 project. The entry point of the gas pipeline to the Baltic Sea will be the Ust-Luga of the Leningrad Region, and the exit point will be the territory of Germany in the Greifswald area (Fig. 1, dotted line). The preliminary deadline for the construction of the gas pipeline is set at the end of 2019 — the beginning of 2020. According to the Russian Ministry of Energy, the cost of the construction is about $ 11 billion.

NS-2 is a joint project of the PJSC Gazprom subsidiary Nord Stream 2 AG and five European companies: 1) ENGIE (France); 2) OMV (Austria); 3) Royal Dutch Shell (Holland); 4) Uniper (Germany) and 5) Wintershall (Germany).[4]

In terms of throughput and length, the project is similar to the current NS-1 gas pipeline, though it differs from it by the set of the shareholders of the underwater part. Along with the existing OPAL gas pipeline, German companies are building the Eugal gas pipeline to bring gas to the Central European gas hub near the town of Baumgarten (Austria).[5]

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[3] Nord Stream AG. URL: https://www.nord-stream.com/en/o-nas/ (accessed 11.19.2018).

[4] "Nord Stream 2. URL: http://www.gazprom.com/projects/nord-stream2// (accessed 10. 11.2018).

[5] The EC supported the extension of the third energy package to Nord Stream 2 // Glance. Business newspaper. URL: https://vz.ru/news/2017/10/24/892177.html (accessed 10.07.2018).

The main economic and geopolitical advantages of this project include:

1) the export route from the resource base in Yamal to the consumer in the north-west of Europe is 2,000 km shorter than the route through Ukraine;

2) the implementation of the project provides lower economic operating costs compared with other main gas pipelines;

3) Gazprom's transport tariff (as a shareholder) is set at $ 2.1 per 1000 m^3 per 100 km, while through Ukraine it costs $ 2.5 per 1000 m^3 per 100 km, which makes the operational costs of gas transit to Europe 1.6 times lower. As a result, in 25 years Gazprom will have received dividends of about $ 7 billion;

4) a significant reduction in the amount of harmful emissions;

5) the absence of intermediaries between the producer and the consumer, which excludes the political component of the project.

6) the development of gas transportation infrastructure between the Russian Federation and the EU, which will contribute to strengthening the energy security of the EU, as well as geopolitical stability in the region.

According to Alexey Miller, the head of Gazprom, a fundamentally new flow scheme in the gas transmission system (GTS) of Russia has been introduced. Gazprom has launched a program to optimise the costs of the central corridor, which involves the elimination of 4,200 km of gas pipelines in the central region by 2020 and the closure of 62 compressor stations. It is important to note that, from a technical point of view, the pipeline is a single system that cannot simultaneously function under two legal regimes, and the pipeline operator company will also not be able to function without resolving these contradictions.

Fig. 1 Scheme of gas transportation from Russia to Germany. Projects Nord Stream — 1, 2

Source: Gazprom website.

As part of the permitting process following German law, in the spring of 2017, the Nord Stream-2 operator published extensive project documentation for the public. These documents provide information on the need for additional gas supplies to Europe while reducing gas production in the EU; on the construction of a gas pipeline as the most economically and environmentally efficient way of supplying gas in comparison with the import of LNG from the United States; on the results of monitoring the Nord Stream operation, which show that the environmental impact of the pipeline is limited, local and short-term. It demonstrated that replacing coal with the gas from Nord Stream 2 in the production of electricity would reduce carbon dioxide emissions in an amount equal to emissions from 30 million cars.

The funding of the project is as follows: Nord Stream 2 AG finances half of the project while the other half is financed by the rest of the participating companies. At the end of December 2017, the Chairman of the Gazprom Management Committee informed that the company's European partners had fully complied with their obligations to finance the project.

Two NS-2 lines will allow the transportation of 55 billion m3 of gas per year to Europe for at least 50 years, which will bring gas to over 26 million European households. Implementation of the two projects, Nord Stream-1 and North Stream-2, will provide 110 billion cubic meters of gas to the EU.

Important stages in the development of the project are: 1) October 28, 2016, when the EC lifted the ban on Gazprom's access to the OPAL gas pipeline capacities; 2) July 21, 2017, when the European Court of General Jurisdiction dismissed the lawsuit of the Polish government and PGNiG; and 3) October 2017, when the Dusseldorf Court of Appeal finally revoked all bans on expanding Gazprom's access to the OPAL pipeline, which made it possible to increase gas supplies to the EU via NS-2 [13].

On January 31, 2018, the NS-2 project was granted permission to build and operate an offshore section in the territorial waters of Germany and a land section in the Lubmin area near the city of Greifswald. Next came the permissions from Finland (April 5, 2018), Sweden (June 7, 2018) and Russia (August 14, 2018). Permission has not yet been issued by the Danish government due to concerns about national and environmental security. However, in October of the same year, Gazprom developed "Route B", which avoids the territorial waters of Denmark, not reaching them by 10–15 kilometres. Construction works have already begun in Germany and Finland. It is also important to note that the NS-2 project was practically not affected by the U.S. sanctions adopted on August 2, 2017,[6] and in 2018.

Despite the issued building permits in 4 out of 5 countries and the possibility of bypassing Denmark in case of its refusal, this diversification project has caused and still causes disagreement not only at the political level but also in expert circles.

[6] Donald Trump signed the law on anti-Russian sanctions // ria.ru. 2017. URL: https://ria.ru/world/20170802/1499630941.html (accessed 19.11.2018).

The launch of Nord Stream-2 is scheduled for 2019, then the contract between Gazprom and Naftogaz for gas transit through Ukraine to Europe will end. The laying of the Nord Stream-2 gas pipeline began in the Gulf of Finland on 09/05/2018, and by 01/01/2019 more than 800 km had been laid.[7]

The economic evaluation of the project "North Stream-2"

At the request of Nord Stream 2 AG, in October 2017, two studies were performed that confirmed the economic benefits of Nord Stream-2.

1) Arthur D. Little Management Consulting Agency investigated the impact of the Nord Stream-2 gas pipeline on the labour market and the economies of Europe.

Agency experts analysed the direct, indirect and induced effects created by the construction of a 1,200-kilometer gas pipeline to deliver Russian gas to the European market.

The results show that the overall economic effect of the pipeline will exceed 5.15 billion euros. Besides, over five years, investments in this project will create an equivalent of 31,000 equivalents of full-time jobs in the EU, which will bring additional 2.25 billion euros of GDP to various sectors of the economy of some EU countries and Russia. Most jobs will be created in Russia, Germany, Finland and Sweden — countries where the bulk of the work on the project is carried out. The Netherlands, Great Britain, Norway and Italy, where the contractors for the implementation of offshore operations are situated, will also benefit [15].

2) Ewi Energy Research & Scenarios, a non-profit research institute, has completed yet another study based on market simulation.

In the report published on September 20, 2017, the authors note that Nord Stream 2 reduces the cost of exporting Russian gas to Europe, and the construction of the new gas pipeline will lead to a drop in gas prices in Europe. According to the study "Impact of Nord Stream-2 on the EU Natural Gas Market", the delivery of gas through a gas pipeline to Europe will increase competition and reduce the need to import liquefied natural gas (LNG). This, in turn, will lower LNG prices and gas prices in the EU market in general. If the pipeline is commissioned in 2020, the European consumers will be saving up to 8 billion euros per year. The Nord Stream-2 project will have an impact on all EU countries, where gas prices will drop by up to 13%, the authors of the study conclude.[8]

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[7] 800 km of Nord Stream-2 were laid along the bottom of the Baltic Sea // INFORU.NEWS. URL: https://inforu.news/2019/03/01/po-dnu-baltijskogo-morya-prolozhili-800-km-severnogo-potoka-2/ (accessed 10.10.2018).

[8] Nord Stream 2 decreases gas prices in the EU. 2017. URL: https://www.ewi.research-scenarios.de/cms/wp-content/uploads/2017/09/ewi_ERS_NORD_STREAM_2_Press_release.pdf (accessed 11.10.2018).

It is expected that by 2030, natural gas production in the EU will have decreased, while the demand for it will decrease only slightly. Forecasts show that gas imports from Norway and North Africa will also slow down, so the resulting shortage of supplies in the future can be compensated filled by combining LNG imports and additional imports from Russia, as Nord Stream-2 offers additional import volumes of Russian gas.

Thus, the NS-2 project will significantly reduce transit risks and will allow to "Europeanise" Russian gas. It would seem to form a new gas supplier within Europe, which can direct gas flows both to the Baltic countries and, for example, to the Czech Republic. Poland may also benefit from the project: when in Berlin, a Gazprom representative guaranteed the Polish side that they would receive gas from Germany [16].

Despite the obvious economic benefits of these projects, some Eastern European are strongly opposed to them.

They see an alternative to this project in the supplies of LNG from the United States, but this gas is much more expensive, and the supply volumes directly depend on the possibility of transportation by the sea with the gas tankers that have not been built yet. This scheme does not allow to cover the periods of peak loads in winter. For countries with less developed economies, pursuing a policy to block NS-2 means harming their economy for the benefit of the interests of a third party [17].

The project, directly or indirectly, affects the interests of a wide range of countries and companies and has caused a heated discussion in the media; therefore, we will consider the opinions of experts and leaders of various countries, supporters and opponents of the construction of NS-2.

Economic and geopolitical positions of supporters and opponents of the NS-2 project

Supporters of the project. Minister of Economy and Energy, and since 2017, German Foreign Minister Sigmar Gabriel: "We need Nord Stream 2, but we also need the reliability of Ukrainian pipelines and the reliability of energy supplies for countries such as Slovakia, the Czech Republic and Poland. I feel that our Russian partners are quite ready for this"; "Europe must decide for itself whom to buy natural gas from, taking into account the security of supply and market conditions, rather than being guided by the political situation."

According to Gabriel, it would be a mistake to consider Germany's support for the implementation of this project as an action aimed at increasing Europe's dependence on Russian gas supplies, and the Russian companies participating in the project adhere to EU rules.[9]

[9] Ost-Ausschuss der Deutschen Wirtschaft äußert sich zu neuen US-Sanktionen gegen Russland. URL: https://deutsch.rt.com/inland/54748-live-ost-ausschuss-deutschen-wirtschaft/ (accessed 20.11.2018).

Thilo Wieland, a member of the board of Wintershall, one of the largest German companies: "The gas pipeline is the shortest link between Russia and Europe and, thus, makes a positive contribution to the CO2 balance, so environmental claims are also insolvent. As regarding the energy security of the Old World: Nord Stream-2 is a very important contribution to the European gas market, by 2030, exports are expected to reach 400 billion m^3. And thanks to the gas pipeline, by this time we will have a high-quality infrastructure." [10]

German Chancellor Angela Merkel also spoke out in support of the project. At a joint press conference with the Prime Minister of Poland Mr Moravecki in February 2018, she announced that NS-2 is "a project that does not pose a danger to the diversity of energy supplies to Europe".[11] Moreover, Angela Merkel entered into a heated *discussion on the topic of NS-2 with Mike Pence, the US Vice President, at the Munich Security Conference on February 16, 2019.*

This is an important step up, as previously Europe claimed that any Russian gas pipeline projects would increase Europe's dependence, and this is bad. The rhetoric has changed, and the recognition that Nord Stream 2 is beneficial to Europe is a big step forward in cooperation, especially considering the environmental benefits of gas. [18].

In addition to Germany, Austrian governments joined the project, and the Czech Republic, in connection with the construction of NS-2, is expanding its gas transportation system and recognizes the project's profitability for the country; Emmanuel Macron, the President of France, expressed support for all new gas pipelines if the current levels of gas consumption in the EU remain at the same level or increase in the future.[12]

Such statements provide the basis for a successful project. A general list of supporters of the project and their companies is the following: the Swiss-Maltese pipe-laying project NS-2 Pioneering Spirit; Russia (Gazprom); Germany ("E.ON", "BASF", "Wintershall", "Uniper"); The Netherlands and the United Kingdom (Shell, Wasco Coatings Europe BV); Austria ("OMV"); France ("Enrie"); Czech Republic (NET4Gas); Finland (Fortum, Wasco); Switzerland (Allseas AG); Malta (Pioneering Spirit); Slovakia (conditional supporter in terms of negotiations between Eurostream and Gazprom); Norway (Kvaerner).

Supporters of the project believe that NS-2 is a purely economic project, but it also brings significant geopolitical benefits to the countries of Europe, primarily

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[10] Tregubova E. Drove into the pipe. Who in Europe supports Nord Stream-2, and who is against // Arguments and Facts. 03/21/2018. URL: http://www.aif.ru/money/economy/zagnali_v_trubu_kto_v_evrope_podderzhivaet_severnyy_potok-2_a_kto_protiv (accessed 22.11.2018).

[11] The Polish Prime Minister argued with Merkel on the Nord Stream-2 URL: https://ria.ru/20180216/1514796022.html (accessed 30.11.2018).

[12] Macron called the conditions for the implementation of new pipeline gas projects in Europe // Teknoblog.ru. 2018. URL: https://teknoblog.ru/2018/07/28/91446 (accessed 30.11.2018).

Germany and Austria, therefore these countries are ready to sacrifice the interests of Ukraine and even challenge the US foreign policy in Europe [19].

Opponents of the NS-2. These include, as for NS-1: 1) transit countries that suffer losses for the lack of gas transit — Ukraine, Poland; 2) countries situated remotely from the gas supply pipeline: Hungary, Moldova and Romania, as for them transit payments may increase; Baltic countries: Estonia, Latvia, Lithuania, always speaking from Russophobic positions; and Denmark. A separate note must be made about the United States, which is strongly opposed to the project, primarily because of its own geopolitical interests [20].

Opponents of NS-2 believe that the new gas pipeline threatens Europe's energy security and runs counter to a strategy that implies diversification of energy supplies and a decrease in dependence on Gazprom, and it should also comply with the Third Energy Package [21].

In their fight against the NS-2 project, the authorities of Poland and the Baltic countries are hoping for political support from the United States and the US say on diversification of energy sources and strengthening EU energy security, in particular by the import of American LNG. At the same time they keep pointing out that this project could also harm Ukraine [22].

In 2017, the US Congress voted in favour of legislation imposing sanctions on firms cooperating with Russian companies in energy projects. If implemented, the law will lead to the imposition of sanctions on any company that is engaged in the development, maintenance, modernisation or repair of export energy pipelines in Russia (CAATSA law). This law is clearly aimed at Nord Stream-2, but it can affect other transport infrastructure, including the gas transportation system of Ukraine. The US has announced that it will publish guidelines for these sanctions that will bring greater clarity to their scope. Subsequently, in the USA, additional legislative and executive measures were taken against the project. In particular, on July 31, 2019, the US Senate Committee on Foreign Affairs adopted a draft bill on European Energy Security, which provides for additional sanctions against the project.

The US believes that the project undermines the energy security and stability of Europe, makes Europe dependent on Russian energy and gives Russia another tool to use energy for political purposes. Donald Trump, Mike Pompeo and other representatives of the US administration, as well as members of the US Congress, are actively participating in the diplomatic fight against NS-2.

One of the main reasons for the United States is that Russian control of European pipelines and low gas prices in the EU may impede future US LNG supplies to the EU [23]. This factor is perhaps the main one since deliveries of American liquefied gas to European consumers will cost them significantly more than Russian pipeline gas.

The geopolitical goal of the Nord Stream 2 pipeline, according to the United States and its allies, is to enable Moscow to transport and sell its natural gas to

the West, bypassing Ukraine's pipeline system. See details in [24]. The idea of its construction is to deliver an economic blow to the government in Kyiv, which Moscow is trying to destabilise, as well as to prevent any interruptions in the supply of natural gas to Europe if Russia decides to expand the scale of "military intervention" in the affairs of Ukraine. Former Ukrainian President Petr Poroshenko believes that the construction of NS-2 is a purely geopolitical project of the Kremlin, which has nothing to do with economic and private interests but only seeks to undermine the unity of Europe and, in the end, to destroy it.

The position of the European Commission is contradictory. On the one hand, according to Anna Kaisa Itkonen, the representative of the European Commission, the commission has no legal grounds for banning Nord Stream 2. The European Commission is ready to act as an intermediary in concluding a deal with Russia, "which will determine the legal regime for Nord Stream 2 and bring it into line with Brussels' priorities" [25].

On the other hand, the implementation of NS-2 is contrary to the objectives of the EU:

— 1) energy efficiency policy (reduction in gas demand); 2) the development of renewable energy sources (sources of heat and biogas); 3) research and innovation in the field of electricity storage, which in the future will lead to a further reduction in gas imports in the EU after 2030;

— EU sanctions policy. The construction of Nord Stream 2 will affect the coherence of EU foreign policy and economic sanctions against Russia. The main reason for imposing sanctions against Russia in 2014 is related to the events in Ukraine. According to the European Commission, Russia should pay a "high price" for violating the territorial sovereignty of Ukraine and change its policy. Nord Stream 2 provides Russia's clear economic benefit at a time when EU sanctions are still in force, and the reasons for these sanctions remain.

At the same time, the construction of Nord Stream 2 will lead to a decrease in transit revenues for Ukraine, which currently earns revenue of about $ 3 billion a year for the transit of Russian gas through its territory to the EU market. Since the EU, the USA and the International Monetary Fund are currently the main financiers of the Ukrainian government, they will also indirectly incur losses from the losses of Ukraine.

Nord Stream-2 will also impede the efforts of the EU and the international community (economic and financial) to support the modernisation of Ukraine's gas infrastructure and return the allocated investments. Some of the arguments are presented in [26].

Thus, it can be noted that the opponents of the construction of NS-2 put forward mainly their geopolitical arguments against the project based on Russophobic policies pursued by Western countries, led by the United States, and not the economic benefits the gas pipeline will bring for the EU.

The European Union is interested in using the Ukrainian GTS, but on condition of the stable operating of the Ukrainian gas pipeline and underground stor-

age facilities. In fact, underground storage facilities are Ukraine's key to success in this matter, since this is something which neither Nord Stream nor the Belarusian gas transportation system has.

The struggle of Ukraine to maintain the transit of Russian gas via the Ukrainian gas transportation system

The transit of natural gas through Ukraine is significantly reduced in the presence of other transportation routes. At the same time, the technical capacity of the Ukrainian transmission system is approximately 142 billion m3 per year. However, if, in 2011, transit through Ukraine amounted to 104 billion m3, then in 2015 it decreased to 67 billion m3 (47% of the technical capacity). Although in 2016 and 2017 transit volumes have grown, the main question is what will happen after 2019, when the agreement between Gazprom and Naftogaz ends.

The European Energy Community, in accordance with the solidarity policy towards EU member states and non-EU countries, supports the EU's intent to maintain Ukrainian transit after 2019,[13] and the EU's reluctance to reduce the number of routes (Yamal, NS-1 or Ukraine) through which gas enters the EU from Russia [27]. However, this does not comply with the plans of Russia to secure the reliable transportation of gas to European consumers.

Thus, Alexey Miller, the President of Gazprom PJSC, and Viktor Orban,[14] the Hungarian Prime Minister, questioned the reliability of Ukrainian transit in February 2017; and in February 2018, Sergey Lavrov, the Russian Foreign Minister, talked about the economic disadvantage of natural gas transit through the Ukrainian gas corridor in comparison with the NS-2 project [28,29].

The Russian Foreign Minister noted the positive position of Germany on NS-2, drew attention to disagreements within the EU regarding this project, and agreed that the EU member states have the right to choose to purchase energy taking into account their commercial or ideological approaches.[15]

The management of the Ukrainian company NAK Naftogaz immediately responded to this statement, noting that "in 2020, Ukrainian gas transit tariffs will

[13] Sefcovic: 'Everybody wants to be on good terms with us' // 2017. URL: http://www.euractiv.com/section/energy/interview/sefcovic-everybody-wants-to-be-in-good-terms-with-us / (accessed 30.10.2018).

[14] Gazprom doubted the reliability of gas transit through Ukraine // Lenta.ru. 02/13/2017. URL: https://lenta.ru/news/2017/02/13/gaz/ (accessed 29.11.2018).

[15] The transit of gas to Europe via Nord Stream-2 will be twice as cheaper than through Ukraine — Lavrov // OIL. Capital. URL: https://oilcapital.ru/news/export/19–02–2018/vdvoe-deshevle-budet-tranzit-gaza-v-evropu-po-severnomu-potoku-2-chem-cherez-ukrainu-lavrov (accessed 29.09.2018).

decrease by ten times and, thus, will be 3–4 times lower than NS-2 tariffs.[16]" Due to this fact, Ukrainian transit will be able to compete economically with NS-2. In our opinion, this statement of Naftogaz is a populist one aimed at hampering the construction of NS-2 in any way. Even more harsh statements are made by Ukrainian experts who give their recommendations on how to stop NS-2.

It is also important to note the decision of the Stockholm court of February 28, 2018, according to which Gazprom was obliged to pay the Ukrainian company Naftogaz the final amount of compensation of $2.56 billion for insufficient transit gas in the period from 2009 to 2013. Arbitrators justified that decision by a sharp deterioration in the state of the Ukrainian economy. According to experts, is a politicised decision and a possible threat of Ukrain syphoning gas from the pipeline.[17]

After these events, Gazprom began the appeal process, as well as the process that should lead to the termination of the contract of 2009, or the introduction of additional amendments to it. The enforcement of the Stockholm arbitration award dated February 28, 2018, was suspended by the Swedish Court of Appeal on June 13, 2018.[18]

As for the further contract after 2019, Alexey Miller, the head of Gazprom, back in April 2018, proposed to preserve Ukrainian transit in the amount of 10–15 billion m3, despite the launch of projects NS-2 and Turkish streams TP-1,2.

Vladimir Putin, the President of Russia, at a meeting with Donald Trump, the President of the USA, on July 16, 2018, in Helsinki, expressed his readiness to continue gas supply via the Ukrainian route and conclude a new agreement. The statement of the President of the Russian Federation was later confirmed by Alexander Novak, Minister of Energy, who also did not rule out the continuation of Ukranian transit after 2019.[19] The future gas supply volumes announced by Gazprom in case of continued transit after 2019 still cause considerable disagreement among the actors.

According to Igor Nasalik, the Minister of Energy of Ukraine, gas transit is economically beneficial only with volumes of more than 40 billion m3 per year.[20] The problem also lies in the necessary repairment and modernisation of the Ukrainian gas transportation system [13], one of its many problems being significant methane leaks into the environment during gas transportation. The economic

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[16] Naftogaz: gas transit through Ukraine will be 3–4 times cheaper than Nord Stream-2 // Neftegaz.Ru. 02.21. 2018. URL: https://neftegaz.ru/news/view/169360-Naftogaz-tranzit-gaza-cherez-Ukrainu-budet-v-3–4-raza-deshevle-Severnogo-potoka-2 (accessed 29.10.2018).

[17] Gazprom and Naftogaz launched a new series of gas confrontation // TASS. 01.03.2018. URL: http://tass.ru/ekonomika/5000506 (accessed 29.11.2018).

[18] The appeal confirmed the suspension of the court decision in the case of Gazprom and Naftogaz // TASS. 06/28. 2018. URL: https://tass.ru/ekonomika/5332839 (accessed 27.11.2018).

[19] Gas transit through Ukraine. Everyone is waiting for a change of power in Kiev // Ukraina.ru. 09/12. 2018. URL: https://ukraina.ru/exclusive/20180912/1021103358.html (accessed 15.11.2018).

[20] Media calculated how much gas transit will allow Ukraine to avoid losses // RIA NEWS. 04/12/2018. URL: https://ria.ru/economy/20180412/1518445378.html (accessed 27.11.2018).

and ecological aspects of that problem are described in more detail in our works [30, 31]. Modernisation of the Ukrainian gas transportation system will require financial resources comparable with the construction of NS-2.[21]

On July 17, 2018, tripartite EU-Russia-Ukraine negotiations were held in order to resolve these issues. With the European Union supporting Ukraine, the parties agreed on the need to conclude new contracts. A second meeting took place in Brussels on September 12, 2018, at which the parties agreed on the preparation of a new contract for the transit of Russian gas to the EU.[22] In January 2019, another meeting was held, but it also did not lead to any results. The next tripartite meeting is planned in September this year.

Prospects for the Nord Stream 2 project

According to Gunther Oettinger, European Budget Commissioner, statement of December 30, 2018, concerning the NS-2 allows us to come to a conclusion — "threats by US President Donald Trump cannot stop the construction of the gas pipeline",[23] which indicates the removal of the last obstacle to the Nord Stream 2 route. This signal is also important for Kyiv. It is also important that Gazprom concludes a fair agreement on the further use of existing pipelines which cut through Ukraine.

As indicated above, the United States gave itself the right to impose sanctions against the Russian gas pipeline construction, so there was only one uncertainty factor — whether the United States is going to act on that right. Brussels also covered this topic, and Gazprom overcame all other obstacles to ensure the permit for the construction of NS-2. Mr Ettinger gives a clear signal that if the US tries to stop Nord Stream 2, this will lead to a fierce conflict, primarily between the US and Europe.

It is also important to note that, for political reasons, the European Union is in opposition to NS-2, but in reality, economically, the EU is for the implementation of this project, taking into account all the present issues, such as a drop in gas production in Europe, energy security risks due to the unreliability of Ukraine as a transit country since the gas transportation system of Ukraine requires significant modernisation and the fact that the Ukrainian government, despite their Russophobic rhetoric, does not want to change anything. Also, the EU does not like Donald Trump's alternative to buy more expensive American liquefied natural gas as opposed to Russian gas from Nord Stream 2.

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[21] Ukrainian GTS is approaching a critical degree of wear. SIGHT. Business newspaper. 09/09/2016. URL: https://vz.ru/economy/2016/9/9/831561.html (accessed 21.11.2018).

[22] Ukraine — EU — Russia gas talks start in Brussels today // UKRIN-FORM.NET. 2018. URL: https://www.ukrinform.net/rubric-economy/2536067-ukraineeurussia-gas-talks-start-in-brussels-today.html (accessed 27.11.2018).

[23] Europe removed the last obstacle to Nord Stream-2. URL: https://news2.ru/story/559168/ (accessed 20.01.2019).

Conclusion

To date, the NS-2 project is at the forefront of the political agenda not only in the EU but also in international politics. The fact remains that NS-2 is causing disagreement between the EU and the USA; between participating energy companies and EU member states; in relations between the EU and its international partners; in an academic/expert environment.

Germany is the leader in the group of supporters of the project in the EU, while Poland is the main opponent, supported by the USA. At the moment (March 2019), work on NS-2 is ongoing, and from official statements we can conclude that the project is going to be successfully completed.

The efforts of the EC in a tripartite dialogue along with statements by Gazprom's management, Vladimir Putin and Alexander Novak's energy experts suggest that despite the initial uncertainties regarding the preservation of the Ukrainian route after 2019 in connection with the construction of NS-2 and TS-2, transit will continue.

Most experts also advocate maintaining the Ukrainian gas corridor. The EC is interested in maintaining this route in connection with the negative economic consequences for Ukraine, the countries of Eastern Europe and the bilateral relations of the EU and Russia in the opposite case. Only the volumes of exported natural gas remain in question as the parties have different ideas about them. To a large extent, the volumes of gas supply from Russia, as well as the preservation of the route itself, will depend on the new Ukrainian home and foreign policy after the results of the presidential and parliamentary elections in Ukraine.

From the vantage point of Russia's energy interests in the EU, the current situation is far from calm because of geopolitical turbulence around Ukraine. The concrete result of such "negativity" was the introduction of sanctions against our country, which affected, among other things, the implementation of the NS-2 project. In our opinion, it is difficult to say how long it will take until a balance of geopolitical interests is found between Russia and the USA, as well as between Russia and the EU.

When assessing potential threats to the export supplies of Russian hydrocarbons, it is necessary to find the answer to the main question: can the demand for our gas in Western Europe decrease due to negative geopolitical changes? In our opinion, the demand will not change significantly.

The alternative for the Europeans is the unstable Persian Gulf, or Libya, or the mythical and also expensive American LNG. So, Europe is likely to increase gas supplies from Russia via the new NS-2 gas pipeline. Decisions, based on geopolitics, cannot dominate for long, because they cause economic losses to both companies and countries.

The implementation of the NS-2 project can turn into a significant contribution to ensuring the energy security of Europe, as well as a means of relaxing military tensions between NATO and Russia in the Baltic region, given the need for reliable functioning of the gas supply infrastructure, which excludes military conflicts in the region.

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REGIONAL ECONOMY

RUSSIA-EUROPEAN UNION AND RUSSIAN-CHINESE BORDERLANDS: ECONOMIC AND DEMOGRAPHIC DIMENSION

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In the modern world, the intensity of inter-civilizational, intercultural and interstate interaction is increasing. Border regions, territories where this interaction involves direct contact, are of great importance in this process. This has given rise to a new area of research — border region studies. The Russian Federation has the longest state border, the largest number of neighbouring countries, and centuries of experience in the peaceful existence and cooperation between different cultures. Most importantly, the country straddles two continents. Located between two principal economic actors (the European Union and China), Russia binds the huge Eurasian continent into a single whole. It is very important to study Russian-European and Russian-Chinese border regions to make full use of their strategic advantages for the economic development of Russia. This task has been especially relevant since the deindustrialization of Russia, which occurred in the 1990s and most deeply affected the economy of the Russian periphery. In this article, I rely on the literature, national and regional statistics, and survey results to essay a border region study — a comparative analysis of the socio-economic and demographic processes taking place in Russia's western regions bordering on the EU and eastern ones bordering on China. My findings may contribute to providing a rationale for the need to abandon a commodity-driven economic model, as well as to creating a broader theoretical and methodological framework for Russia's strategy towards its neighbours.

Keywords:
border region studies, economy of border regions,
dynamics of demographic processes, shadow business

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Introduction

Relations with neighbouring countries have always topped the agenda of any state. The idea of good neighbourly relations, the economic significance of which is evidenced by practice, is becoming increasingly tangible these days. The Nobel prize winner Paul Krugman has calculated that if the US and Canada did not share a border, bilateral trade between the two countries would be one-fourteenth of the actual value [1, p. 184]. This idea has special significance to Russia — the country with the longest land border in the world and the largest number of neighbouring states. Out of eighty-five Russian regions, forty-seven share a border with another country. The western and eastern borderlands are responsible for immediate contacts with two actors creating a new configuration of the world system: the EU and China. Located between them, Russia has a strategic position, which geopoliticians, starting from the father of the discipline Halford Mackinder, have described as the 'geographical pivot of history', the heartland, the pivotal state, the core, or the bridge consolidating the giant continent of Eurasia. 'Geopolitical pivots', Zbigniew Brzezinski writes, 'are the states whose importance is derived not from their power and motivation but rather from their sensitive location' [3, p. 55]. The importance of the bridge in question is increasing as the centre of the world economy shifts to Asia-Pacific [4, p. 33–34] and economic cooperation between Europe and Asia grows. There are economic factors at play too: the EU and China are Russia's key economic partners. In 2018, they accounted for 42.7% and 15.8% of the country's international trade respectively. They are also the most promising partners: bilateral trade with the EU increased by 19.3% and that with China by 27.1% in comparison to 2017.

Russia's western and eastern borderlands: differences and similarities

Five regions of north-west Russia (the Murmansk, Leningrad, Pskov, and Kaliningrad regions and the Republic of Karelia) comprise the EU-Russian borderlands. These territories border on five states of north-eastern Europe: Finland, Estonia, Latvia, Lithuania, and Poland. For a long period in history, the five countries and Russia were a single state.

Five regions of the Russian Far East (the Zabaykalsky, Khabarovsk, Primorsky, and Amur regions and the Jewish autonomous region) comprise the Russian–Chinese borderlands. These territories border on Northeast China (Dongbei), which consists of five administrative units: the province of Heilongjiang and four prefectural-level municipalities of Inner Mongolia. Once parts of the historical region of Manchuria, these territories were under a strong Russian influence.[1] For

[1] At the turn of the twentieth century, for example, there was a Zheltorossiya ('Yellow Russia') project, which emerged in the context of the Chinese Eastern Railway and the Russification of the cities of Harbin and Dalian [6].

Russia, the significance of the western and eastern borderlands will be growing as Europe and Asia will continue to integrate to form a single Eurasian continent [5, p. 202]. The regions of the two borderlands differ in environmental conditions, area, remoteness from the centre, the length and equipment of the border, population size, demographic trends, the distance between the regional capital and the border, GRP, the proportion of shadow economy, per capita income, the degree of urbanisation, history of interactions with neighbours, involvement in international trade, the degree of institutionalisation of cross-border cooperation, and, most importantly, cross-border economic cohesion. They are nevertheless parts of a single whole fused by a common meso-space of the borderland where immediate contacts with a different state, a different culture, and a different civilisation take place to induce sociocultural diffusion [7].

Russian border regions are, as a rule, a distant periphery. They are industrially underdeveloped because of the natural reluctance of the state to build major economic facilities near the borders. Thus, most Russian borderlands are sparsely populated. This, in turn, narrows down opportunities for regional economic specialisation and the range of economic development variants.

Border regions have a contradictory status: they are a deep periphery of their mother states, on the one hand, and geoeconomically and geopolitically significant territories and major nodes of interactions between two neighbouring states, on the other. The exports from Russian border regions to both the EU and China are dominated by raw materials and low value-added products, whereas imports to these regions are led by highly processed goods. Russia's border regions perform below the national average in terms of socio-economic development; this is especially true of the eastern borderlands. In 2017, the average GRP per capita in the northwestern regions was 373.7 thousand roubles and that in the Russian Far East (RFE) 327.8 thousand roubles, i.e. 84.2% and 73.3% of the national average respectively.[2] Over the past five years, the northeastern regions have caught up (in 2013, their GRP per capita was 82.6% the national average), whereas the RFE has lagged further behind (76.9% in 2012).[3] This gap affects human wellbeing: Russia's western borderlands are thirty-eighth and eastern borderlands fifty-third in the national ranking.

The differences between the western and eastern borderlands have several causes. The Russian regions adjoining the EU are among the most industrially developed in the country, whereas those bordering China lag behind in terms of industrial performance. The eurocentrism of the Russian economy became especially pronounced during the transition period. The bias was most conspicuous in international trade — an area key to the development of border regions.

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[2] *Rossiyskiy statisticheckiy ezhegodnik. 2018. [Russian statistical yearbook. 2018].* Moscow, 2018. Pp. 143–144.

[3] *Regiony Rossii. Sotsialno-ekonomicheskie pokazateli. 2018: stat. sb. [Russian regions: socio-economic indicators. 2018: a book of statistics].* Moscow, 2018. Pp. 184–191.

The EU remains the principal trade and economic partner of north-west Russia [8]. The ties are the strongest with the neighbours: Finland, Estonia, Latvia, Lithuania, Poland, and Norway (although not an EU country, the latter is a member of the EFTA). The principal partner of the RFE is China. In 2018, the proportion of the EU was 42.7% in Russia's international trade and 65.3% in the international trade of the borderlands. In the east, the effect of the border is even more evident: China accounts for 79.8% of the RFE's trade and 15.7% of Russia's international trade.[4]

An economic policy characterised by complete liberalisation and minimum intervention from the state had a profound effect on the Russian economy. The 1990s witnessed a rise of a massive shadow sector. Criminalisation resulted in over 15,000 organised crime groups functioning in Russia at the end of 1994 (in 1990, there were fewer than thirty) [9, p. 77]. According to the data published by the IMF on January 24, 2018, the shadow sector of the Russian economy accounts for 38.4% of the GDP.[5] Loose public control over international trade made both eastern and western border regions virtually defenceless against the shadow sector. The east, however, proved to be more vulnerable to the activities of transboundary criminal communities. To a large degree, this situation is explained by differences between the EU and China.

Most of Russia's western neighbours are smaller states, whereas, in the east, the state borders a colossal country with a population of 1.4 billion people. China's annual natural increase is the population of Finland, Estonia, and Latvia taken together. The difference in the economic potential is even more striking. In 2017, China produced USD 12.27 billion worth of GDP, which is ten times that of Russia's performance (USD 1.26 billion).[6] Interactions between countries follow immutable laws. One of them is the law of asymmetry: a more powerful state influences a weaker one; a less developed state adopts and assimilates the elements of the one at a higher level of technological development.

Economic ties with Europe date back to the earliest days of Russia, whereas the first contacts with China happened a thousand years later. In the western borderlands, interactions occur between two Christian civilisations: the Western and the Eastern ones. In the east, a Christian civilisation meets Confucianism, Buddhism, and Taoism. The neighbours in the west enjoy higher living standards, whereas the difference between Russians and their eastern neighbours is negligible.[7]

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[4] *Regiony Rossii. Sotsialno-ekonomicheskie pokazateli. 2018: stat. sb. [Russian regions: socio-economic indicators. 2018: a book of statistics]*. Moscow, 2018. Pp. 578–579.

[5] For more detail, see: Tenevaya ekonomika stran mira [The shadow economy of the countries of the world]. *Fincan.ru*. URL: http://fincan.ru/arti cles/95tenevaja-economika-stran-mira/ (accessed 08.04.2019).

[6] In 1978, the year when Deng Xiaoping lauched the economic reforms, the GDP of Russia (the RSFSR at the time) was 4.7 times that of the GDP of the PRC.

[7] The 2018 GDP ranking by the IMF places Finland 18th in the world (USD 45,000), Estonia 41st (USD 20,600), Lithuania 49th (17,000), Latvia 52nd (16,200), Poland 56th (13,900), China 71st (9,500), and Russia 73rd (9,300).

Finally, the border regime between Russia and the EU is tightly regulated: there are entry visas and strict customs and border control. The Russian–Chinese border, which has been open since 1992, does not pose a serious barrier. Thus, the common generic properties of border territories are complemented by the effects of geographical, cultural-historical, political-economic, and administrative-legal factors. Within the national trend of overcoming the crisis of transition, these factors shape the features of the western and eastern borderlands and strongly affect the economic and demographic processes taking place in these territories.

The economy of Russia's northeastern borderlands in the post-Soviet period

The 1990s decline in production and the economy caused a historically unprecedented 56% decrease in industrial manufacturing [12, p. 249]. This reduction severely affected the large industrial centres of Moscow and Saint Petersburg and even more so the northwestern regions, which today border on the EU.

Once the largest in the Murmansk region, the fishing industry had 435 fishing boats in 1991, 279 in 2000, and only 191 in 2017. One-third of the latter figure is small boats that operate in nearshore waters. The decline in the industry was caused by the privatisation of the fishing fleet when the personal interests of boat owners came to the fore. Fish processing plants were left without anything to process because it was more lucrative to sell fish abroad [13]. This situation, which was observed throughout the industry, caused fish consumption by Russians to reduce more than twofold. The then decline in fishery is felt to this day.

The economy of the Murmansk region, the outpost of Russia's Arctic project and home to the headquarters of the Northern Fleet, relies heavily on its mineral riches. Over a thousand minerals, including nickel, copper, iron, aluminium, cobalt, osmium, tantalum, and apatites, are found there. Trade with the neighbours, Finland and Norway, is mostly in products of nonferrous metallurgy and the chemical industry. These goods account for 81.7 and 68.5% of exports to the two countries.[8]

The Murmansk region is involved in over forty projects within the Barents cooperation programme and in forty-three projects within the Kolarctic programme. The territory ranks fourteenth among Russian regions by GRP per capita and thirty-sixth by standards of living. The economy of the Republic of Karelia is led by the forestry, timber, and pulp and paper industries. Privatisation allowed foreign companies to become large (and even majority) stakeholders in local timber companies. Under the then law, a foreign investor could hold not more than 35% of a company's shares. Business, however, used loopholes to get around this limitation. This way, the controlling stake in the Segezha sawmills was purchased by

[8] Murmansk branch of the Federal State Statistics Service. *Statisticheskiy ezhegodnik, 2017 [Statistical yearbook, 2017]*. Murmansk, 2018.

four foreign organisations for 700 million roubles, while the company had fixed assets worth 26 billion roubles [14]. Foreign businesses were reluctant to invest in the technological development of Karelian companies; they saw local timber as raw material only. Since the 1990s, the shadow economy has accounted for most of the timber exports.

Both the western and eastern borderlands have abundant forest resources. Thus, the most apparent criminal business option in these territories is the illegal exports of roundwood. According to the WWF Russia and the World Bank, up to 25% of timber produced in Russia is from illegal logging. According to Rosstat, 208 million m3 of timber was harvested in Russia in 2017. Thus illegal exports amounted to 40–50 million m3 that year. Because of illegal logging, Russia loses at least 100 billion roubles a year.[9]

Out of Karelia's ninety-four trade partners, Finland is the principal one, accounting for 25.2% of the total trade volume. Karelia ranks thirty-third among Russian regions by GRP per capita and seventy-fourth by standards of living.

The most industrially developed territory of the western borderlands is the Leningrad region. It has almost 1,400 industrial manufacturers based in the towns of Gatchina, Kolpino, Izhora, Vyborg, Kirishi, Tosno, Pikalevo, and others. The Leningrad region tops the ranking of Russian regions by many economic and demographic indicators. The consequences of the economic reforms were less severe in the region because of its proximity to Saint Petersburg. Industrial manufacturing (mechanical engineering, chemistry, petrochemistry, wood processing, and food production) accounts for 40% of the regional GRP, which is the highest proportion across Russia's borderlands [15]. The region's international trade volume reached USD 9.2 billion in 2017. Among the principal partners are neighbours: Finland accounts for 8.1% (ranks second) and Estonia for 2.8% (ranks seventh).[10]

Access to the Baltic Sea and, via it, to international ports both speeds up the economic development of the Leningrad region and ensures the transport independence of Russia. The four largest seaports (Ust-Luga, Primorsk, Vysotsk, and Vyborg) account for one-fourth of the cargoes handled in Russia.

Most of the region's border municipalities have signed cooperation agreements with their counterparts across the border. Ivangorod collaborates with Narva; Svetogorsk with Imatra; Slantsy with Kohtla-Järve; Vyborg with Lappeenranta; Gatchina with Espoo; Kingisepp with Jõhvi. The Leningrad region carries the traffic of the Scandinavia federal motorway, part of the Corridor IX. In 2013, the last pre-sanction year, Finnish companies invested USD 247.3 million into the economy of the region. The Protocol for Cooperation signed in 2011 by the government of the Leningrad region and the regional government of South Finland

[9] Tsygankova, S. V Karelii rastet chislo chernykh lesorubov [Illegal loggers rising in numbers in Karelia]. *Rossiyskaya gazeta*. 2015. June 9. P. 7.

[10] Leningradskaya oblast. 2018 [Leningrad region. 2018]. Saint Petersburg, 2018.

remains in effect. The Leningrad region is one of the most successful in Russia in terms of foreign investment, which accounts for 30% of the total private investment in the territory. In 2018, the region ranked fifteenth nationally by GRP and eleventh by standards of living.

In the Pskov region, the peak of decline in production was in 1993–1995 when many mechanical engineering works had to close down. The agricultural industry sustained a yet heavier blow. In the region, which accounts for half of north-west Russia's farmlands, the area of arable lands reduced dramatically: from 878,000 ha in 1990 to 563,000 ha in 2000. The cattle population fell threefold. The underfinanced industry was virtually left without new equipment.[11] In the early 2000s, most agricultural companies were unprofitable. The situation has improved since then; agriculture is making a major contribution to production and cross-border trade. The geographical position of the region, which borders on three states (Estonia, Latvia, and Belarus), facilitates this process. The Baltics are among top exporters: Estonia accounts for 44.1% of the exports, Latvia for 14.8%, and Lithuania for 9.3%. As to imports, Estonia and Latvia rank sixth and seventh respectively. The Pskov region is one of the most depressed in the country: it ranks sixty-ninth by GRP per capita and fifty-ninth by standards of living. Karelia and the Pskov region are the most socially deprived regions of Russia's western borderlands.

A complicated situation has developed in the Kaliningrad region, which turned into an exclave following the demise of the USSR. The Baltic Sea is the only way to reach the region from mainland Russia without crossing a foreign state. The status of an exclave translates into economic problems that are strange to other Russian territories. In autumn 1991, the region was declared a free economic zone (called *Yantar*, which is the Russian for amber) where 'the transparency of the state border softened (at least to some extent) the consequences of the exclave position of the region and eased the daily life of a considerable part of the population of the region under the new economic conditions. At the same time, shuttle trade led to such problems as smuggling, tax evasion etc.' [16, p. 104]. In the 1990s, industrial manufacturing declined in the region more sharply than across the country. In 2000, regional manufacturing output was 40% of the 1990 level[12] as compared to the national average of 52%. This difference is explained by the increased cost of transporting raw materials, fuel, electricity, and components to the region. The direct distance from the border of the Kaliningrad region to the nearest Russian region, Pskov, is over 370 km. When travelling from Kaliningrad to Moscow by land, one crosses two foreign states — Lithuania and Belarus.

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[11] The Pskov branch of the Federal State Statistics Service. *Byulleten Federalnoy sluzhby gosudarstvennoy staatistiki po Pskovskoy oblasti [The bulletin of the Pskov branch of the Federal State Statistics Service]*. Pskov, 2001.

[12] Rossiysky statistichekiy ezhegodnik. 2001 [Russian statistical yearbook. 2001]. Moscow, 2001. P 123.

Adopted in 1996, the federal law On the Special Economic Zone in the Kaliningrad region sought to create equal conditions for Kaliningrad and the other regions of the Russian Federation. This half-measure document did not take advantage of the region's geographical position, which could otherwise have been used to the benefit of Kaliningrad and Russia in general.[13] At the time, the exclave position of the Kaliningrad region could have been used as an adaptor in Russia–EU cooperation, which was an urgent issue in view of the imminent accession of the region's neighbours Poland and Lithuania to the Union. In that situation, the Russia–EU borderlands and the Baltic region assumed great geopolitical significance [17–19]. The then opportunities, however, were wasted.

The adoption of a new version of the law in 2006 spurred industrial production, which today accounts for 34–35% of the GRP. One-third is mechanical engineering and instrument design. German and Korean cars are assembled in the region. There are plans to create an auto component cluster [20]. A train ferry from Ust-Luga to Baltiysk will be launched in 2021 to reduce the dependence of the exclave on the rate policies of Lithuania and Belarus.

Kaliningrad has a strong agricultural sector. The area of farmlands in the region is over 800,000 ha, which is 60% of its total area. In 2018, the exclave exported USD 1 billion worth of agricultural products out of 21 billion of Russian agricultural exports, i.e. almost 5%. Bilateral trade with Poland, which peaked in 2013, reached USD 995.5 million. Despite a 47% decrease, the country is the sixth-largest trade partner of the region, which ranks twenty-ninth by GRP and tenth by standards of living in Russia.

Despite the economic sanctions imposed in 2014 [21], the Russia-EU borderlands are overcoming the severe transformation crisis of the 1990s with greater (the Leningrad and Kaliningrad regions) or lesser success (Karelia and the Pskov region). Trade and economic ties with neighbouring countries play an important role in the economies of border regions. This particularly applies to the inland regions of Pskov and Karelia.

The borderland regions of the Russian Far East (RFE) in the post-Soviet period

Although the economic processes taking place in the eastern, Russian–Chinese borderlands are very similar to those discussed above, there are considerable differences. The economic development of the RFE started relatively recently, in the mid-19th century. The process peaked twice — during Stolypin reforms and the Soviet era. Various socio-economic mechanisms for attracting workforce to

[13] For more detail, see Simonyan, R. Kh. Kaliningradsky eksklav — klyuch k Baltiyskomu region [The Kaliningrad exclave: the key to the Baltic region]. *Rossiyskaya gazeta*. December 31, 2003. P. 8.

the region date back to those periods.[14] In fifty years, the population of the RFE quadrupled from 310,000 in 1863 to 1.2 million in 1913. Then it decreased to 820,000 after the Russian Civil War (1917–1922) and increased tenfold to 8.1 million (1990) during the Soviet period.

Such unprecedented development rates became possible only when the RFE was recognised as a priority. This status facilitated the transformation of the region into a developed economic complex that contributed to the protection of the country's strategic interests. The latter objective was becoming increasingly urgent after the dissolution of the USSR when the country became more Eurasian than ever, i.e. it became that which none of those who had ruled it over centuries wanted it to be [22, p. 310].

During the economic reforms, which began in 1992, the strategic interests of Russia lost their relevance. This change was in line with the goal of the new liberal nomenklatura, i.e. to distance the state from the economy as much as possible. 'The history, current condition, geopolitical role, and socioeconomic structure of the RFE were at odds with the transformations carried by the country's leadership' [23, p. 149]. The paradox was that, in creating a resource-based economy, Russian reformers declared the east of the country responsible for the resource-intensive structure of the Russian economy [24, p. 31].

The founding principle of radical neoliberalism described by Joseph Schumpeter in his famous monograph in the chapter 'The process of creative destruction' [25] (the more devastating the end of the old political-economic structure, the easier and the more powerful the rise of the new economy, in which market will put everything in its right place) was most consistently applied in the RFE. Pavel A. Minakir, Director of the Institute of Economic Studies of the Far Eastern branch of the Russian Academy of Sciences described the situation as follows: 'In 1992–1994, the economy of the RFE resembled a terminally ill person who is not worth treating…' [26, p. 388].

During the economic reforms, the RFE suffered the most serious deprivation. In 2000, the industrial production across the country was at 52% of the pre-reform level. In the RFE, it did not exceed 40% [27, p. 5]. Although not an exclave, this huge part of Russia (41% of the total area) faced the same desperate situation as the Kaliningrad region did.

Firstly, rapidly growing transport rates and remoteness from Russia's industrial hubs almost precluded shipment of local produce to the national market. As a result, the companies that survived privatisation had to close down too. Secondly, the region was home to capital-intensive extracting industries. The beginning of the reforms, however, marked the virtual cessation of investment. Thirdly, when the region lost its priority status, the able-bodied population started to leave the area. Fourthly, the liquidation of kolkhozes and sovkhozes caused a crisis in agriculture. Fifthly, the most affected industries were mechanical engineering, ferrous

[14] The Russian Empire exempted settlers from state duties for twenty years, from local taxes for three years, and from military service. In the USSR, settlers received various economic and social benefits.

metallurgy, light industry, and construction materials production: their proportion in the cost of industrial output decreased from 31.7 to 12.8%. Such a dramatic reduction did not take place in the western borderlands [26, p. 374].

The Zabaikalsky region lost, inter alia, such large producers as the Petrovsko-Zabaikalsky metalworks, the Chita machinery and instrument plant, and the Chita textile factory. The destruction of the forestry industry triggered illegal logging and illegal wood exports to China [11, p. 151]. At the end of the 2000s, the region retained only one-third of its production capacities, primarily, in the energy industry and non-ferrous metallurgy. Many types of minerals occur in the region. Among them are gold, silver, molybdenum, titanium, tungsten, iron, copper, tin, zinc, lead, and uranium. Mineral riches made the region very attractive to Chinese investment. The region exports ore and timber to China and imports a wide range of consumer goods and equipment. China accounts for 90% of the region's international trade. 'the PRC virtually determines the economic future of the region' [28, p. 28]. The Zabaykalsky region is among the most socially deprived territories of the Russian–Chinese borderlands. The region ranks sixty-third nationally by GDP and eighty-third by standards of living.

The Amur region has the mildest climate in the RFE. The area of farmlands in the region is 17,900 km2, 12,100 km2 of which are arable lands (63% of all the arable lands in the RFE). A fall in production, the destruction of infrastructure, and severance of integrating ties increased production costs in agriculture. Grain output decreased from 905,300 t in 1991 to 341,800 t in 2002, meat production from 84,700 t to 21,300 t respectively, milk production from 392,100 t to 171,100 t, and egg production from 302,800 t to 199,600 t. The region was 85% self-sufficient in agricultural produce in 1991 and only 42% in 2017.[15] The rest is imported from China, which accounts for 96.8% of the imports to the region. The trade structure is usual for today's Russian–Chinese commerce. China is the destination of 81.7% of the region's exports, which consist of raw materials and low-value-added products, whereas consumer goods come to the region from China. 'The Amur region is doomed to cooperation with China', Governor Vasily Orlov said in July 2018.[16] There are 400 Chinese and joint Russian–Chinese companies (their number is greater only in the Primorsky region). The Amur region ranks forty-first by GRP and fifty-third by standards of living.

The smallest region of the eastern borderlands is the Jewish autonomous region. By the end of the 1990s, it became a socio-economic outsider: only Tyva performed worse. In 1998, the region was at 15% of the 1990 level. The recovery was slow. In 2012, twenty years after the launch of the reforms, the region pro-

[15] Amurskaya oblast. Tolk fakty [the Amur region. Facts only]. Blagoveshchensk, 2018.

[16] Amur Info. Vasily Orlov: 'the Amur region is doomed to cooperate with China'. *Amur Info*. 2018. July 21. URL: https://www.amur.info/news/2018/07/21/141193 (accessed 08.04.2019).

duced 25% of the 1990 output [29]. By agricultural production per capita, the Jewish autonomous region is well ahead of the other RFE territories. It has good conditions for growing soya: the plant is the basis of local agriculture. The region accounts for 5–6% of the national soya production. There are changes in manufacturing too. The year 2018 saw the launch of the Kimkan and Sutara iron ore project — the largest regional enterprise employing 1,500 staff. The Jewish autonomous region was a major beneficiary of the Asian turn in Russia's politics. In the past three years, the region's economy has experienced an investment boom spurred by the construction of the Eastern Siberia–Pacific Ocean oil pipeline and the Power of Siberia gas pipeline. Both pipelines run to China, the principal international trade partner of the region. In 2017, the country accounted for 99.2% of the region's exports and 94.3% of its imports. In 2019, a railway bridge over the Amur River will link Russia and China. It will carry 22 million t of freight annually. The major components of the exports are ores and iron concentrate (73.3%), soya (15.6%), and rough logs (5.4%). The Jewish autonomous region ranks fifty-third nationally by GRP and seventy-eight by standards of living.

The economic reforms had a devastating effect on the Khabarovsk region — a territory with the most developed and diversified manufacturing industry in the RFE. The absence of public resources distribution and guaranteed government demand severely affected the heavy industry and the arms industry. Komsomolsk-on-Amur, a defence industry hub, suffered the most. 'During the deindustrialisation of the 1990s, the backbone of regional manufacturing, the defence industry, was seen as the burden of the past and a liability inherited from the ruined empire' [26, p. 252].

The abolition of preferences introduced in the state development programme until 2000 and the permit for negotiated prices for end products, while prices for raw materials remained fixed, caused a redistribution of revenues towards the European regions of the country. Since sales structures and cooperation ties were oriented to the domestic market, a steep increase in railway rates was a heavy blow to manufacturing. The loss of markets caused industrial manufacturing to plummet: in 1996, it was at 43% of the 1990 level. The decline in production was aggravated by the financial crisis of August 1998.

The eastern vector of Russian politics, reinforced by a cooling in relations with the West, creates additional opportunities for the Khabarovsk region — the economic, academic, and cultural centre of the RFE. This situation facilitates trade and economic cooperation with China. There are over 300 Chinese and joint Russian–Chinese enterprises. Khabarovsk and the Heilongjiang province are sister regions. China is the principal trade partner of Khabarovsk: in 2018, bilateral trade with China exceeded USD 1.2 billion, which is 59.6% (71.5% of exports and 37.8% of imports) of the region's total international trade. The Khabarovsk region ranks the highest in the eastern borderlands (eighteenth by GRP and twenty-ninth by standards of living).

The Primorsky region, which experienced the same problems in the 1990s (a steep decline in production, the closure of major production facilities, and growing social tensions), had more resources for survival than other territories in the RFE. The region is the sea gate of the RFE. Its 1,500 km long coast is home to major ports — Vostochny, Nakhodka, and Vladivostok (the latter was a closed city from 1952 to 1992).

With many ways to earn revenues, port cities are less dependent on the 'metropole' and thus cause political separatism concerns among national leadership. In Russia, reasons for worry emerged in the 1990s when the central authority was weakened. Often unfounded, these concerns prevented both the region and the state from benefitting from the geographical location of Russia' coastal regions [30].

In the 1990s, few basic goods were shipped from Russia to the region: there was no other choice but to switch to imports from neighbouring countries. This was especially true of consumer goods. Until the 1990s, 80% of foodstuffs were Russian, whereas today most of them come from Asia-Pacific, primarily, China [31].

In 2015, Vladivostok was declared a free port. Over twenty Chinese organisations are functioning within the Vladivostok advanced development zone.[17] The Primorsky region has the highest number of Chinese and joint Russian–Chinese enterprises (637). Its bilateral trade with the country is also the most considerable in Russia. China, however, accounts for a smaller proportion of international trade in Vladivostok than in the other eastern borderlands. There are other lucrative partners (Japan, South Korea) investing heavily in the region. In terms of international trade diversification, Vladivostok resembles the Murmansk, Kaliningrad, and Leningrad regions. In 2018, China accounted for 55.4% of the region's international trade. The Primorsky region exports foodstuffs, petroleum products, timber, equipment, and vehicles. It imports plastic goods, textiles, shoes, and equipment. The region ranks thirty-first in Russia by GRP and fiftieth by standards of living.[18]

In the border regions of north-west Russia, trade with neighbouring countries helped to overcome the crisis of the 1990s: shrinking budgets were compensated for by cross-border trade. In the RFE, international trade was virtually the only way to survive: before the reforms, the RFE sold 87.4% of its mechanical engineering produce, raw materials, and semi-finished goods in the national market. In 1990, this proportion fell to 10.2% [26]. According to Rosstat, the territory still exports six-seven times as much as it sells in Russia; this is especially true of raw materials.

[17] A free port functions under specific customs, tax, investment, and administrative regulation.

[18] These numbers are not exact because of a high proportion of shadow businesses in the region.

Among the consumers of Russian timber, China has stood unrivalled for many years. In the past five years, imports to China have increased from USD 2.23 to 3.18 billion, i.e. by over 40%. This trend will continue: logging is prohibited in the Middle Kingdom since 2005 so that forests will have occupied one-fourth of its area by 2025. Over 60% of Russian timber exports is accounted for by three countries: Finland (5.8%) in the west and China (41.4%) and Japan (5.9%) in the east. The largest exporters in the west are the Leningrad region (491,000 m^3 in the Leningrad region) and Karelia (364,000 m^3). In the east, these are the Khabarovsk (2.253 million m^3) and the Primorsky regions (902,000 m^3). Overall, the eastern borderlands export to China 3.5 times as much as the western borderlands do to the EU. Assuming that there is a direct correlation between legal and illegal export, the shadow market in the east is 3.5 times that in the west. In reality, this difference is greater, not only because the border with China is 1.5 km longer than that with the EU and thus control is complicated but also because the Union closely monitors timber imports.

The shadow sector accounts for a greater proportion of the economy in the eastern than in the western borderlands. In the RFE, smuggling occurs at a rate many times higher than the official statistics. Far eastern fishers bring their catch to Japanese ports and load their boats with used cars to sell them at home. Japanese statistics suggest that the imports of Russian fish to the country are 2.5–3 times the estimate of the Russian customs. The difference in statistics is even greater when it comes to the imports of consumer goods from China [11].

For many years Russia has been the EU's third-largest trade partner, whereas for China the country is only fifteenth. Russian-Chinese trade continues to grow. However, it is more beneficial to China than to Russia.[19] According to international analysts, this situation is fraught with pessimistic scenarios for Russia. 'Russia's political and economic failure to develop the RFE has undermined its quest for stable great-power status in Asia and its ability to play that role there', the US Russia expert Stephen Blank writes. He adds: 'To the degree that these trends continue along present lines, Russia will become China's junior partner and supplier of raw materials, not an independent power in Asia' [32, p. 43]. The RFE continues to fall away from the Russian economic space, being drawn into the gravitational pull of rapidly developing China. In the west, the situation is far less dangerous. Moreover, the western borderlands have a smaller proportion of shadow economy, most of which is illegal timber exports.

Demographic processes in the two borderlands

The onset of the most acute demographic problems is associated with the launch of the reforms. In 1993, for the first time after the war, the national mor-

[19] Russians pay 5.5 roubles per kilowatt, whereas Russia sells electricity to China for 1.5 roubles per 1 kW.

tality rate exceeded the birth rate. People moved en masse from the country's periphery. Depopulation[20] and out-migration from the provinces have continued ever since. The Russia–EU borderlands saw their population decline from 5.4 million in the pre-reform year 1991 to 4.8 million in 2018, i.e. by 11.2%. Three western regions (the Murmansk and Pskov regions and Karelia) accounted for that loss, whereas the populations of the Leningrad and Kaliningrad regions grew [33]. The Russian–Chinese borderlands sustained much greater demographic losses. Their population fell from 6.82 to 4.95 million people, i.e. by 27.9%. In eastern borderlands, unlike their western counterparts, all the regions were losing population. The decline ranged from 24.5 to 29.2%. A typical out-migrant is a young educated person, who, most importantly, is adapted to the local environment [34].

A demographic explosion took place in the Russia–EU borderlands in 1992, the year when the reforms began. The Pskov region witnessed an outflow of out-migrants that was 5.5 times that of 1991. The increase was sevenfold in the Murmansk region and 7.5-fold in Karelia. The eastern borderlands responded to the reforms a year later, in 1993, when 67,600 people (8.7 times the level of 1992) left the RFE.

In the Soviet period, the population of the eastern borderlands was relatively young. Thus, the mortality rate in the RFE was rather low and the birth rate one of the highest across the country. After the reforms, the mortality rate was increasing at a rate well above the national average; since 1994, it has exceeded the birth rate. In 1993–2003, the mortality rate increased by 13.7% across Russia and by 26.4% in the country's Far East. The RFE population peaked in 1991, reaching 8.2 million, and has been declining ever since. According to Rosstat, the population of the RFE was 6.1 million people, i.e. the eastern borderlands lost over two million people, or one-fourth of its pre-reform population.

There are differences in the national composition of the borderlands. The eastern border regions are more 'Russian' with a proportion of ethnic Russians of 93.8% (it ranges from 90.5% in the Zabaykalski to 94.7% in the Amur region). In the west, ethnic Russians account for 84.3% of the population (from 78.4% in Karelia to 94.3% in the Pskov region, which resembles the eastern territories in these respect).

In 2018 three western regions saw a decline in population: the Murmansk region lost 5479 people (0.75%), Karelia 4428 people (0.7%), and the Pskov region 6873 people (1.1%). The populations of the two territories were growing. These were the Leningrad (14,069 or 0.7%) and Kaliningrad (7523 or 0.75%) regions. All the eastern border territories were losing population. The Zabikalsky region lost 3410 people or 0.4%, the Amur region 5230 (0.8%), the Jew-

[20] According to Rosstat, the population of Russia declined by 93,500 in 2018.

ish autonomous region 2141 (1.2%), the Khabarovsk region 6807 (0.6%), and the Primorsky region 10.316 (0.6%). Thus, the Russian-Chinese borderlands, which are home to 3.4% of the population of Russia, account for almost one-third of the country's annual demographic losses. This is a disturbing symptom. Given the centre/regions organisation of the current taxation system and a policy aimed at creating and developing megapolises,[21] reversing the downward demographic trend in the Russian-Chinese borderlands seems a difficult task. Moscow had a population of 9.8 million in 2000 and 12.6 million in 2018. Over 20 million people live in the Moscow agglomeration, which is growing as rapidly as the periphery is losing its people. The only way for the Moscow megapolis to reach a population of 30 million is to depopulate the provinces.

The five regions of the Russia–EU borderlands and the Saint Petersburg agglomeration are home to 10.9 million people, who are cross-border neighbours of 12.5 million people living in Latvia, Lithuania, Estonia, Finland, Poland's Warmian-Masurian voivodeship, and Norway's Finnmark county. With adjustments made regarding Eastern European migration trends [35], the EU eastern borderlands and the Russian western borderlands are at near parity. Moreover, the former have two million Russian speakers living in them. The situation in the RFE is entirely different: five million residents of the Russian border regions live next to the 125 million population of the neighbouring Chinese regions. This demographic disparity, which constitutes the main difference between the Russia–EU and the Russian–Chinese borderlands, has a special geopolitical meaning: Russia is losing population, whereas China grows by 8 million people per year.

The 1985 projection by the Central Statistical Directorate of the Soviet Union estimated the RFE population in 2020 at 10.8 million. According to a 2015 projection by Rosstat, if the current trend persists, only 5.6 million people will live in the RFE in 2025. This situation is at odds with the objectives of developing the Russian regions and ensuring national security.

Conclusion

Among Russia's vital interests are interactions with the neighbouring states. An important role here is played by Russian border regions, which serve as the country's outposts and act as intermediaries in cooperation. These two functions of border regions translate into properties that make them the focus of increasing research attention. Growing economic ties between the EU and China

[21] Mayor of Moscow Sergey Sobyanin voiced the objective of increasing the population of Russia's capital to 30 million in his speech given at the sixth Russian Civil Forum on December 8, 2018.

(particularly within the Belt and Road Initiative) lend fresh urgency to studies into the economic potentials of Russia's western and eastern border regions and the possible contribution of these territories to national economic development. The economic success of its immediate neighbours, the EU and China, provide a sharp contrast to Russia's archaic economic model based on raw materials exports.

The differences between the western and eastern regions are largely a result of the historically-rooted eurocentrism of the Russian economy. In the Soviet period, the gap between the two territories was narrowing. After the deindustrialisation of the 1990s, which was a massive blow to Russia's periphery (border regions were no exception), to socioeconomic, demographic, administrative, and legal disparities between the west and the east increased. The negative results of the economic reforms had the most adverse effect on the eastern border regions. In comparison to the western borderlands, the RFE is a socio-economic and, which is especially unacceptable, demographic outsider. Not only this situation inhibits the economic development of the eastern borderlands, but it may also threaten the territorial integrity of Russia.

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WHEN AND WHY REGIONAL CLUSTERS BECOME BASIC BUILDING BLOCKS OF MODERN ECONOMY

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In this paper, we examine the modern cluster theory and the specific features of regional innovation clusters as complex adaptive systems. Clusters have become a typical pattern of industrial organization in national economies under their transition to innovation-driven model of growth. We provide an overview of the contribution of various theoretical frameworks (evolutionary theory, spatial development theory, theory of technological change and system innovation, and Porter's competitiveness theory) to the cluster concept and consider the latter from the perspective of complexity economics. On this basis, we differentiate true clusters from their nominal counterparts and propose three analytical dimensions to explore clusters, namely, as a special class of industrial agglomerations, as a special class of innovation ecosystems, and as a special class of economic projects (cluster initiatives). We examine the properties of clusters corresponding to each class and demonstrate their role in the geographical and functional fragmentation of production, in the integration of local exporters into global value chains, and in bridging communication gaps and developing collaboration among economic agents. We show that clusters occupy a central place among various types of business networks and have a comparative edge making them key building blocks of the modern industrial landscape. Further, we explain how the innovation capacity of clusters is affected by network synergy effects arising from the triple-helix pattern of collaboration among their participants. Finally, we draw conclusions regarding national cluster supporting policies, including those applied in modern Russia.

***Keywords*:**
innovation clusters, cluster initiatives, collaboration, innovation ecosystems, triple helix model, complex adaptive systems, global value chains

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Digital transformations combined with rapid technological progress and global competition challenge sustainable growth prospects of countries, so that economic systems now have to rely on exclusively endogenous sources of development. This challenge necessitates the transition of both developed and developing economies towards an innovation-driven type of growth based on a continual innovation activity of businesses or, plainly speaking, on continual innovation. To manage this process of transition, countries and regions are launching extensive reforms that would enable the adaption of domestic economic contexts to fundamental global changes.

Firstly, the development of information and communication technologies (ICT) leads to the *emergence of a network-based innovation model*, where the creation of innovations as well as the innovation-driven production process become non-linear, decentralised and interactive [1]. New ideas and knowledge are now generated not only in academia or business sectors but in all institutional sectors. The transformation of this knowledge into innovations (new products, technologies and services) results from a collective action of multifarious actors united into common communication networks.

Secondly, globalisation leads to *the emergence of a distributed model of production* [2]. The manufacturing of a final product is no longer done by one large firm or group of firms from the same country but rather by several exporting firms from different countries, operating within the global value chains. The traditional production chains had ultimately gone beyond the national boundaries and transformed into joint international projects uniting autonomous network partners from wherever in the world. The literature describes this process as the globalisation of production [3].

Thirdly, both the technological progress and the globalisation of production lead to *the re-arrangement of national economic landscapes* so that the organisation of economic activities in countries and regions gains a network-based and a cluster-based design. The growing complexity of technological systems generates a complementary growth in the complexity of economic systems: the latter are re-arranging themselves from a set of hierarchical firms into a complex variety of business networks, or ecosystems, which are better tailored to a collective creation and a mass diffusion of innovations than hierarchies [4]. Of all forms of ecosystems shaping the new economic landscape, *regional clusters* are becoming the basic model since they better fit into the digitalised and globalised context as compared to other business networks.

This article aims to reveal the specific features and advantages of regional clusters, which enable them to provide a continual innovation. Why are clusters considered the most efficient organisational model of modern economic and industrial activity?

We focus mostly on existing theoretical findings rather than on empirical research. In the first part, we provide a literature review summarising the contribution of various streams of theoretical thought to the cluster concept. On

that basis, we highlight the nature of clusters as complex dynamic systems and propose three analytical dimensions to study them. Following the proposed methodology, we analyse modern clusters first as a special type of industrial agglomerations (the second section), then as a special type of innovation ecosystems (the third section), and finally, as special economic projects often referred to as cluster initiatives (the fourth section). The final part of the article contains conclusions regarding the policy of supporting clusters, including Russian cluster efforts.

1. The Origin and Evolution of the Cluster Concept. Literature Review

The cluster concept began to gain momentum in the economic theory and practice a quarter of a century ago, which reflected the growing interest of academics, policy-makers and business in both the very phenomenon of clusters and their advantages in achieving a more dynamic economic growth. Cluster concept first appeared in the well-known book by Michael Porter *The Competitive Advantage of Nations* [5] in 1990, where Porter defined the term 'industrial cluster' as a group of companies from related industries having common business tasks and communication channels. Before Porter's cluster idea, the economic literature was focused on discussing a similar idea of 'industrial districts.' The latter had been introduced by Marshall as early as in the 19th century, reflecting the contemporary British phenomenon, but it re-emerged in the late 1970s, in the works of Becattini on similar agglomerations of small and medium-sized companies in Italy [6].

Until the mid-1980s, the Marshall-Becattini concept of industrial districts [7] remained on the periphery of theoretical research since economists kept to more popular theoretical findings on industrial markets introduced by the future Nobel laureate Williamson [8]. However later, this concept incorporated some of Williamson's approaches and Granovetter's idea of embeddedness, which laid the foundation for the *European cluster research tradition* that leans toward spatial analysis in studying business agglomerations and business networks [9]. A similar thing happened to Porter's cluster concept. Originating from the Harvard Business School studies on corporate strategies, it was initially developing on the periphery of economic theoretical thought. However later, it formed the core of the *American cluster research tradition* which relies largely on Schumpeterian innovation theory [10] and focuses on regional analysis in studying national competitiveness and innovativeness.

Almost until the mid-1990s, these two traditions of cluster research evolved independently — the European one was based on the Marshallian idea of industrial districts, and the American one — on Porter's cluster concept. Thereafter, they gradually integrated into a common research stream, often referred to as *cluster literature*. Interestingly, this integration had been spurred by two

interdisciplinary works in the field of comparative territorial analysis, which were increasingly cited in the 1990s by both European and American scholars [9]. They were Saxenian's book of 1994 on institutional advantages of the California Silicon Valley as compared to the Boston innovation ecosystem *Route 128* [11], and Scott's book of 1988 on comparing new industrial districts in North America and Western Europe [12].

By the 2000s, the term 'cluster' had been widely used in the economic literature on industrial organisation, regional development and innovation, while the cluster concept had taken a pronounced cross-disciplinary nature [6]. Yet, until now, there is still no generally accepted definition of a cluster that would distinguish this concept from other spatial forms of industrial organisation. Contemporary cluster literature reflects a variety of theoretical approaches gleaned from different areas of economic thought (economic theory, management, economic geography, regional studies etc.) and different disciplines (economics, sociology etc.). As a result, the term 'clusters' is often mistakenly applied to typologically different entities ('new industrial districts', 'innovative milieu', regional innovation systems, 'knowledge regions' etc.), and the cluster concept remains rather vague and eclectic [13]. An overly broad interpretation of clusters or a simplified interpretation of a cluster concept often leads to failures in economic policy and cluster programmes in both developing and developed economies [14; 15].

At this background, a significant part of *Russian cluster literature* focuses rather on the issues of reliable cluster mapping, as well as on the elaboration of more effective cluster policies and their coordination with other national economic strategies [16—18]. However, this does not mean that Russian scholars do not address the development of the cluster concept itself. As an example, consider Shastitko [19] or Gareev [20] who analysed a number of key institutional properties of clusters. Markov [21] showed that clusters should be viewed as self-organising regional production systems. Smorodinskaya [1] proposed three analytical dimensions to study clusters as complex systems. At the same time, important theoretical subtleties of the cluster concept, which directly affect the transition of economies to innovation-driven growth, have not yet been pronouncedly generalised. This article seeks to fill this gap by and large.

The modern theoretical thinking of clusters and their role in the evolution of economies has been shaped and is further polished under the influence of several large literature streams. Among them, we have chosen a number of complementary streams that seem most close to the objective of this article in terms of their contribution to the cluster concept.

Contribution of the evolutionary theory and literature on spatial development (geographers and economists — Asheim, Boschma, Feldman, Fornahl, Menzel)

As an independent research subject clusters have firstly become a priority among evolutionary scholars in economics and economic geography [22]. The

evolutionary literature opposes itself to the traditional neoclassical theory and is closely connected with the ideas of institutional economists. Cluster studies implemented by evolutionary scholars mostly follow the European cluster tradition going back to the Marshall-Becattini concept of industrial districts [7]. Such studies largely rely on spatial and regional development theories, stressing the advantages of localisation, i.e. concentration of a large group of small and medium firms in a particular territory, especially when these firms are united in a horizontal network.[1] Another source for such studies is the network theory, originating from Granovetter [23]. The contribution of evolutionary literature to the modern cluster concept can be summarised in the following findings.

Firstly, this literature emphasises the advantages of geographically concentrated business agglomerations as compared to geographically dispersed business networks (e.g. value chains). It also highlights the contribution of the regional institutional environment into the success or failure of local clusters. On the whole, the *quantitative results and dynamics of clusters' economic activity depend on three qualitative parameters related to the efficiency of interactions among cluster firms* [24; 25]. The first parameter is heterogeneity (degree of diversity) of cluster actors, which affects the diversity of knowledge generated in the cluster and its adaptability to changes in the external environment. The second one is the development of network linkages (between cluster firms and with their external partners), which makes it possible for the cluster to improve its growth pattern and successfully upgrade its specialisation. The third one is the quality of local institutional environment, which facilitates or, on the contrary, hampers the emergence and further development of new networks and clusters in the given region. Indeed, the experience of Silicon Valley shows that it was the development of institutional relations and network linkages that had become a decisive factor of its unique success in innovation [11].

Secondly, this literature analyses *the patterns and factors of a cluster evolution during its life cycle* — how and why groups of companies become clusters by developing network linkages, then grow further, and thereafter, decline or, conversely, transform into new clusters by changing the profile of their economic activity [26]. The key driver of this evolution is seen as the advancement of interactions at the microlevel, among the cluster firms themselves (rather than shifts in the production structure of the cluster). And the most important conclusion is that each cluster at each stage of its life cycle needs a specifically tailored package of government regulatory measures aimed at improving the above-mentioned

[1] According to Marshall's concept based on the experience of a number of English regions of the late 19th century, localisation of a significant number of small and medium-sized firms increases their efficiency to the level of a large-size firm due to the agglomeration effects of cost reduction. According to Becattini's concept based on the experience of the Emilia-Romagna region and other industrial districts of Northern Italy in the 1970—1980s, the unification of such group of firms into a network lends them further competitive advantages beyond agglomeration effects.

qualitative parameters — increasing heterogeneity of cluster actors, developing their network linkages, and improving the regional institutional context [25]. Although the emergence of new clusters is market-driven, their transformation into mature competitive entities requires a well-designed policy pursued by regional authorities, which ultimately promotes the advancement of collaborative activities in clusters.

Thirdly, the evolutionary literature *leverages the concept of path dependency,* a key idea of institutionalists, implying that new trends, technologies or industrial activities are generated through a creative recombination of previously existing ones. In particular, it highlights the necessity of supporting *a dynamic balance between specialisation and diversification in clusters* so that a group of cluster firms could, on the one hand, continually deepen its industrial specialisation, and on the other hand, maintain the diversity of competencies and economic activities by attracting new firms from related industries [27]. When this diversity is narrowed, a cluster may become dependent on the previous development trajectory thus getting in an institutional or technological lock-in. Such lock-ins imply interruptions in a cluster's technological upgrading, which eventually leads to its stagnation and the following decay.

The evolutionary geography should not be confused with the ***new economic geography*** **(NEG)** launched by Paul Krugman, which has also made an important contribution to the cluster concept [28; 29]. Applying mathematical modelling, this discipline elucidated the very process of clusterization of economies: it explained the underlying factors in geographical localisation of industries and in formation of clusters primarily in large cities. At the same time, in contrast to the evolutionary economic geography, the NEG adheres to a narrow interpretation of clusters. It views them not as a new model of organising economic activity in the era of innovation, but solely as a type of industrial agglomerations generated by the spatial concentration of tangible resources and the possibility of cost reduction [30]. In other words, the NEG focuses only on the advantages of clusters that arise from Marshallian externalities of geographic proximity without taking into account the role of network linkages and other qualitative parameters emphasised by the evolutionary theory.

Contribution of literature on technological change and system innovation (the line of Lundvall, Cooke, Freeman, Braczyk, Malerba, back to Schumpeter's ideas)

Unlike neoclassical theory resting on models of exogenous economic growth, this literature proceeds from the idea of endogenous growth, interpreting technological change and innovation (the process of technological upgrading) as an internal factor of industrial development, according to Schumpeter. It considers innovation not as a linear process (basic research — applied research — production) but as the result of non-linear and interactive relationships among economic

agents, leading to the generation and spillovers of knowledge flows. The contribution of this literature to the cluster concept is associated with the development of the following ideas.

Firstly, the *drivers of economic growth arise from the effects of knowledge spillovers, or externalities* that can be achieved not only in traditional agglomerations uniting firms from a single industry (Marshall's externalities observed within industries) but also in clusters uniting firms from related industries (Jacobian externalities observed between industries and leading to industrial diversification) [31]. Moreover, of special importance are the effects of tacit knowledge spillovers among networked firms and, particularly, among cluster firms (Marshall described such effects as a 'special atmosphere').

Secondly, *the innovation process has a systemic nature* — it requires a system of networked agents, enabling a collective action in the field of creation and diffusion of innovations. In the 1980s, this concept of system innovation resulted in the idea of national innovation systems built by governments in a top-down way. By the mid-1990s, this approach had transformed into a similar idea of building regional innovation systems since it was recognized that the innovation potential of national economies could be primarily developed at the regional level [32; 33]. In addition, parallel findings of regional studies made it obvious that competitive advantages of regions depend not just on their labour or natural resources but also on resources of tacit knowledge embedded in the local industrial and institutional contexts [34]. Therefore, literature on system innovations started to develop alternative concepts of *innovation territories emerging in a bottom-up way* (learning regions, innovation milieu, etc) [35; 36]. Among them, there was also the concept of clusters that came from Porter [37], which initially interpreted clusters as an exclusively market-driven phenomenon, not requiring (according to the US experience) any organisational efforts. All these concepts have been used interchangeably.

Thirdly, a systemic approach to innovation suggests not only the geographical proximity of networked actors but also their cognitive proximity and closeness of their activities in both industrial sectors (a network of firms from related industries) and institutional sectors (a network of industrial firms, research centres, universities, and government agencies). This gave rise to the concept of *sectoral innovation* systems proposed by Malerba [38]. Since the emerging networks are multifarious in type and scale [39], the sectoral innovation systems can appear at any level, from transnational to local, including business agglomerations in the form of clusters [33]. These findings led to a more precise concept of *innovation clusters* implying a group of firms and organisations localised in a certain geographical and institutional context and engaged in collective creation of innovations in a given field of activity. As a result, various countries, including USA and Russia, started to introduce a more generalised term *regional innovation clusters* in their official cluster programmes [17; 40].

Finally, it was in this literature that the concept of innovation ecosystems began to take shape. This concept embraces innovation clusters and all other

types of innovation-oriented network communities that constitute an organisational alternative to traditional hierarchic systems. In contrast to hierarchies, these communities emerge in a bottom-up way and have a heterarchical design, implying that networked agents rely on a decentralized pattern of coordination and form an ecosystem of linkages for collective action [41; 42]. The concept of innovation ecosystems emphasises the non-linear nature of innovation process, its reliance on interactive relationships (feedback connections) among networked agents, and the importance of a continual enhancement of such interactions [43]. It also highlights a relatively higher stability of inter-firm linkages within localised ecosystems that have a specific life-cycle, such as regional clusters, than within dispersed business networks, such as value chains, formed just for the period of creating a certain product [44].

Since the 2010s, academic research on innovation ecosystems has been accompanied by relevant studies on the part of different expert communities of both national (USA and European countries) [40; 45] and international level (the World Bank) [46]. These studies acknowledged innovation ecosystems of various configurations and complexity as new building blocks of the post-industrial economy, while viewing clusters as a key variety among them.

The theoretical thought on technological change and system innovation is often adjacent to ***sociological and economic literature on business networks***, both inter-firm and inter-organisational ones [47]. This literature views business networks, including clusters, as a hybrid model between a classical firm and the market [48]. It contributes to the cluster concept by exploring the diversity of networks in terms of their organisational and governance design, with the purpose to identify the most effective patterns. Meanwhile, unlike the stream of cluster literature, literature on networks does not focus on aggregate cluster externalities but rather on individual motives and benefits of cluster firms [49].

Contribution of Porter's competitiveness theory and cluster literature (the line of Porter, Delgado, Ketels, Lindqvist, Sölvell et al.)

The most significant contribution to developing the cluster concept, and particularly to explaining the advantages of clusters over isolated firms and industries in a global economy, was made, admittedly, by the cluster literature that originates from Porter's competitiveness theory [5; 37; 50].

Elaborating this theory, Porter found that competitive advantages of firms largely depend on the local economic environment where they operate, and the quality of that environment could be assessed through a set of indicators constituting the Diamond model [5]. One of the Diamond's facets denotes the presence in a given location of specialised business agglomerations which Porter called clusters. Although Porter introduced the idea of clusters just for analytical purposes, it began to gain popularity among both business managers and government bodies worldwide as a practical economic policy tool — independently of

the Diamond model itself.[2] A decade later, reckoning with the already achieved international experience in cluster building, Porter significantly expanded his interpretation of clusters, and this renewed approach formed the framework for the American cluster research tradition.

Firstly, Porter reaffirmed his *descriptive definition of clusters as business agglomerations,* viewing them as 'geographic concentrations of interconnected companies, specialised suppliers, service providers, firms in related industries, and associated institutions (for example, universities, standards agencies, and trade associations) in particular fields that compete but also cooperate' [51, p. 197—198].

Secondly, Porter formulated an *analytical definition of clusters as complex dynamic systems* typical for the era of innovation. Allowing for Saxenian's findings on the success story of Silicon Valley [11], he proposed to describe clusters from three interconnected perspectives — as a localised agglomeration having a certain territorial scope; as a non-hierarchical network of agents from various institutional sectors; and as a special economic milieu (an ecosystem), where agents benefit from sharing their resources (from 'commonalities and complementarities') [51].

Thirdly, Porter warned against limiting the cluster idea to the benefits of a new type of business agglomerations. Rather he stressed the decisive role of clusters and their ecosystems in fostering inter-firm competition, enhancing productivity growth, and raising the dynamics of firm and product turnover in the economy [51].

This complex thinking of clusters was followed by Porter's upgrading of the initial 1990 version of the Diamond model itself.

Porter's competitiveness theory argues that a territory can enjoy sustainable economic growth if it maintains sustainable competitive advantages through enhancing total factor productivity (TFP). In the era of ICT and innovation, the enhancement of TFP is based on a perpetual innovation activity of businesses [37], which demands a relevant, innovation-inducing quality of microeconomic environment, where firms operate. The modern version of the Diamond model, upgraded by Porter in the late 2000s [52], assesses this quality by means of the following four groups of indicators (four 'diamond facets') [46]:

1) input conditions for innovation;

2) demand conditions for innovation;

3) the level of inter-firm competition (rivalry) encouraging companies to innovate;

4) the level of inter-firm cooperation enabling the firm clustering — integration of companies from technologically related and supporting industries into business agglomerations.

[2] This situation is known in literature as 'the Porter paradox'. The idea of clusters sparked the interest of policy-makers and managers as an advanced, network-based form of organising industrial activity, which can lend businesses extra competitive gains and generate additional growth in respective territories. In addition, for the first time, macroeconomic competitiveness of countries and regions was pronouncedly put into dependence on microeconomic conditions where businesses operate [1].

Although favourable conditions for the firm clustering is only one of the Diamond facets, the formation of innovation clusters in the given territory depends on the growing quality of local economic context throughout all the four assessment parameters. A simultaneous dynamic interaction of all the four quality factors contributes to inter-firm networking and collaboration in the economy, and promotes the transformation of newly emerging agglomerations into effective innovation ecosystems tailored for interactive co-creation of innovations by networked agents [52]. To become a knowledge-based economy, a territory must continually improve its economic context in line with the Diamond model estimations, i.e. it should apply policy efforts that dynamize the formation of new ecosystems and *accelerate the cluster-oriented restructuring of its industrial landscape*. In its turn, the cluster-based organisational design helps markets to reallocate resources and technologies to the most productive sectors, and within them, to the most innovative companies, thereby supporting the TFP growth, and hence, sustainable economic growth in the territory [53].

Modern cluster literature exploits both the descriptive Porter's definition of clusters as business agglomerations and their analytical Porter's interpretation as complex dynamic systems.

Economists recognised the *descriptive definition* as classical, and it is variably reproduced in various cluster research since it is suitable for cluster mapping (identification of the emerging cluster agglomerations) [54; 55] and for comparing clusters by quantitative parameters (e.g., by a number of employees). Today, clusters are regularly mapped in the United States (within the frames of the Harvard's initiative '*The US Cluster Mapping Project*'), Canada (*Canadian Cluster Map*), in the EU (*European Observatory for Clusters and Industrial Change*) and some other countries. However, the classical interpretation of clusters does not allow revealing their qualitative parameters that enable their transformation into network-based innovation ecosystems.

Therefore, the *analytical definition* helps to view clusters as complex holistic entities, where a dynamic interplay between geographical and functional proximity of networked agents, as well as between their competition and cooperation, generates externalities that strengthen competitive advantages of both the cluster firms and the territory of their location [50]. Within this complex approach, the cluster concept is being constantly upgraded and enriched. The cluster research tradition close to Porter's thinking seeks to accumulate the up-to-date empirical and theoretical findings of other literature streams, while giving top priority to exploring the cluster collaboration effects associated with aggregate gains in competitiveness and innovativeness [56].

Of special note is differentiation of *true clusters* from other business networks and innovative milieu. In Europe and worldwide, cluster studies that follow Porter's findings identify as true clusters only those innovation ecosystems, where the existing pattern of collaboration among agents ensures them a continual productivity growth (so called '*competitiveness upgrading*') and enables them to function as growth poles for the given local economy [57].

Cluster concept from the perspective of complexity economics

In studying clusters as complex dynamic systems, cluster literature echoes not only the evolutionary and institutional approach to innovation but also the approach of *complexity economics*, a modern alternative to traditional economics. This is a relatively new stream of thought, a specialised branch of the interdisciplinary theory of complexity, which explores the significantly modified standards of organisation and behaviour of economic systems in the age of digital technologies and non-linear innovation [22; 58].

According to the complexity theory, complex dynamic systems, more often pronounced as complex adaptive systems (CAS), evolve as heterarchical and heterogeneous communities of legally independent (autonomous) but functionally inter-dependent agents who have self-united into a common network and are developing in the course of their interactions an ecosystem of relatively sustainable linkages, shared rules, and shared assets [59]. Complex systems differ from traditional linear systems by a typical set of specific generic properties. Their most essential features include an emergent (non-deterministic) behaviour, reliance on feedback loops, self-organisation and self-development (without any external or central governance), adaptability to unpredictable changes in the environment, ability to generate self-similarities on any scale (fractal nature), holistic nature and synergy [60].

As a key variety of innovation ecosystems generated by collaborative networks, clusters admittedly display similar properties as envisaged in CAS, which suggests their learning from the perspective of complexity economics [4; 61]. From this perspective true clusters appear to rely on *endogenous growth sources* — they evolve and advance through continual renewals, or internal structural transformations enabled by network interactions. Due to synergy effects occurring in complex systems, the results of a cluster economic performance will always be greater than the sum of individual achievements of its participants. Besides, in true clusters, agents always adapt to each other and to the cluster environment through feedback loops, which means they act interactively, accounting for the behaviour of other agents. These self-adjustments (adaptability) inform agility to cluster firms in terms of managing with unpredictable external changes, be they rapid technological or market changes of the day. Within clusters, agents can do better in decision-making and functioning under any emergence and uncertainty, which, as a result, improves functional parameters and aggregate performance of the ecosystem as a whole [4; 61].

Indicatively, in all streams of literature discussed above, findings on clusters in one or another way get close to the assumptions of complexity economics. Following these assumptions, we further describe the nature of clusters by three interconnected analytical dimensions, as a special type of industrial agglomerations, a special type of innovation ecosystems, and a special type of economic projects called cluster initiatives.

2. Clusters as a Special Type of Industrial Agglomerations

As industrial agglomerations, regional clusters could be seen as non-hierarchical business communities fitting into the emanating model of globally distributed production and the relevant system of global distribution of labour.

The growing distribution and dispersion of the production process, which especially intensified after the global economic recession of 2007—2009, has two inter-related formats — geographical and functional [2].

Geographically, business operations for producing new final goods are no longer confined to a single country, but are dispersed across the world and distributed among many firms from many countries. This leads to the formation of global value chains (GVCs), treated in literature as basic tools of globalization [3]. Within a GVC, export products of certain countries are purchased by other countries as intermediaries meant for further processing and subsequent re-export to third countries. This process generates an increasing flow of value added — from the stage of research and elaboration of a new product idea to the stage of sales and after-sales services [62].[3]

Functionally, the production process is no longer divided into three large stages (resource extraction — processing — services). Rather it is fragmented within those stages into increasingly granular and technologically complex business tasks, each of which corresponds to a certain node in the GVC [64]. In this context, diversification of economic systems is increasingly associated with their growing structural complexity, i.e. with the growing share of more complex, higher specialized and higher value-added activities in the composition of GDP [65]. Moreover, since trade through GVCs (so called 'trade in value added') is export-oriented, the prospect of maintaining competitive advantages under the global competition challenges countries to increase the complexity of their export basket, rather than just the overall complexity of domestic industrial structure.[4]

Proliferation of GVCs, while covering manufacturing since the 1990s and services since the 2000s [67], has led to an increasingly complex and granular division of labour at both the national and international levels. Nowadays, firms and countries are abandoning the strategy of producing final goods by themselves (within completed national value chains) in favour of producing and exporting innovative, narrowly specialised intermediate products, which they can create more efficiently than their competitors worldwide. Accordingly, economic systems are also moving towards a more subtle, cluster-based orga-

[3] As compared to similar terms (supply chain, production chain, commodity chain), the concept of GVCs, introduced by Gereffi et al. in the late 1990s (see the literature review in [63]), emphasises the uneven generation of additional amounts of value at different stages of the production cycle.

[4] This approach provides the basis for the Harvard's Economic Complexity Index [65] and other economic complexity indicators, elaborated to assess competitive potential and growth prospects of economies [66].

nizational design. New clusters with sophisticated specialization emerge at the junction of several technologically related sectors. Describing this phenomenon, cluster literature distinguishes 51 cluster categories, i.e. typical patterns of co-location of firms from related industries [68].[5] Mapping these patterns allows decision-makers to identify emerging cluster agglomerations.

Although each cluster evolves in its own dynamics, there is still a common logic of such evolution, which ensures adaptability of a cluster to ever changing environment through the process of *configuration — deconfiguration — reconfiguration*. This process is predetermined by four stages of the cluster life cycle (Fig. 1) that does not coincide with the life cycle of industries presented in the cluster [25; 56].

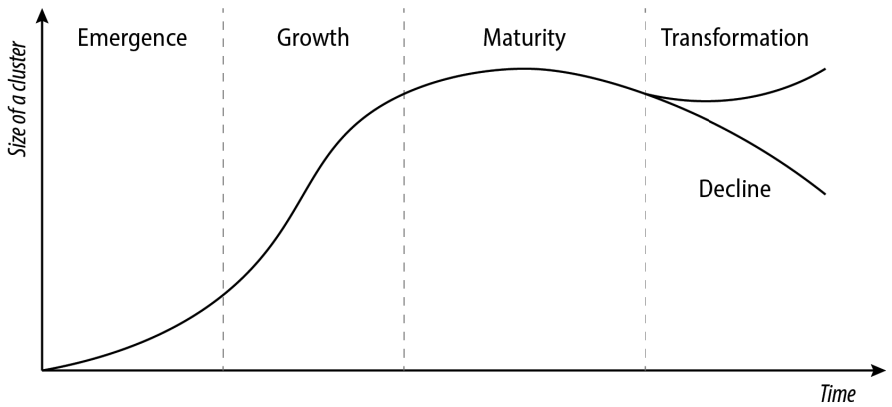

Fig. 1. Cluster life cycle: from emergence to transformation

Source: elaborated by the authors on the basis of [25; 56].

At the stage of cluster *emergence*, cluster-specific features are almost completely absent. The cluster has neither a pronounced specialisation, nor an obvious local structure of institutions for inter-firm collaboration. However, by this moment, the region has usually accumulated certain experience in organising production, generating knowledge, training staff, and other areas of economic activity, which can be used for further cluster development.

At the *growth* stage, the generation of new firms and spinoffs of incumbent firms intensifies, nascent inter-firm linkages and institutions for collaboration emerge and take various forms — from conventional inter-firm alliances to specialized cluster organisations. Cluster starts to accumulate unique knowledge assets (mostly tacit) and competencies.

[5] The concept of cluster category was introduced by Porter in 2003 in reckon with the US economic survey results [54]. Nowadays it is applied by cluster observatories worldwide as an alternative to conventional input-output analysis of industrial structure [69]. Statistically, the same industry, as introduced in traditional classification systems (e.g., in Russian OKVED), may be included simultaneously in different cluster categories, since it is taken as fragmented into more specialized and sophisticated types of activity.

At the *maturity* stage, the quantity and variety of cluster participants reaches a certain critical mass, so that the generation of new firms and spinoffs slows down. Firms begin to develop inter-firm linkages outside the cluster, which often leads to the emergence of new multinational enterprises (MNEs). In the course of a cluster engagement in global production (through GVCs), tacit knowledge is subject to codification and standardisation. Although incumbent firms retain the ability to upgrade their competitive advantages, they rarely generate radical innovation, only a small part of clusters are able to generate them at this stage. Generally, a mature cluster has a pronounced and often unique specialisation not only at the national but also at the global level, which attracts both domestic and foreign investors.

At the *final stage* of the life cycle, the cluster may evolve according to two alternatives. In a *negative scenario*, it gets technologically locked-in due to inability to generate further knowledge for the purpose of upgrading its specialisation and meeting the new global market demands. It starts facing stagnation and may eventually vanish. In a *positive scenario*, the cluster gains new momentum by attracting new knowledge from outside. As a result, it either upgrades its specialisation, or transforms into several new clusters that focus on new products or even on a completely different type of economic activity.

In contrast to agglomerations of the industrial age, clusters operate under open global competition and ever-changing demands of customised markets. This compels them to constantly improve their production capacities and develop a smart specialisation, i.e. produce unique goods in terms of quality, cost or special features. Cluster firms are therefore more specialised, more productive and more innovative than firms locating outside the clusters [70]. Moreover, *clusters themselves become export-oriented structures that act as local nodes of global value chains* (Fig. 2).

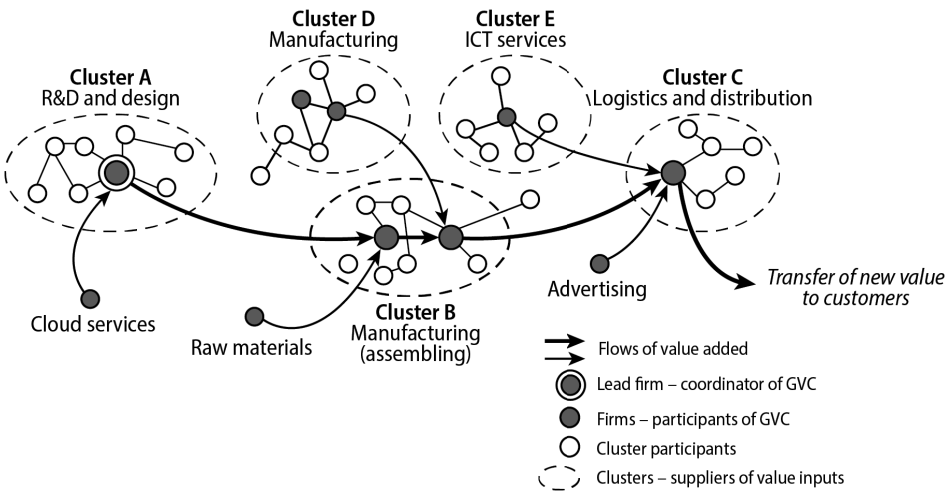

Fig. 2. Organisation of a global value chain (a typical schema)

Source: [2].

GVCs are built by global firms as a joint international project that has its own time frame and operational sequence, both determined by the process of co-production of a new final product. They represent distributed and geographically dispersed networks of legally independent but functionally related firms. Each firm acts as a supplier that performs its individual business task (a unique of its sort within the common project) corresponding to a particular node in the GVC, with this task usually executed within a regional cluster of one country or another. Interactive cooperation among numerous networked project partners turns GVCs in sophisticated business ecosystems [43].

Nowadays, global firm organising a GVC neither participates in every node, nor seeks to control the key nodes. Rather it acts as an effective project coordinator, or just a *project leader* through its branch-offices in one of the regional clusters, and additionally, as an ordinary supplier of certain intermediaries.[6] In the course of co-production, lead firm locates and regroups value chain nodes in such configurations that allow to reduce costs and create new products with the highest value added. Lead firm usually selects specialised contractors on terms of *smart-sourcing*: it picks up a supplier for each narrow business task from that very local cluster, where this task can be performed most effectively as compared to all other clusters across the world [72]. As a result, most innovative clusters with a smart specialisation become highly specialised local nodes in GVCs. This turns clusters into agile and *glocal* entities that take advantage of the dynamic combination of local and global resource flows.[7]

As nodes of global chains, clusters localize parts of the globalized production process inside various geographical areas and, thus, lend the world economy a *glocal structure*. On the one hand, value-added flows generated by GVCs permeate through over the world economy, which enables its growing diversification. On the other hand, these flows shape specialised cluster nodes in various localities across the world economy, which deepens its specialisation [1]. In turn, the regions, where promising clusters have emerged, acquire unique comparative advantages to attract global investors who lead GVCs and may locate next business-tasks within the given clusters. In this case, local cluster firms can successfully join GVC, while the region can gain access to global technologies and global markets [72].

To sum up, the specificity of regional clusters as industrial agglomerations stems from the increased complexity of economies and production process. First of all, it concerns 'trans-industrial' specialization of clusters, emerging at the junction of several technology-related sectors. Secondly, clusters are highly specialised local nodes of globally distributed production, and in this role, they help the world economy to keep a dynamic balance in enhancing both diversification

[6] Interactive coordination of activities within GVCs, usually through digital platforms and modular solutions, increases the total gain in value added and, as a result, individual gains of each participant, including the lead firm itself [71].

[7] The circulating in clusters flows of financial and physical capital run global mobility, the social capital flows (a source for tacit knowledge spillovers) run local mobility largely determined by local institutional environment, and flows of human capital have mixed mobility [73].

and specialisation. Thirdly, clusters are export-oriented business communities and key components of GVC's ecosystems, which makes them crucial regional channels for a better integration of national economies into global markets.

3. Clusters as Special Innovation Ecosystems

To identify the specifics of clusters as innovation ecosystems, we first define their place in the larger family of business networks that develop ecosystems.

Business networks can emerge both on the basis of dispersed value chains and on the basis of agglomerations of co-located firms. In both cases, the economic activity is not rooted in the individual agents themselves, but rather in the ecosystems they form in the course of interactions. Such ecosystems are just a space of relatively sustainable business linkages and shared assets, arising from even, multilateral and regularly recurring communications among networked agents. This implies that autonomous agents self-unite in a common network and develop its ecosystem in order to achieve economic goals that none of them can achieve individually [44].

Among various criteria to classify business networks, which can be found in modern evolutionary and innovation literature, a key one, in our view, is the pattern of interactions among participants [47]. As follows from the idea of adaptability of CAS (and also from Porter's findings on collaboration [5]), the more complex the configuration of linkages and the pattern of agents' interactions in the ecosystem, the higher its innovation dynamics and, hence, its economic robustness and resilience [74]. Applying this criterion, namely the dependence of innovation dynamics in an ecosystem on the complexity of interactions between its agents, we distinguish three types of entities within the modern family of business networks. These types are cooperation networks, collaborative networks, and collaborative networks with a triple helix design (Fig. 3).

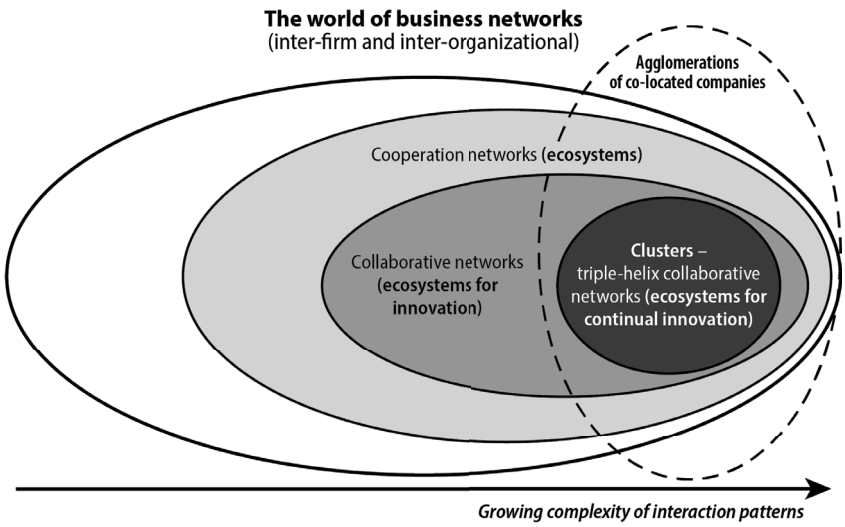

Fig. 3. The place of innovation clusters in the world of business networks

Source: [4].

Cooperation networks include a wide variety of business networks where agents form an ecosystem of relatively sustainable linkages and rely on soft coordination of economic activities, not necessarily applying to joint commitments or joint action plans. Such networks create a favourable supportive milieu for the existing or the future innovation clusters and alike innovation partnerships in the given area. However, they usually run a rather low level of organisational complexity for building a true innovation ecosystem suitable for a collective innovation activity. As a result, they play a limited role in producing and diffusing innovation, as well as only an auxiliary role in stimulating innovation-driven growth in the local economy.

The family of cooperation networks contains a subset of *collaborative networks* with a more developed and complex pattern of interactions. Typically, such networks are described in literature as collaborative innovation networks, which emphasizes their involvement in modern, network-based innovation model.[8] The concept of *collaboration* implies the highest form of cooperation, in which agents are involved not only in knowledge exchange but also in a continuous interactive coordination of activities through feedbacks. In the course of collaboration, agents use to develop a common identity (formation of an integrated and institutionalised business community), shared rules of conduct (joint commitments), and procedures for co-production, i.e. they interactively plan, implement and update a programme of collective action (rather than just coordinate individual actions) [79]. Collaboration leads to the formation of true innovation ecosystems designed for a direct co-creation of innovative products.

Recent literature on innovation ecosystems [4; 80; 81] affirms their identity with CAS. It pronouncedly connects their emergence with collaboration of a meaningful quantity of autonomous (not controlled by any superior authority) agents that have complementary competencies and resources. A continuous sharing and re-combination of these assets through collaboration bring to the market new goods and values that cannot be produced by each individual agent independently.

As noted above, agglomeration-based ecosystems differ positively from geographically dispersed value-chain-based ecosystems in terms of generating innovation synergies and boosting innovation dynamics. The family of collaborative networks formed on the basis of agglomerations contains, in its turn, a subset with an even more complex pattern of interactions, where collaboration is built in accordance with the Triple helix model. *Triple-helix collaborative*

[8] A decisive role of collaborative networks in bringing innovative products to the market was empirically confirmed in the second half of the 2000s [75; 76]. Later, economists incorporated this type of networks into the open innovation concept [77] and the concept of global innovation networks [78].

networks involve no less than three functionally different types of economic agents, usually representing the private sector (business), knowledge sector (universities and research institutions) and public sector (different levels of government, government agencies).[9] In the course of collaboration, these three groups of agents start co-evolution by drawing together and intertwining their complementary functions, which creates sustained interdependences and incentives for a continual innovation activity [83] typical for a knowledge-based economy. In such ecosystems, firms and organisations acquire the highest dynamics in innovation and growth, while the effects of knowledge transfer and collective action are maximized [42]. Therefore, eco*systems for a continual innovation* are becoming a new standard in organising economic activity, vitally important for countries and regions in the age of non-linearity and post-industrial transition.[10]

In world practice, triple-helix collaborative networks are most widespread in the form of *innovation clusters*. As cluster literature asserts [56; 57; 69; 72; 84], it is mature innovation clusters that generate the effects of continual productivity growth on the basis of continual innovation. In addition, they are the most convenient tools for diffusion of innovations across the economy. That is why cluster literature classifies as true innovation clusters only those networks that fully realise synergy effects of triple-helix pattern of collaboration. Of importance here is not only the geographical proximity of agents that leads to agglomeration effects of cost reduction, but above all their special functional interdependence and complementarity, leading to collaboration effects of growing innovation activity [56]. On the contrary, *business networks not able to achieve the aggregate effect of continual productivity growth are considered only nominal similarities of innovation clusters*. In other words, irrespectively of industrial specialisation of clusters, their innovative capabilities are rather determined by institutional and organisational factors, particularly, by specific synergy effects achieved in the ecosystem they form. The complexity of this ecosystem largely depends on a sophisticated combination of functional linkages embracing a wide range of autonomous but economically interdependent agents from different sectors (Fig. 4).

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[9] The triple helix pattern of collaboration first emerged in Silicon Valley and was later described by sociologists [82] as a special model of non-linear and interactive communication, resembling linkages in a DNA chain. Formalization of the model shows that collaboration of at least three functionally different agents brings along a complex synergy of forward and feedback linkages, which makes the economic system resilient to radical uncertainty and allows it to switch to a higher development level through self-restructuring [74].

[10] Since the 2000s and especially since the 2010s, the idea of facilitating triple-helix partnerships has been put high on economic agenda not only within OECD or the EU but also in developing and transition economies of Asia and Latin America [1].

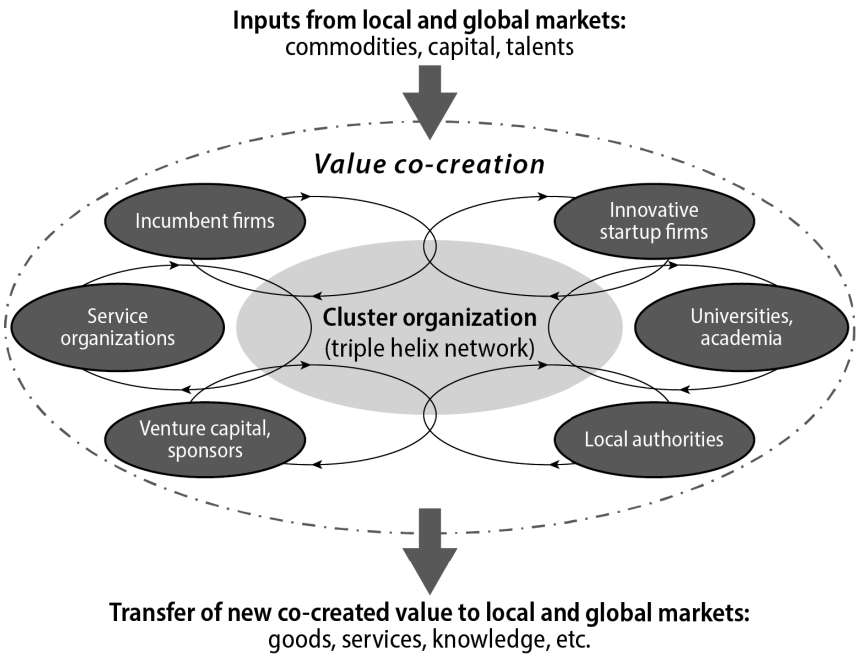

Fig. 4. Ecosystem of an innovation cluster

Source: elaborated by the authors, based on [85].

Although clusters greatly vary by composition, which depends on the stage of a cluster life cycle and the specifics of the local economic context, each mature cluster relies on a critical mass of agents in terms of their quantity and variety. An available evidence suggests that to achieve synergy effects, a cluster should involve no less than 50 and no more than 200 networked firms [86]. And from the point of variety, *three major categories of agents* make up the critical mass [87].

Firstly, these are *agents embracing all the three triple helix sectors:* firms, universities (research organisations) and government agencies, all located in close geographical proximity (within a radius of less than 200 km according to OECD) [88]. Government agencies can be engaged in a cluster as sponsors, venture investors, consultants or cluster development co-coordinators.

Secondly, it is a *cluster organisation*, a specialised internal network that acts as a cluster coordinator. It brings together representatives of the triple helix sectors and other key cluster agents on a membership basis. In contrast to free accession of new participants to an open-end cluster community, such membership is not automatic and implies regular fees. The cluster organisation provides the cluster with a proper institutional form and a platform for collaboration, while coordinating its activities in a way of collective self-governance. Its task is to create and support a 'special atmosphere' within the cluster, favourable for enhancing mutual trust, accumulating social capital and developing collaboration.

Thirdly, a successful cluster should involve a variety of private, public or international *investors and sponsors*.

Our findings from cluster literature and other research streams cited above suggest that mature innovation clusters with the triple helix design can achieve the following *synergy effects*:

– *significant cost reduction* resulting from co-location of agents;

– *minimization of various possible risks* and acquiring resilience to unpredictable changes in the globalised environment [11];

– *capacities for overcoming technological lock-ins related to path-dependence*. In the course of collaboration, each pair of agents representing triple-helix actors (government-business, business-academia, academia-government) may bring their growth trajectories too close together, resting on previously developed technologies. But every third triple-helix actor plays a counter-balancing role, thus pushing cluster firms towards further technological upgrading. This prevents the entire ecosystem from interruptions in innovation activity and ensures its further productivity growth;

– *innovation-driven growth*. The effect of continual innovation backing this model of growth is largely supported by the process of reshuffling. In the course of collaboration, complementary assets, technologies and competencies of cluster agents are not just shared but arranged and rearranged in an unlimited variety of creative combinations for the purpose of co-creating new products constantly. As a result, cluster firms get ready to upgrade their competitive advantages. Due to collective action, they can engage in any risky business projects, join new value chains, and meet rapidly changing market demands, including the market for new technologies itself;

– *endogenous sources for self-development*. Collaboration leads to an increase in knowledge and in 'common-pool resources', including the resources of social capital accumulated during communications [90]. Accordingly, the greater is the complexity of collaboration, the larger is the ecosystem's resource pool, including technological knowledge. A continual rearrangement of these resources and an agile reconfiguration of linkages lends cluster the necessary dynamic sustainability: new sources for growth are generated through continual structural transformations that further increase the ecosystem's economic complexity;

– *growth pole effect*. The growing complexity of network linkages within clusters facilitates the emergence of start-ups, spinoffs and new inter-firm alliances, which in turn promotes the spillover of knowledge, new technologies and innovative business practices into the local economy, thereby dramatically enhancing its competitive and production capabilities.

Along with the triple helix effects, adaptability and self-supporting growth in innovation clusters can be explained in terms of *dynamic and constantly changing structural balances* emerging in complex systems. Among key dynamic balances observed in clusters, cluster literature usually highlights the balance *between specialisation and diversity* (see section 1) and the balance

[11] Resilience denotes the capacity of economic system to maintain core performance despite unpredictable shocks by adapting its structural and organisational features to a changed environment [89].

between cooperation and competition. While cooperating with each other and with external agents within the frames of a range of business projects, cluster firms simultaneously compete within the frames of other projects. This combination enables clusters to attract the most competitive agents while pushing the less effective ones out of the ecosystem. As a result, cluster firms are engaged in hybrid relationships, known as co-opetition, which is typical for knowledge-based economies [51].

Overall, the world of business networks that develop various ecosystems is much broader than the family of collaborative networks that generate innovation ecosystems. This family, in turn, is much broader than a more complex variety constituted by innovation clusters. As a special type of innovation ecosystems, clusters are open-end communities of autonomous, geographically proximate and functionally diverse partners. They can achieve dynamic sustainability in a non-linear emergent environment, elaborate unique collaborative mechanisms of innovation-driven growth, and realize common development projects through collective action. Similar advantages of complex systems can be obtained at the aggregate level of national economies upon their transition to a heterarchical, cluster-based organisational design [4].

4. Clusters as Special Economic Projects (Cluster Initiatives)

The emergence of new cluster agglomerations in the form of co-located firms of a certain profile is a purely market-driven process. However, transformation of such agglomerations into ecosystems and innovation-inducing growth poles, requires deliberate initiatives on the part of both government and non-government actors. Today, the growing number of countries and regions put cluster initiatives at the heart of their innovation and economic growth programs [45]. Cluster literature defines cluster initiatives as *projects that are jointly elaborated by business, authorities and / or research organisations, and aimed at collective action on nurturing and developing clusters* as future powerful innovation ecosystems [73].

Since the early 2000s, cluster initiatives have evolved from projects promoted by individuals (clusterpreneurs) into complex projects implemented by specialised cluster organisations. A cluster initiative can be proposed by representatives of one, two or all the three triple-helix actors at once. It can be solely private, coming from companies and/or research institutions. Or it can be public, launched under a call for proposals and/or under implementation of a certain government program. However, the very coordination and implementation of such initiatives is a joint work of all three groups of actors, constituting the most important function of the cluster organisation.

Inherently, cluster initiatives are *complex economic projects* that differ much from traditional projects of the past [91].

Firstly, unlike classical market or production infrastructure projects (e. g. industrial parks), they serve as a tool for communication and coordination, or just

as means for developing network interactions. Secondly, they are always open-end projects for attracting new participants (clusters revealing signs of closedness are considered degrading). Thirdly, in terms of duration, cluster initiatives depend on the life cycle stage of a cluster. Particularly, a cluster organisation aims to develop the cluster to the maturity stage, and to help in renewing its specialisation at the stage of its transformation. Finally, cluster initiatives are realised on the *collaborative governance* principles, which implies a collective self-governance (without any centralized body) and a horizontal way of consensus-building backed by mutual economic benefits of the cluster agents.

Cluster initiatives put evolution of a cluster within the framework of a *joint development strategy* which is elaborated by the cluster organisation and approved by all cluster agents. Such a strategy usually pursues *three inter-related goals* [87]:

1) stimulating growth of a cluster by involving new agents into its ecosystem and network interactions;

2) promoting internationalization of a cluster, which implies a consecutive rising of the cluster significance in the given area of specialisation from local to global level;

3) enhancing and sustaining competitiveness of a cluster through continual improvements in the ecosystem economic environment, through facilitation of triple-helix collaboration, and through involvement of cluster firms into global value chains.

Implementation of a cluster's long-term development strategy, as well as day-to-day plans of collective action, are based on a unique combination of two inter-related frameworks of relationships among cluster agents. They are the production framework, implying joint implementation of concrete business projects, and the social framework meant for targeted advancement of the triple-helix-based collaboration. Importantly, the success of the former crucially depends on the success of the latter.

Within the *production framework*, cluster firms build both vertical and horizontal ties based on traditional market contracts for the purpose of co-creation of particular goods or services. Market incentives of cost saving promote vertical integration of firms by stages of production, and simultaneously, the development of horizontal intra- and inter-industry ties at each step of the value chain (outsourcing of certain activities, generation of spinoffs, allocation of non-core assets, etc.).

Within the *social framework*, cluster agents support each other as collaborating partners by developing horizontal network linkages. For this purpose, they rely on relational contracts — a system of long-term agreements on the general rules of conduct and interaction, backed by high mutual trust.[12]

[12] Under such agreements, formal business functions of cluster agents and their personal social roles are barely distinguishable and can condition one another. Everyday interpersonal communication penetrates here from the level of top managers inside companies, down to the level of middle managers, thereby forming horizontal professional networks [92]. This ensures equal positions in decision-making among all cluster agents, enabling them to have an equal say in elaborating common action for each concrete business project.

Ultimately, these agreements concern optimization of the cluster development strategy and a range of corresponding joint commitments for its implementation, which usually require interactive coordination of stakeholders' decisions. For the first time, this multifaceted dynamic model of relations had spontaneously emerged in Silicon Valley in the mid-1990s [11], and today it is purposefully supported in most successful innovation clusters worldwide.

The social format of cluster initiatives is associated with specific managerial functions of a cluster organisation. Firstly, its initial aim is to transform the local industrial agglomeration into a full-fledged community of networked firms ready for a joint innovation activity. This is achieved by building mutual trust and developing collaborative co-production skills. Recent empirical literature [93; 94] confirms the significant contribution of cluster initiatives in promoting networking and knowledge exchange among stakeholders of a nascent cluster. Secondly, when configuration of a cluster ecosystem has already taken shape through involvement of all the three triple-helix sectors, the cluster organisation turns to its next task of sustaining this very pattern of collaboration between these groups. Thirdly, of crucial importance is further continuous enhancing of triple-helix collaborative interactions among all cluster agents by means of eliminating inter-personal barriers and bridging communication gaps. This process of deepening collaboration towards higher complexity is described in cluster literature as 'bridge building', and is carried out by two units within the cluster organisation — the cluster governance team and the cluster management group.[13]

Since communication gaps impede the continuity of the innovation process, cluster literature equates them to *innovation gaps*. There are seven types of such gaps divided into two categories [90]:

– *gaps in internal cluster environment,* embracing five gaps: business — academia; business — education; business — financial institutions; business — government (including both administrative bodies and other government agencies, for example, development institutions); business — business (for example, gaps in relationships of small firms with majors, whether they are national companies or the branches of MNEs);

– *gaps in the cluster's interactions with external environment*, implying two gaps: cluster — cluster; business — global market (global value chains).

It needs emphasising that cluster organisations are *collaborative public-private partnerships*, where government bodies behave according to the rules established by a relational contract, and act as an equal partner to the other triple helix actors. It is also noteworthy that in the most successful national cluster programmes, the government focuses on financial support of specific functions of

[13] The cluster governance team consists of representatives of all three triple helix spheres who elaborate cluster development strategies to be subsequently agreed among all cluster agents. Operational management is carried out by a small group of professionals (four people on average), who are engaged in daily tasks of developing interpersonal ties and other activities needed for reaching strategic goals of the cluster development project [91].

cluster organisations, particularly on their functions as collaboration promoters and coordinators of cluster development strategies. In other words, governments are in the first place supporting the social format of cluster interactions rather than investing into concrete business projects of cluster agents [95].

However, in many countries, including Russia, governments heavily subsidise production activities of cluster firms themselves, which often results in distortion of competitive market context and favours certain interest groups to the detriment of other regional businesses. Such selective pattern of support often leads to paradoxical results, when initiatives aimed at enhancing competitiveness of the local clusters reduce the competitiveness of the given region as a whole. Take, for example, recent findings on the cluster supporting policy in Germany [96], where the majority of clusters had been created in a top-down way, on the initiative and at the expense of local or/and federal governments. It was found that while selectively subsidised German firms benefit from engagement in cluster initiatives, the rest of the region's business milieu is being harmed — while left without subsidies, firms and industries faced with acute shortages of human, financial and social capital.

* * *

Hopefully, our analysis of regional innovation clusters contributes to an observed evidence that agglomerations of a different type, also titled 'clusters', no longer meet the historical challenges of the time. The described specifics of clusters are meant to demonstrate the level of organisational complexity as well as functional advantages of those economic entities that are evolving as new principal building blocks of the modern industrial landscape. Regardless of different dynamics of this process across the world, the transition of economies towards cluster-based design (as well as overall proliferation of collaborative networks) is an objective global trend determined by the course of technological progress, the digital revolution and the strengthening of global competition. We argue that only those regional clusters that meet the criteria of complex adaptive systems, can help both developed and developing economies to achieve sustainable growth in a non-linear environment, as well as to successfully transform into knowledge-based systems.

Synergetic effects achieved in clusters following a triple helix pattern, and hence, effects that could be reached in economies with a completed cluster-based landscape, concern the reinforcement of all known agglomeration externalities and the increased adaptability of economic agents to radical uncertainty in the globalised markets. Innovation clusters can help economies a lot in overcoming their dependence on previous technological trajectories, in building efficient mechanisms of collaborative governance and, most crucially, in enhancing productivity growth through continual innovation.

Successful clusters capable of generating such effects and diffusing growth impulses to surrounding areas are complex and self-sustainable innovation eco-

systems that take advantage of both the factor of agents' diversity and their collective action. At the same time, they are sophisticated partnership projects where autonomous agents are constantly enhancing complexity of collaboration, relying on joint initiatives, high mutual trust and long-term relational contracts. Finally, clusters are industrial agglomerations with a smart specialisation, designed for attracting global investors to the region and for involving the local export-oriented SMEs in global value chains, and hence, in the global division of labour. The emergence and proliferation of innovation clusters across a national economy requires systemic improvement of its institutional and business environment in line with the post-industrial standards, rather than a selective promotion of certain types of agglomerations.

Noticeably, the very idea of engaging three triple helix sectors in a cluster ecosystem had been embedded in national cluster supporting programmes long ago. Many developed and developing nations, including Russia, started offering priority support to those alliances which distinctly include representatives of business, academia and government. However, a formal presence of these actors in clusters does not contribute to their success, the more so, to the transformation of a business agglomeration into a true innovation ecosystem. Rather, it is the pattern of network interactions that matter. Clusters with a triple helix configuration are able to generate synergy effects of continual innovation and, hence, of sustainable growth only upon reaching a special level of complexity in the triple-helix collaborative relationships. Therefore, official cluster programmes turn to be effective and can reach macroeconomic goals of enhancing productivity and growth only in those countries where cluster building is backed by a well-directed promotion of both inter-firm competition and collaboration, of constantly growing quality of institutional environment. In case of inappropriate institutional context, governments' attempts to borrow best international practices in cluster building, let alone the idea of building new 'Silicon Valleys' in a top-down way, will hardly lead to increased innovation activity in the economy. Rather such efforts will motivate businesses to artificially unite into certain cluster agglomerations that only nominally resemble true cluster networks.

Theoretical aspects of developing cluster supporting strategies, the stories of success or failure of such strategies in different countries, as well as the ways of exploiting clusters as effective growth policy tools — all these issues deserve their separate research attention and can be a subject of further discussion. In this paper we just tried to draw attention to the complexity and advantages of clusters as the emerging standard format for organising economic and innovation activity as a whole.

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IN PURSUIT OF AN INNOVATION DEVELOPMENT TRAJECTORY OF THE KALININGRAD REGION

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Amid growing inter-state competition, national innovation policies are increasingly seeking to promote the development of regional innovation systems to intensify innovative processes and to enhance the economic competitiveness of territories. An efficient regional innovation policy requires a territorial adaptive approach to the development of mechanisms for innovating socio-spatial systems. These mechanisms should take into account the specific features and inalienable resources of territories. Whereas regional innovation systems are becoming increasingly acknowledged in public administration as versatile, the stage of a system life cycle, which is an equally important factor, often escapes managerial attention. In this article, I analyse the innovation system of the Kaliningrad region at its inception. The Kaliningrad case is of considerable interest for a study into the patterns and characteristics of the governance of innovation systems — a management paradigm aimed to promote regional development during a change in their functioning mode. In this work, I analyse the current structure of the Kaliningrad regional innovation system, of which some elements date back to the Soviet period, paying particular attention to the subsequent change in the framework conditions. I show that a new innovation trajectory requires taking into account the economic and geographical position of the region, its level of socio-economic development and economic specialization. My findings could contribute to both improving the national policy on managing innovation processes in Russian regions and developing the concept of regional innovation systems as regards research into their life cycle stages.

Keywords:
territorial innovation system, economic development, industrial cluster, innovation process, innovation economy, scientific and technological potential, system life cycle, innovation policy

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Introduction

Innovative development systems seeking to ensure the socio-economic competitiveness of concrete socio-spatial systems contribute to the inhomogeneity of the world economic space increasingly frequently. The literature has demonstrated [1; 2] that innovations have prime significance to sustainable economic growth and long-term socio-economic development. Recent studies have focused on constructing regional advantage and search for new strategic trajectories [3–6], including negative scenarios [7; 8]. The universal adaptive mechanism for regional development is a regional system of innovation [9]. The complexity of localising innovation processes precludes the establishment of a single pattern for the formation of networks and their key elements. Numerous studies analyse individual factors and conditions that together determine the emergence and functioning of innovation systems. For example, Michael Fritsch and Holger Graf [10] have investigated the effect of macroeconomic and geopolitical factors; Dimitra Komninaki has addressed peripheral regions; Chun Yang has explored the influence of foreign capital; Christian Wichmann Matthiessen [13] and Jos van den Broe and Huub Smulders [14] have studied the effects of transboundary cooperation and integration. The diversity of territorial innovation systems is affected by not only the economic and geographical position, the strength of the accumulated human capital, and technological capacities but also the temporal stage of development. Unfortunately, the life cycles of innovation systems remain poorly studied. There are, however, several case studies [15; 16], some of them focusing on the transformation of the cluster core [17–22] without conceptualising the results obtained.

Although the Kaliningrad region is not an international innovation hub, the transformation of its innovation system is worth exploring. The region is Russia's Baltic exclave bordering on Poland and Lithuania. Part of Germany until 1945, it became a Soviet territory at the end of the World War II. In 1945–1991, it was a border region of the RSFSR, separated from the mother republic by the Lithuanian and Belarusian SSRs. Within a common institutional space, the young Kaliningrad region started to forge close industrial and research partnerships with other regions of the vast country. The territory took advantage of all available road, sea, and air infrastructure as well as cooperation mechanisms offered by a centrally planned economy. After 1991, the transition to a market economy was aggravated by the impossibility to reach mainland Russia without crossing foreign states; this could not but affect the region's innovation system. In this study, I aim to explore how a new innovation trajectory developed in the Kaliningrad region amid the transformation of the economic environment. This study is of practical significance for the purpose of increasing the efficiency

of the innovation policy: this holds especially true of innovation process management in Russian regions. The theoretical significance of my research lies in improving the concept of the territorial innovation system.

The theoretical and methodological framework

There are two major research approaches in the geography of innovation [23]. The first one seeks to study innovation systems in the global innovation space and to identify the patterns of localisation and functioning of individual participants in the innovation process. The second approach explores local features and regional diversity to find connections between innovations, regional development, and competitiveness. My study focuses on innovations as a key factor of long-term development of the Kaliningrad region. The spatial dimension of innovation processes is the regional system of innovation (RSI). The RSI concept serves as the theoretical framework of this study. The idea of the RSI emerged in the 1990s in the wake of innovation system studies and territorial innovation model construction.

In the traditional interpretation, the RSI is a system connecting various firms and organisations that are involved in the processes of interactive learning and generation of new knowledge, which are part of the regional institutional environment [24]. Structurally, the RSI includes two important subsystems: technology and the economy (regional clusters of economic entities) and institutions (innovative and purpose-specific infrastructure) [25; 26]. A regional cluster, which is the core of the RSI, is a prerequisite for the formation of the system since it facilitates the emergence of an innovation environment by means of innovation policies, stronger intra-organisation innovation partnerships, supporting infrastructure, greater institutional density, and an increase in the number of knowledge generators. Therefore, my investigation of the RSI formation in the Kaliningrad region will include the analysis of clusters that can become the foundation of the system.

The RSI configuration depends on the type of the region (metropolis, agglomeration, old industrial region, periphery, etc.) and its economic specialisation, which determines the characteristics of the accumulated knowledge base [27]. Although innovation systems can emerge in any region, their subsystems may function very differently. Agglomerations, as a rule, are home to numerous organisations of the supporting infrastructure. Peripheries have a low institutional density (few actors pursue innovations), which often translates into dependence on external networks. This factor was taken into account in my analysis of the structural and functional properties of the Kaliningrad RSI. During the Soviet period, the economy of today's exclave had a strong maritime focus.

My analysis of the development trajectory of the Kaliningrad RSI pays special attention to the exploration of economic conditions. This focus does not mean that the economic system replaces that of innovation: it is accounted for by the significance of economic factors for the deployment of knowledge-intensive production facilities. These factors include the availability and cost of workforce, tax treatment, the level of research and education development, the cost of living, transport conditions, access to markets, and regulation by local authorities (including the innovation policy). The experience of selected countries shows that the above conclusions are correct [28]. For an exclave, the factors of transport, economic, and institutional accessibility play a key role.

Destructuring of the territorial innovation system

The demise of the USSR in 1991 had a devastating effect on the innovation system of the Kaliningrad region. The geopolitical factor was the most significant at the time. Having become an exclave, the Kaliningrad region found itself separated from mainland Russia. This circumstance shaped the political agenda relating to the dilemma of the region's strategic identification as a double periphery or a development corridor. The destruction of territorial and spatial cohesion between the Kaliningrad and other Russian regions severed established research and economic ties. The disintegration of entrenched innovation processes and the loss of traditional information channels followed. Moreover, the independence of the Baltics cut the production and infrastructural ties within the Baltic economic region, which included the Kaliningrad region and the Latvian, Lithuanian, and Estonian SSRs. For the Kaliningrad region, the Soviet system of centralised distribution of productive forces meant close integration with the Lithuanian economic system. In the post-Soviet period, this integration was replaced by resource,[1] transport, and energy dependence of the Russian exclave. The priority given by the Soviet authorities to support for the Baltic republics was often at odds with the interests of the Kaliningrad region. Many pieces of infrastructure, which were crucial for the region's development, were built in Lithuania: a nuclear power plant, a train ferry terminal for maritime freight transport, and other. In the new geopolitical situation, this configuration of industrial infrastructure became a serious barrier to the economic development of the region.[2]

[1] The Lithuanian SSR supplied the Kaliningrad region with construction materials.

[2] Rozhkov-Yuryevky, Yu. D. *[Politiko-geograficheskie osobennosti razvitiya Kaliningradskoi oblasti kak eksklavnogo regiona Rossii: avtoref. dis. Kand, geogr. Nauk]. The political and geographical features of the development of the Kaliningrad region as Russian exclave: the abstract of a doctoral thesis*. Kaliningrad. 2013.

Another important negative factor in the decomposing of the established regional system of innovations was the overall deterioration of economic conditions across the country after 1990.

The abrupt transition from a planned to a market economy caused innovations, production, and research to shrink dramatically and destroyed the supporting infrastructure in the region. The employment rate fell, unemployment increased, the index of industrial production plummeted, electricity generation reduced, and the weight of freight handled decreased (table 1). The priorities of local companies shifted from long-term development to survival, resource saving, and continuous adaptation to the rapidly changing situation.

Table 1

The socio-economic situation of the Kaliningrad region, 1980–2017

Measure	1980	1990	2000	2010	2015	2017
Employed people, thousand population	425	435	410	471	478	477
Unemployed people per 10,000 able-bodied population, people	n/d	109	112	180	116	78
Industrial production index, % of the previous year	102.7	98.5	132.4	116.0	92.2	100.5
Agricultural output index, % of the previous year	n/d	99.3	102.5	100.1	110.7	100.9
Electricity generation, million kW · h	n/d	709	212	3145	6220	7100
Arable lands, thousand ha	413.2	416.3	257.9	148.1	244.9	249.5
Mineral fertilisation, kg per 1 ha of land under crops cultivated by agricultural organisations	207	186	42	133	102	118
Cattle, thousand animals	449.5	467.5	150.9	61.6	109.4	123.6
Freight carried by public transport, million t · km	5105	5312	3411	1491	2288	1760*
Passengers carried by public transport, million people	202.0	284.0	223.3	123.5	89.2	69.4
Crime rate (per 100,000 population)	657	1243	2304	1792	1697	1740

* Road transport only

Source: prepared based on *Kaliningradstat*. Istoriya regiona v tsifrakh. K 70-letiyu statistiki Kaliningradskoy oblasti: yubileynyi stat. sb. [History in figures. For the seventieth anniversary of statistics in Kaliningrad region: an anniversary statistics digest]. Kaliningrad, 2016; *Kaliningradstat*. Trud i zanyatost v Kaliningradskoy oblasti. 2017 [Labour and employment in the Kaliningrad region, 2017]. Kaliningrad, 2018; *Kaliningradstat*. Selskoe khozyaistvo, okhota i lesnoe khozyaistvo [Agriculture, hunting, and forestry]. URL: http://kaliningrad.gks.ru/wps/wcm/ connect/rosstat_ts/kaliningrad/ru/statistics/enterpRSIes/agriculture/; *Rosstat*. Region Rossii. Sotsialno-ekonomicheskie pokazateli [Regions of Russia. Socio-economic indicators]. 2018. URL: http://www.gks.ru/bgd/regl/b18_14p/Main.htm.

The third negative factor was the destruction of national institutions supporting research and innovations while the new formal rules, institutions, and legal framework had not yet emerged. Amid political uncertainty at the federal level, regional authorities did not have sufficient powers, mechanisms, or strategic vision to pursue an independent innovation policy. The priority objectives of the exclave region were to ensure transport accessibility and to reduce political tension brought about by the exclave being sandwiched between EU and NATO member-states.

The fourth factor affecting the Kaliningrad regional system of innovations is the impossibility of securing a national or global niche in the maritime industry — the region's traditional specialisation. The cessation of public support for the fishing industry as regards finances and international trade management and the loss of access to remote fishing areas were accompanied by low quotas for fishing in the adjacent area of North-East Atlantic, growing prices for liquid fuel, and an increase in produce transportation costs [29]. In the deteriorating business environment, Kaliningrad fishing companies became unprofitable. The privatisation of 1992–1993 resulted in massive sales of the fishing fleet. In 1994–2000, the number of boats reduced 3.5-fold to eighty-six.[3] The abrupt introduction of innovations into the system of public administration in the 1990s deprived the regional system of innovations of its advantage. Kaliningrad was searching for alternative development paths that would take into account changes in the economic and geographical position, the new economic and political regime, and increased transaction costs for business and population.

Search for new regional development trajectories

The recovery of the Kaliningrad regional system of innovations was associated with the identification of new priorities and approaches to long-term regional development and the emergence of a favourable business environment; the appearance of an institutional environment for innovations and stagnating old innovators pooling their resources; the selection of a new specialisation and the creation of the earlier lacking innovation infrastructure.

[3] The Marine Board of the Government of the Russian Federation. Osobennosti vnutrennego ustroystva Kaliningradskoy oblasti, svyazannye s ego primorskim polozheniem [The coastal position-related characteristics of the internal structure of the Kaliningrad region]. *Official website of the Marine Board of the Government of the Russian Federation*. URL: http://www.morskayakollegiya.ru/primorskie_regio/atlnant/kaliningradskaja/ (accessed 15.01.2019).

The transformation of the regional system of innovations in the late 1990s spurred discussions on how the Kaliningrad region should develop in the new conditions. Details, however, were not taken into account. Four major strategies were considered at the time, with special attention paid to the special economic zone model (table 2).

Table 2

Possible strategies for the regional development of Kaliningrad

Development strategy	Characteristics
A region without a special status (development in line with overall national trends)	— part of the common economic space of the Russian Federation; — focus on economic security and priority of national interests over regional ones; — strong federal presence in the region; — support for the region at the national average; — special economic regime is a destabilising factor; — commitment to import substitution; — preservation of strong military presence
A region with a special economic status	— recognition of the special economic needs of the exclave; its interests are taken into account at the federal level; — targeted federal policy aimed at supporting the socio-economic development of the region; — creation and implementation of special mechanisms compensating for the region's exclave situation; — export-oriented economy; — international aspect is taken into account only when vital issues are at stake
A region with a special economic status	— recognition of both economic and political differences between the exclave and other regions of the Russian Federation; — introduction of special political and economic regimes; — involvement of the West to the formation of a condominium and granting independence to the region; — integration into the community of the Baltic region states
Russia—EU cooperation region	— region's development is a compromise between national, regional, and international interests; — the region should be integrated into both Russian and Baltic economic space; — local free economic zones

Prepared by the author based on [30].

In 1991, a free economic zone (Yantar) was established in the Kaliningrad region. In 1996, it was transformed into a special economic zone (SEZ). The new regime spurred significant growth in the imports of raw materials and semi-finished goods which were needed to support the region's import substitution capacities in car manufacturing, television manufacturing, meat process-

ing, and furniture production. In 2006, a heavily amended law on SEZ came into effect. It aimed to support large investment projects (worth at least 150 million roubles). However, in 1991–2008, the economy of the region did grow sufficiently strong: it remained vulnerable to external effects (changes in prices for imported components and raw materials, in the cost and terms of freight across Lithuania, and in customs duties for imports of selected goods). All the above became more conspicuous during the economic crisis [31].

From the perspective of innovation-based competitive development, the region's economic strategy, which encourages the creation of assembly plants, is inefficient. Firstly, it does not increase either gross value added or workforce productivity. Secondly, it results in the dependence of regional manufacturing industries on imported resources (technology, raw materials, components, investment, etc.). Thirdly, the strategy does not create conditions or mechanisms for the effective involvement of specific inalienable regional resources in economic processes. Nor does it facilitate the acceleration of innovation networks. Fourthly, it does not contribute to bridging regional research and industry, which specialise in different areas. Fifthly and most importantly, the strategy lacks a detailed innovative development plan for building up the innovation capacity of the region. Successful cases of deliberate creation of territorial innovation systems [32] demonstrate that key to any innovation-oriented strategy are: a shared vision of the region's future; the consideration of the region's competitive advantages; a firm action plan based on a consensus among stakeholders and enjoying financial and institutional political support; an easily accessible mechanism/platform for involving agents into the innovation process; regular monitoring of changing interests and threats to innovative development; openness to knowledge exchange; internationalisation without critical dependence; encouragement of innovation partnerships at various levels.

Innovative development at the interface of geopolitics and economics

The dramatic transformations of the 1990s took the innovation system of the Kaliningrad region back to its initial level. At the time, the central objectives were once again the choice of a major development trajectory; the selection of an export-oriented specialisation; the formation of an institutional framework; the creation of a network of interconnected, interacting, and mutually supportive participants in the innovation process and of a fitting innovation environment; the mobilisation of additional investment, knowledge, human, and technological resources. In 2000–2018, regional authorities were approaching a solution to the above problems. The lack of a systemic innovation policy precluded the

innovation system from reaching a higher level of development. Until 2018, the Kaliningrad region did not have a strategic document outlining the trajectory of innovative development. Innovation clauses were included in a strategy for long-term socio-economic development.[4] It set rather abstract objectives: the concentration of resources in priority yet underdeveloped areas (materials science and nanosystems; information and telecommunications systems; technologies for transport, logistics, and recreation; medical biotechnology; sustainable nature management; bioresources and biotechnology; energy saving and energy security; urban technologies; social changes and technologies of social sciences and the humanities); the creation of favourable framework conditions for interregional cooperation; the establishment of close strategic ties between business, authorities, and public institutions.

The authorities both sought the development of advanced technology and understood that 'Kaliningrad is neither a major centre for competitive R&D nor an independent national or macroregional distribution centre'.[5] In 2018, the Ministry of Industry and Trade of the Kaliningrad region revised economic priorities and developed the first independent long-term strategy for innovative industrial development.[6] The priority areas are engineering, information technology, amber industry, shipbuilding, car manufacturing, furniture production, radio electronics, pharmaceutics and medical industry. Public support has to encourage the emergence of competitive industrial clusters — the future core of the regional systems of innovations.

In 2019, the structure of the Kaliningrad innovation system looked as follows (see Fig. 1). It comprised both long-standing elements (of ocean management mainly) that have already adapted to new conditions: research centres, universities and several manufacturing companies, and newly established organisations responding the demands.

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[4] Government of the Kaliningrad region. *Strategiya sotsialno-ekonomicheskogo razvitiya Kaliningradskoy oblasti na dolgosrochnuyu perspektivu: postanovlenie Pravitelstva Kaliningradskouy oblastsi ot 02.08.2012 No. 583 [Strategy for the long-term socio-economic development of the Kaliningrad region: a regulation of the Government of the Kaliningrad region of 02.08.2012 No. 583].* URL: https://gov39.ru/ekonomy/strategiya.php (accessed 01.09.2018).

[5] Ibid.

[6] Ministry of Industry and Trade of the Kaliningrad region. *Strategiya innovatsionnogo razvitiya promyshlennosti Kaliningradskoy oblasti: prikaz Ministerstva po promyshlennoy politike, razvitiyu predprinimatelstva i torgovli Kaliningradskoy oblasti ot 27.02.2018 No. 17 [Strategy for the innovative industrial development of the Kaliningrad region: a regulation of the Ministry of Industry and Trade of the Kaliningrad region of 27.02.2018 No. 17].* URL: https://minprom. gov39.ru/upload/iblock/087/Prikaz_17.pdf (accessed 23.12.2018).

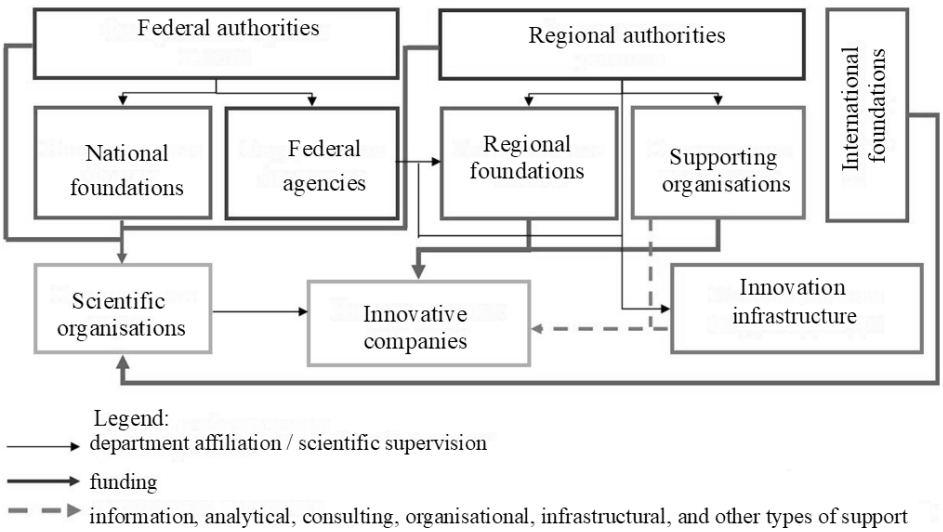

Fig. 1. The Kaliningrad regional systems of innovations

Comment:

Regional foundations: the Guarantee Fund, the Microfinance Fund, the Foundation for Business Support, the Viktoriya knowledge and technology foundation for small and medium business.

Supporting organisations: the Regional Economic Development Agency, the Foreign Investors Associations, the Associations of Small and Medium Business Support Centres, the Baltic Business Club, the Information and Accounting Centres; co-working spaces, the Development Corporation of the Kaliningrad region; the Government and Municipal Service Multifunctional Centres for Businesses, the Public Chamber, the Council of Young Researchers and Experts; the Chamber of Industry and Commerce; the Union of Industrialists and Entrepreneurs of the Kaliningrad region; the Business Rights Commissioner; the Centre for Cluster Development; centres for small and medium business supported of the Microfinance Fund; the Regional Integrated Centre of the Foundation for Business Support, etc.

Innovation infrastructure: the Shipbuilding and Ship Repair Cluster of the Kaliningrad region, the Association of Innovative Nano-Bio-Info-Cogno-Socio-technology Companies; the Business Incubator, the ABB Engineering Centre; the TechCamp Kaliningrad technological project accelerator; the Kaliningrad State Research Centre for Information and Technology Security; the Kaliningrad Centre for Innovations and Technology and its Centre for Technology Transfer; research and technology information centres; the Kaliningrad Centre for technology Transfer; the Sreda obitaniya (Environment) energy-sav-

ing and green technology cluster; university research and innovation infrastructure (engineering centre, science parks, shared facility centres, the FabLab, business incubators, the Student Engineering Unit).

Scientific organisations: universities (including the federal university), research, engineering, and other organisations.

Innovative companies: large, medium, and small innovative companies — the producers and consumers of new knowledge.

The core of the Kaliningrad RSI (a shipbuilding and ship repair cluster and an amber cluster) is being developed. Cluster initiatives are at a certain level of formalisation. The Shipbuilding and Ship Repair Cluster of the Kaliningrad region became a formally constituted body in 2018. The Kaliningrad Amber Cluster was included into the federal registry of industrial cluster, which granted its participants access to public support, in 2019. Despite positive changes in the innovative development of the Kaliningrad region, which took place in 2000–2018,[7] a number of challenges still remain [33]: insufficient funding of research, low innovation level of business structures, the imbalance and defragmentation of innovation and supporting infrastructure, small investment and lack of funds in the economic entities, lack of a comprehensive regional innovation policy, small scale of the internal market, limited demand for innovations, and weak linkages between regional businesses, academia, and authorities.

Conclusion

The need for a new trajectory of the innovative development of the Kaliningrad region stems from the de-structuring of the Soviet RSI. The process involved the severance of established academic and industrial linkages, the shrinking of innovations, the destruction of traditional information and knowledge flows, the loss of the niche maritime specialisation within interregional division of labour, and the deterioration of the economic and social situation, including plummeting production and rapidly growing prices. A catalyst for intra-system changes was a comprehensive institutional change of the form of economic management and 'shock' introduction of innovations into all sectors of economy and society spheres, primarily, into public institutions. The restructuring of the Kaliningrad RSI required a number of objectives being set, including the formulation of major regional development strategy, the creation of an enabling environment for innovation, the overcoming of the RSI fragmentation and the incorporation of new elements into it, and search for alternative niches of specialization.

[7] Abdrakhmanova, G.I., Bakhtin, P.D., Gokhberg, L.M. et al. Reyting innovasionnogo razvitiya subyektov Rossiyskoy Federatssi [The innovative development ranking of Russian regions] Issue 5. Edited by L.M. Gokhberg. Moscow, 2017

At the early stage of post-Soviet development, regional innovative development was not the aim of public policy. Later, the focus shifted to the overcoming of exclave deficiencies and the improvement of economic situation by introducing special economic regime. The latter was meant to increase the investment attractiveness of the Kaliningrad region. The selected policy resulted in the development of assembly plants (primarily, car manufacturing facilities) and growing dependence on foreign technology. Without an innovation infrastructure and an institutional environment, innovations were sporadic. SEZ residents, however, created the core of the new economic system — the principal consumer of innovations and knowledge dating back to the Soviet period. Residents had incompatible interests, which caused a persistent rift between research and industry.

Today's search for alternatives of the Kaliningrad region innovative development is affected by the local authorities' ambition to restructure the region's economy in order to increase workforce productivity and gross value added. These efforts are formalized and have institutional support. The latter includes an innovative development strategy and an active contribution to the creation of innovation infrastructure and industrial clusters. The new innovation trajectory outlined in the strategy draws on the knowledge accumulated in the region at different times in history. The strategy suggests a combination of traditional industries (amber, shipbuilding), SEZ specialisations (car manufacturing, furniture production, radio electronics), and breakthrough areas (engineering, information technology, pharmaceutics and the medical industry). Attaining the goals set in the document will require systemic effort from all innovation stakeholders.

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POLITICAL REGIONAL STUDIES

RUSSIAN SOFT POWER IN THE BALTIC STATES THROUGH THE LENS OF RESEARCH: TRADITIONS, COMPETITION, CONFRONTATION

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In this article, we aim to analyse the research discourse in the Baltic countries (Estonia, Latvia, and Lithuania) as regards Russian soft power, which is considered as hard power, and to compare the theses that dominate this discourse with the actual interactions between Russia and the three states in media, education, and culture. Each Baltic country has built a system of political and legal restrictions to diminish the effect of Russian soft power, which is considered in terms of hard power, i.e. as a threat to national security. The current forms of Russian soft power are becoming less productive in the region and their use in the negative political context of bilateral relations has the opposite effect for Russia — the country loses in reputation and image. The main factor at play is the information content of the Russian-language media space. At odds with the historical and political views of a significant part of the Baltic States' ruling class, it is becoming the target of counteraction. At the same time, Russian high and mass culture and, partly, educational services are in demand from both Baltic Russian speakers and ethnic Lithuanians, Latvians, and Estonians. Our analysis shows that the views of Baltic researchers that Russian soft power is politics-driven and foreign to the region are exaggerated and biased. In its turn, Russian soft power in the Baltics retains the potential to aid the country's foreign policy, being a complement to the latter rather than its direct tool.

Keywords:
soft power, effect of soft power, Russian foreign policy,
Baltic states, Estonia, Latvia, Lithuania

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The current situation in world politics and international relations is yet another proof that the influence of a state in the world arena depends on not only politics, the economy, and military capacity, but also the ability to be attractive to partners. Today, it is important for a state to have something to offer to its partners, to present its potential in a proper light, and to spread knowledge about it. Joseph Nye gave a classical description of the essence of a state's attractiveness and suggested some techniques to achieve it within his soft power concept presented in the 1990 book *Bound to lead: the changing nature of American power* [1].

According to Nye, soft power is 'the ability of states to attract others to their side, seeking to support their own agenda in international relations by demonstrating their cultural and moral values of the attractiveness of the political course and the effectiveness of political institutions'. In his opinion, soft power has three sources: 'its culture (in places where it is attractive to others), its political values (when it lives up to them at home and abroad), and its foreign policies (when others see them as legitimate and having moral authority) ' [2, p. 221]. The British researcher Simon Anholt, who introduced the concept of nation branding, believes that attractiveness of a state translates into power in the world arena, thus enabling it to outperform its competitors in attaining foreign policy goals with fewer efforts [3, p. 2]. Melissa Nisbett [4], Michael J. Waller [5], Jonathan McClory [6], Rhonda Zahrna [7], and others have further explored this aspect of state power outlined in Nye's concept. Studies into national brands and nation branding (Nicolas Papadopoulos [8], Gyorgy Szondi [9], and others), which focus on the capacity of a state to gain financially from its attractiveness and the attractiveness of national companies and products in the world market, have advanced research in the area. Anholt distinguishes six natural channels through which countries communicate with the world. These are tourism promotion; export of goods and services; national policy; technology for investment and recruitment of international talent; the reputation of the people and the state in the world; cultural exchange, the reputation of the national culture in the world, and export of culture and sports [10, p. 4].

Zbigniew Brzezinski famously discusses soft power (although without mentioning the term) as a facet of American global power in *The Grand Chessboard*. He writes: 'Whatever one may think of its aesthetic values, America's mass culture exercises a magnetic appeal, especially on the world's youth. Its attraction may be derived from the hedonistic quality of the lifestyle it projects, but its global appeal is undeniable. American television programs and films account for about three-fourths of the global market. American popular music is equally dominant, while American fads, eating habits, and even clothing are increasingly imitated worldwide. The language of the Internet is

English, and an overwhelming proportion of the global computer chatter also originates from America, influencing the content of the global conversation. Lastly, America has become a Mecca for those seeking advanced education … Graduates from American universities are to be found in almost every Cabinet on every continent' [11, p. 38].

In Russia, the concept of soft power attracted considerable interest in the 2000s when the national leadership embraced the need to restore Russia's influence in the world. Vladimir Putin, at the time the Prime Minister, was the first to use the term at the highest level. He did so in his article *Russia and the changing world* (2012). However, the term took on a slightly different meaning in his interpretation. In particular, Putin defined soft power as follows: 'a complex of tools and methods to achieve foreign policy goals without the use of force, through information and other means of influence.'[1] Later, the notion was integrated into official documents. Russia's Foreign policy concept of November 30, 2016, states that ' [i] n addition to traditional methods of diplomacy, "soft power" has become an integral part of efforts to achieve foreign policy objectives. This power primarily utilises the tools offered by civil society, as well as various methods and technologies — from information and communication to humanitarian and other types.'[2]

The Russian researcher Marina Lebedeva pinpointed a serious problem in how soft power is contemplated in Russian literature. In her opinion, it is the dramatic difference between theoretical approaches to the phenomenon. The realistic approach identifies soft power with propaganda and other methods of non-military influence. 'Nye clearly discriminates between the realistic interpretation of soft power, when various means, including attractiveness, are meant to advance a country's interests, on the one hand, and the situation when interactions result in mutual benefits and cooperation between the parties (the neo-liberal approach), on the other' [12, p. 215]. Nye advocates the neoliberal approach in which soft power is viewed as based on objective attractiveness, whereas interactions between the parties suggest cooperation and result in mutual benefits and collaborative advantage. In Russia, soft power is mostly interpreted as the use of non-military means to influence the other party [12, p. 213]. This understanding is in line with the realistic approach.

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[1] Putin, V. V. Rossiya i menyayushchiysya mir [Russia and the changing world]. *Moskovksie novosti [Moscow news]*. February 21, 2012. URL: http://www.mn.ru/politics/78738 (accessed 16.01.2019).

[2] *Ministry of Foreign Affairs of the Russian Federation*. The Foreign policy concept of the Russian Federation of 2016. Official website of the Ministry of Foreign Affairs of the Russian Federation. URL: http://www.mid.ru/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2542248 (accessed 16.01.2019).

In Russia, the systematisation and theoretical contemplation [13; 14; 15] of the resource potential of soft power began in the 2010s. Efforts have been made to create mechanisms for projecting it to the international political environment, including the Baltic states: Estonia, Latvia, and Lithuania.

In this article, we aim to analyse whether the image of Russia's soft power in the Baltics, as presented in the Estonian, Latvian, and Lithuanian research discourse, is consistent with the actual collaborations in the media, education, and culture. Our central hypothesis is that, despite the politics-driven confrontation and natural competition among the soft powers of various actors in the Baltics, Russia's soft power maintains the potential for being attractive to and sought after by both the titular nations and the local Russian speakers.

Russia's soft power in the Baltics as viewed by Baltic researchers

Political relations between Russia and the Baltics today are outright confrontational; there are increasing downward trends in trade and economic cooperation. Both Russia, on the one hand, and Estonia, Latvia, and Lithuania, on the other, are prone to conflict in their bilateral relations; this virtually incapacitates Russia's official diplomacy in the Baltics.[3] The agents (mass media, NGOs, foundations) and resources of Russia's and the Baltics' soft power (cooperation in education, science, culture, and sports) have become almost the only means to support regular dialogue that has shifted to the area of public diplomacy.

Russia's soft power projection in the Baltics has some unique features. At the system level, these features influence whether this soft power projection will be successful or not as regards the immediate goals of the policy: to improve the image of the country, to create a favourable environment for political dialogue and economic relations, and to build trust and credibility.

Most Baltic researchers of soft power focus on its practical aspects. Many have explored Russia's soft power as applied to Estonia, Latvia, and Lithuania. Among them are Andis Kudors, Gatis Pelnens, Diāna Potjomkina, Toms Rostoks, and Andris Sprūds [16] in Latvia; Vytautas Isoda, Agnia Grigas [18], and Nerijus Maliukevičius [19] in Lithuania; Urmas Paet [20], Karel Kaas, Emmet Tuohy, Julian Tupay, and Juhan Kivirähk [21] in Estonia. Baltic researchers view Russia's soft power as a threat to national security.

The way Russia uses soft power in Estonia, Latvia, and Lithuania has been studied by leading Baltic experts in international relations and security, as well as major Western research institutions since the early 2010s. The most active

[3] Russian News Agency TASS. Russian ambassador in Estonia: Tallin frightens people with 'Russian spies'. February 8, 2018. *Tass*. URL: http://tass.ru/opinions/interviews/4939214 (accessed 16.01.2019).

and thorough analysis is characteristic of the works written in the past five years; this is explained to a significant degree by the effect of the Ukrainian crisis. In particular, Sprūds and Rostoks mention 'constructed' attractiveness among the properties of Russia's soft power [16, p. 8—29; 21, p. 16]: such attractiveness is laboured and, instead of interest, it arouses suspicions. Maliukevičius emphasises that Russian interpretation has deprived Nye's concept of its commitment to dialogue, long-term constructive relations, and the cooperation paradigm. In his opinion, Russia has reduced the concept to a sum of political technologies used to achieve a country's own (unilateral) short-term goals [19, p. 124].

The Swedish researcher Gudrun Persson concludes from her analysis of official Russia's soft power policy documents that Russia understands soft power as a resource to strengthen military influence if a conflict arises. The attractiveness of Russia's soft power is manipulative rather than objective [21, p. 16]. What distinguishes Russia's soft power from that of other states is that the country 'wants to influence without being influenced'. Russia rejects any possibility of influence from another state [21, p. 29].

The perspective of the Baltic political elites and expert communities on Russia's soft power in their countries breaks down into the following points:

Russia's understanding of what soft power is and how its mechanisms function differs from that accepted by the international research community and in the political practice of the leading states of the West;

viewed as a form of 'non-military influence', soft power is part of the general policy towards the Baltics, which seeks to undermine the political, economic, and civilizational choice of the three countries; this choice is not yet irreversible because of persistent infrastructure dependence on the 'former metropole' and the remnants of the political and business culture of the past era [18, p. 14];

Russia's soft power in the Baltics targets the countries' ethnic Russians; it is channelled through Russian governmental institutions and publicly financed NGOs, which create network structures in culture, education, sports, through Russian TV channels and radio stations, and through cultural influence (the promotion of an alternative discourse on the controversial periods in the shared 20th-century history and of nostalgia for the Soviet era and the then prosperity);

Russian culture, both high and low, is viewed as virtually the only positive component of Russian influence in the Baltics (it enriches the cultures of the latter); this influence, however, often derives from the Soviet legacy and, therefore, can be ideologically laden; Russia may use this influence to advance its interests and achieve purposes hostile to the Baltics;

Russia's soft power in the Baltics is not very effective. Its long-term prospects are limited because of the shrinking Russian-speaking space. Young people are not interested in learning Russian and are increasingly preferring to

obtain higher education at home or in the EU. The ruling elites of the Baltic states view fluency in Russian as a problem or a threat rather than an additional source of economic competitiveness. The use of Russian in everyday life and education is considered (very much in line with the "occupation doctrine") as a Soviet relic subject to elimination. The transition of both secondary and higher education to the national languages, which is almost completed today, should play a central role in eradicating such relics.

Annual reports of the Baltics' national security agencies declare Russia's soft power a threat. On the one hand, this wrecks the prospects and impairs the efficiency of soft power in Latvia, Lithuania, and Estonia. On the other hand, the demonisation of Russia distorts the perception of the current international political reality and thus makes policies inefficient.

Mass media and media space

In this respect, a conspicuous example is the attempts to counter Russian-language content (in the Baltics, this does not always mean content produced in Russia[4]) in the media space. These include restrictions on the work of Russian and Russian-language mass media and direct personal pressure on the journalists. Among the affected mass media are the hubs of the *Sputnik* multimedia group, which belongs to the *Rossiya Segondya (Russia Today)* news agency. Moreover, the public authorities overseeing mass media tend to stop the broadcast of Russian TV channels or local Russian-language programmes focusing on social and political issues.

Baltic researchers, however, admit that Russian programmes, which run on cable channels, are popular in Estonia, Latvia, and Lithuania. Most of the Russian content is entertainment, concerts, and series. Russian programmes outstrip their German and US counterparts as regards the price/quality ratio [19, p. 122]. Over 50% of national minorities of Latvia, Lithuania, and Estonia (Russians, Jews, Poles, Belarusians, Ukrainians, Karaites, and others) and about 10—30% of the titular nations prefer Russian shows to any other alternatives [22, p. 19].

Although the Baltics see the influence of Russian-language mass media as a threat to security, the employees of the latter believe that Russian-language mass media have little effect on the political and economic life of the three

[4] For example, the *15min* daily, which is published in Lithuania in Russian and Lithuanian, is part of the Norwegian media holding *Shibsted* (it also owns *Eesti Media*, the largest media group in Estonia, which includes the largest newspaper *Postimees*, *Channel 2*, etc.), or the Estonian channel *ETV+* launched specially for broadcasting to the Russian-speaking audience. Such media, however, are not considered as potential agents of Russia's "soft power".

countries.[5] According to Baltic researchers, however, Russian-speaking mass media are unreliable sources of information because being financed by Russian public authorities and foundations, they are under the direct influence and control of Russian information policy actors [21, p. 4].

At the same time, a ban on Russian-language mass media in the Baltics seems impossible: each of the three states has considerable ethnic minorities (even if they are not recognised as such) for whom Russian is the native tongue. Thus, such a ban would contradict the EU language policy.[6]

A lack of linguistic cohesion in Latvian and Estonian societies, which was apparent as early as the late 1980s/the beginning of the 1990s, gave rise to two isolated information spaces [23, p. 98]. In the Baltics, Russians (Russian speakers) and members of the titular nations support diametrically opposite positions in the information-intensive and value-laden confrontation between Russia and the West, which is, in effect, an all-encompassing struggle of discourses. The above pertains to 60—65% of each group. The members of the titular nation are more consolidated as regards value and ideology. Russian speakers have a broader range of opinions: 25—35% do not support Russia's position [24].

Russian-language mass media (as well as those in the titular languages) exist in a highly competitive space. For instance, a cable TV package available in the Baltics offers a selection of channels from Russia, the EU (*German Deutsche Welle* and *ZDF*; Polish *TV Polsat*, *Polonia*, and *TV Belsat*), and Belarus (*Belarus TV*), as well as global English-language channels (*BBC*, *CNN*, *Discovery*, and *Animal Planet*) and European media (*Euronews* and *Eurosport*). Ethnic groups, however, prefer television in their native tongue and tend to trust it more than they trust information in the language of the ethnic majority (or in any other language). Any imaginary or actual agent and resource of Russia's soft power will face a competitive environment in the Baltics.

Education

Education is another area of soft power. Capable of influencing the value systems of students, education is key to future relations between Russia and the Baltics.

[5] Tarasenko: Russian-langauge Lithuania media must work towards a better image of Lithuania. *Rubaltic.ru*. 20.08.2013. — URL: http://www.rubaltic.ru/article/kultura-i-istoriya/tarasenko-litovskie-smi-na-russkom-yazyke-dolzhny-rabotat-na-obraz-litvy20082013/ (accessed 16.01.2019).

[6] Language policy, European Parliament [Electronic resource] // europarl.europa.eu. URL: http://www.europarl.europa.eu/factsheets/en/sheet/142/language-policy (accessed 16.01.2019).

The value systems of the youth, however, belong to the realm of pragmatism. Young people want a good education, a high-paying job, and bright career prospects. Therefore, they appreciate visa-free entry to Western European countries for work or study. In 2004, 788 applicants from Latvia enrolled at EU universities. In 2012, about 2,000 Latvians made this choice. Latvia sees this threefold increase as a sign of the population's loyalty to the EU [16, p. 226]. Applicants from Latvia prefer universities in Germany, Finland, Sweden, Denmark, France, and Spain. A similar number of Lithuanians and Estonian apply to European universities each year: 2500—3000 and 1000 people respectively. Baltic students receive support from EU academic exchange foundations and programmes. About twenty programmes are available in the Baltics, among them Comenius, Erasmus+, Erasmus Mundus, Leonardo da Vinci, and Tempus.

The number of Baltic students at Russian universities is insignificant (see Table 1). The same applies to federal study grants to Baltic citizens willing to enrol to bachelor, master, PhD, and non-degree programmes at Russian universities (see Table 2). Moreover, the Baltic states are attempting to control the number of students coming to Russia. Until 2005, the Estonian Ministry of Education and Research shortlisted candidates. Since that year, the Pushkin Institute NGO, which is affiliated with Rossotrudnichestvo and the Russian Ministry of Education and Science, has selected applicants from Estonia. This change limited the ability to control applicant lists. In response, the Estonian side demanded that official information on candidate selection be provided [21, p. 57].

Table 1

Number of Baltic students at Russian universities in academic years 2005/2006—2016/2017 (people)

Country	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Latvians	367	408	488	517	626	647	731	682	755	676	488	671
Lithuanians	599	510	509	427	456	520	481	507	656	503	509	414
Estonians	310	322	271	272	338	355	416	369	522	552	271	389
Total	1276	1240	1268	1216	1420	1522	1628	1558	1933	1731	1268	1474

Source: Ministry of Education and Science of the Russian Federation. *Eksport rossiyskikh obrazovatelnykh uslug: statisticheskiy sbornik. Vypusk 8. [Export of Russian educational services: statistics book. Issue 8]*. 2018. Moscow. Sotsiotsents. P. 41.

Table 2

Government grants for foreign citizens and compatriots from the Baltic states enrolled at Russian universities

Country	2007/ 2008	2008/ 2009	2009/ 2010	2011/ 2012	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018
Latvia	85	85	130	130	87	80	144	126
Lithuania	85	85	130	112	124	90	92	73
Estonia	85	85	130	85	90	55	87	82

Source: Ministry of Education and Science of the Russian Federation. *Eksport rossiyskikh obrazovatelnykh uslug: statisticheskiy sbornik. Vypusk 8. [Export of Russian educational services: statistics book. Issue 8]*. 2018. Moscow. Sotsiotsents. P. 286.

Russian researchers, in their turn, have emphasised that the grant process run by the Ministry of Education and Science is not sufficiently transparent, albeit it includes several selection rounds, which reduces the efficiency of study grants to foreign nationals as an element of Russia's soft power in education. 'It is unclear what principle underlies the awarding of most study grants. The current system of federal grants to international students, although beneficial for universities and students, may lack efficiency from the perspective of 'soft power.' Rossotrudnichestvo was responsible for approximately 650 study grants. Most grants, however, were awarded using other channels, among them Russian embassies and ministries of education of foreign states' [25, p. 58].

Young Russian speakers, whom these grants target, are a heterogeneous group. According to the young Latvian activist Margarita Dragile, young Russians in Latvian constitute several groups, which have different interests and visions of the future of Latvia: 1) 'citizens of Europe' willing to move to the West; 2) people planning to 'succeed as professionals in Latvia', primarily, in the political sphere; they are ready to play by the book, i.e. to assimilate; 3) Russia-oriented people and people willing to emigrate to the country; 4) people who see themselves both as Latvian citizens and as bearers of Russian culture. All these categories are rather passive in socio-political terms. 'As little as 3% of young people are involved in the social and political processes aimed to change the situation.'[7] Young members of the titular nation, however, play a more active role in the social and political life of their country.

[7] RuBaltic.ru. Dragile: cooperation between Russin and Lithuanian youth must develop [Online resource]. *RuBaltic.ru*. 19.08.2013. Available at: http://www.rubaltic.ru/article/obrazovanie-i-nayka/dragile-neobkhodimo-razvivat-sotrudnichestvo-molodezhi-rossii-i-latvii/ (accessed 16.01.2019).

Local right conservative politicians and enforcement agencies have exerted significant pressure in recent years on the universities communities, youth organisations, and even schools[8] that work with Russian organisations, international youth camps, and summer schools. A conspicuous example is the words of the former Lithuanian Minister of Foreign Affairs and the Ambassador of the European Union to the Russian Federation, Vygaudas Ušackas: 'Sadly, we have to admit that, when it comes to Russian universities, Lithuanian universities do not demonstrate the activity expressed in student exchange and research programs with universities of other EU member-states. I hope this is not the consequence, as some rectors have mentioned, of the "political encouragement from the top" to give up connections and any type of relations with Russian universities'.[9]

The educational environment and the student community constitute a space where young people, during four-ten years of study, become integrated into the socio-cultural environment of the receiving country. A dynamic space of socialisation is the People's Friendship University of Russia. The success of this approach depends on language immersion. No or insufficient command of the language (this happens if the language of the study is English) hampers socialisation.

In most cases, students coming to Russia from the Baltics are native Russian speakers and bearers of Russian culture. Thus, the export of Russian educational services virtually does not concern the 'titular' youth. Not only does it not help the culture and values of the latter and young Russian speakers to converge; it widens the gap between them. Graduates of Russian universities can hardly hope for a career in public service or politics: a Russian degree translates into a spoiled biography amid an almost paranoid fear of Russia.

Business offers more opportunities to graduates of Russain universities. Fluency in Russian and an understanding of life in the country and its socio-political context, which one may gain as a student, are an asset for a businessperson. For example, Latvian organisations often require their employees to speak three languages: Latvian, English, and Russian. A survey carried out by the Latvian HR agency CV-Online Latvia in spring 2015 showed the following:

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[8] Delfi. Details of police search at two Russian schools revealed [Online resource]. *ru.Delfi.lt*. December 3, 2014. Available at: http://ru.delfi.lt/news/live/proyasnilos-u-kogo-proveli-obyski-v-dvuh-russkih-shkolah.d?id=66568056 (accessed 16.01.2019).

[9] Delfi. Lithuanian universities say cooperation with Russian institutions weak because of academic differences [Online resource]. *Ru.Delfi.lt*. August 17, 2015. Available at: https://en.delfi.lt/culture/lithuanian-universities-say-cooperation-with-russian-institutions-weak-because-of-academic-differences.d?id=68751214 (accessed 16.01.2019).

57% of respondents believed that young people who are not proficient in the Russian language face discrimination in the Latvian labour market;

14% noted that they had been refused employment because of insufficient Russian language skills;

49% believes that Russian language skills were the key to success in the labour market;

only 10% of the economically active population think that fluency in Russian does not affect employment prospects.10

This situation gave rise to quite paradoxical amendments to the labour law, which were prepared by the nationalistic alliance Visu Latvijai — TB/LNNK. These amendments prohibit employers from requiring employees to speak a foreign language if it is not part of their job responsibilities.11 Practically, these measures are aimed to give the 'titular' youth a competitive edge. As a result of the systemic Latvianisation of culture and education over the past decades, young Latvians are less proficient in Russian than members of national minorities and thus have bleaker prospects of employment. According to the 2011 census, Russian is the 'language spoken at home' for 55.8% of Riga residents, 60.3% of the residents of Latgale, and 37.2% of all the Latvians.12 The Russian language is a competitive advantage and an employment requirement in various areas of services and trade: banking, consulting, tourism, logistics, retail, and others. Many businesses are still Russia-oriented since the country continues to play a central role in all the spheres of life in the Baltics.

Culture

Vladimir Kolosov et al. emphasise that, in the Baltics, 'the European space of institutions intricately overlaps the post-Soviet space of fears and public sentiments' [26, p. 77]. This circumstance affects culture, which is a traditional resource of Russian 'soft power' in the three countries.

[10] Mixnews. Survey: young people who do not speak Russian discrimianted in labour market [online resource] // *Mixnews.lv*. 14.04.2015. Available at: http://www.mixnews.lv/ru/society/news/2015-04-14/174066 (accessed 16.01.2019).

[11] Nr: 1167/Lp12 Grozījumi Darba likumā // LR Saeima. URL: http://titania.saeima.lv/LIVS12/saeimalivs12.nsf/webSasaiste? OpenView&restricttocategory=1167/Lp12 (accessed 16.01.2019).

[12] At home Latvian is spoken by 62% of Latvian population; the majority — in Vidzeme and Lubāna county // Central Statistical Bureau of Latvia. 26.09.2013. URL: https://www.csb.gov.lv/en/statistics/statistics-by-theme/population/census/search-in-theme/1442-home-latvian-spoken-62-latvian-population (accessed 16.01.2019).

According to the Latvian researcher Gatis Pelnens, three tiers of Russian culture are visible in today's Baltics: '1) deep-rooted traditions of Russian "high culture"; 2) historical identification with the Soviet Union; 3) modern, developing and in some sense "westernized" culture with particular qualities specific for Russia'. These three cultures speak to all everyone in today's Latvia. From the perspective of soft power, the very presence of Russian culture in the country is effective. High culture resonates with the intelligentsia and the political, academic, and creative elite. Modern culture arouses interest from a general audience who attend concerts of Russian pop musicians and watch Russian dance and ice shows. Soviet culture evokes nostalgia in older age groups. In a contemporary package (hoodies, T-shirts, mugs, matryoshkas with images of Soviet leaders and such), Soviet culture proves attractive enough to younger generations [27, p. 190].

The 2012 Swedish report The Security and Defensibility of the Baltic stresses that the Russian entertainment industry is popular in the Baltics because, at a lower price, it offers quality similar to that of content originating from the US and leading EU countries [28, pp. 19—20]. Latvian researchers have come to the same conclusion: Russian mass culture (movies, series, cartoons, TV shows, fashion) reaches the home of each Latvian through a TV screen. Moreover, it is rather popular among Latvians [21, p. 95] regardless of the political limitations imposed by the Baltic states.

These limitations include bans on performances by the artists whose publicly expressed political opinions differ from the official position of the Baltics. In 2014, shortly before the start of the New Wave contest for young performers, the Latvian Ministry of Foreign Affairs published a blacklist of Russian citizens (the festival held in Jurmala from 2002 was a long-term, cost-effective project). The list included the Russian artists Iosif Kobzon, Oleg Gazmanov, and Valeria. In response, the Russian side moved the festival from Latvian Jurmala to the Russian city of Sochi. A similar situation occurred with the KVN[13] musical festival, which has been held in Svetlogorsk in the Kaliningrad region, instead of Jurmala since 2015.

Some annual projects, however, continue. These include the Golden mask theatre festival, which has taken place in Latvia and, since 2004, in Estonia. Within the festival, the best Russian theatres perform in the two countries. Russian companies perform in not only the capitals but also Liepāja and Ventspils (Latvia), Tartu and Narva (Estonia). The event is more popular among the ethnic majorities than among the local Russian speakers. Estonian researchers

[13] Translator's note: KVN (Klub Vesolykh i Nakhodchivykh, 'Club of the Funny and Inventive People') is a Soviet and then Russian comedy talent show.

stress that the popularity of Russian theatre in their country has turned into a new trend among young Estonian actors and theatre and film directors. Most Estonian theatre stars studied at the Russian Academy of Theatre Arts and most film directors at the Gerasimov Institute of Cinematography. Proficiency enhancement in Russia is the latest trend in the Estonian theatre community [21, p. 57]. The same applies to Latvian actors [29].

Since 2012, Narva (Estonia) has welcomed the Friendship Bridge festival of Saint Petersburg contemporary art. Another Estonian town, Jõhvi, has held the Slavic Wreath international song and dance festival since 2002. The event is a symbolic successor to Sergei Diaghilev's Saisons Russes. The Vilnius National Philarmpnic Society has organised the annual Dialog of Cultures Christmas festival since 2005. Since the same year, Vilnius churches and cathedrals have housed the International Festival of Russian Church Musics.

There is a Russian cultural outpost in Latvia — Riga's Moscow House. Since 2011, the venue has hosted the Moscow Premier Russian movie festival. Several times a year, the Moscow House holds events honouring Russian authors, poets, and composers. It organises diaspora congresses, conferences, ceremonies awarding the winners of contests dedicated to memorable dates in Russian history, and other events. Estonia does not have a special venue that could serve as a centre of gravity for Russian culture. A Moscow House has been under construction in Vilnius since 2004: the project has not been completed for political reasons. The media has questioned the adequacy of such an institution in the capital of Lithuania: the Moscow House project was called 'another tool of the Kremlin to promote the compatriot support policy, which aims to build up Russia's presence beyond its borders'.[14]

Lithuania's soft power in Russia, however, is not politicised; it is more than welcome in the Russian cultural space. Moscow theatres successfully collaborate with Lithuanian directors. Among them are Rimas Tuminas (Vakhtangov Theatre), Mindaugas Karbauskis[15] (Mayakovsky Theatre), and Oskaras Koršunovas[16]. Russian theatres employ Lithuanian actors, for example, Ingeborga Dapkūnaitė and Liubomiras Laucevičius. The Lithuanian pianist Petras Geniušas regularly performs in Russia. The Lithuanian folk singer Alina Orlova

[14] Delfi. Keršanskas V. Ar Vilniui reikia daugiau Maskvos? [Electronic resource] // delfi.lt. URL: http://www.delfi.lt/news/ringas/lit/v-kersanskas-ar-vilniui-reikia-daugiau-maskvos.d?id=68789244 (accessed 16.01.2019).

[15] Mindaugas Karbauskis is the brother of Ramūnas Karbauskis, the chair of the Lithuanian Farmers and Greens Union, which has the largest faction in the Seimas (54 out of 141 seats) following the 2016 election.

[16] And, until recently, Eimuntas Nekrošius (1952—2018).

is popular with a younger Russian audience. The Lithuanian figure skaters Povilas Vanagas and Margarita Drobiazko appear as regulars on Russian figure skating TV shows and on shows run by Russian figure skaters. The ballet performer of Lithuanian origin, Gediminas Taranda, was a principal dancer with the Bolshoi Theatre until 1993. Since 1994, he has headed the Imperial Russian Ballet company.

As an element of Russia's soft power, culture retains significant potential. An advantage of culture as a soft power resource is its attractiveness to the ethnic majorities in Estonia, Latvia, and Lithuania. Russia, however, has strong competition in the Baltics. In Lithuania, there are offices of the British Council (UK), Institut français du Royaume-Uni (France), Goethe-Institut (Germany), Det Danske Kulturinstitut (Denmark), Confucius Institute (China), and the European Union National Institutes for Culture. In today's political situation,[17] projects proposed by these actors may be more attractive to various Baltic audiences (including Russian speakers and 'euro-Russians') than their Russian counterparts since the former, although laden with different values, have no political component.

Conclusions

Today, the Baltics consider Russia's use of soft power in terms of hard power, i.e. as a threat to national security. Any success of Russia in this field reinforces that view. Naturally, the content available in the Baltics' Russian-language media space (including the content created in Russia) is often at odds with the political paradigms and cultural patterns regarded as the touchstone by most of

[17] Even the harmless cartoon Masha and the Bear has been declared 'Putin's propaganda. The show was banned in Riga (Sputnik Latvia. 'A very detective story: *Masha and the Bear* New Year special has been cancelled in Riga'. *Sputnik Latvia*. 04.12.2018. URL: https://lv.sputniknews.ru/Latvia/20181204/10207435/Ochen-detektivnaya-istoriya-v-Rige-otmenili-novogodnee-predstavlenie-Masha-i-Medved.html (accessed 16.01.2019)). The match between two Kontinental Hockey League teams (the Finnish Jokerit and the Moscow Spartak), which took place in October 2018 in the Tondiraba Ice Hall in Tallinn, produced a peculiar response. The editor-in-chief of the *Postimees* newspaper, Ott Järvela, published an article titled 'Visit by Jokreit, or Putin's political project KHL, unwelcome in Tallinn'. He wrote: 'The KHL in Tallinn means an interesting sporting event. I understand the enthusiaism of Estonian hockey lovers. It will be a pity, however, if such events evolve into a permanent collaboration between the capital of Estonia and the KHL. We do not need a Russian bastion of soft power. The monsters of the East do not look honest, they just do not. This applies not only to hockey but to sports in general' (Baltnews. Why KHL scared Estonia. *Baltnews (Estonia)*. 30.10.2018. URL: https://baltnews.ee/tallinn_news/20181030/1017068145/Estonia-khl-match-rusofobiya.html (accessed 16.01.2019)).

the local elites and organisations involved in countering Russia's soft power. At the same time, the Russian media functioning in a competitive space, Russian culture (both high and pop), and partly Russian educational services enjoy popularity and do not need much promotion.

While remaining essentially post-Soviet, the Baltics are making conscious steps to escape Russia's gravitational pull created by geographical affinity and a common history. It seems feasible to overcome the ephemeral Soviet identity by taking certain socio-political and cultural-educational efforts. Yet how is it possible to cancel out centuries of living side by side? In this sense, there is still significant potential for using soft power in the Baltics (or, plainly speaking, for exerting the influence that is traditional for neighbours with rich cultural and historical traditions).

Nevertheless, the central objectives of Russia's soft power (to preserve the Russian-language cultural and media space, to consolidate the Russian community, to maintain the *lingua franca* status of the Russian language in the Baltics, and to promote Russia's position in the media and research publications in order to improve the image of the country and its politics) will inevitably be perceived as threats. In practice, it leads to resource-consuming tilting at windmills of alleged Russian influence, and a conscious rejection of benefits associated with good neighbourly relations with Russia has produced tangible negative effects.

Although there is a considerable ethnocultural 'resource' of Russian speakers (euro-Russians) in the Baltics, due to political reasons, Russia has limited opportunities for the effective use of soft power in that region. The Russian speakers in the Baltics are not a homogenous group. The Old Believers, who have lived in the region before the Russian revolution, have little to do with the *limitichiks* — Soviet workers granted residence permits to staff local construction projects; the local intelligentsia originating from Moscow and Leningrad is very different from the retired military who decided to stay in Estonia, Latvia, and Lithuania. For this reason, it is very difficult both to measure the efficiency of Russia's soft power and to evaluate the threat (if any) that, according to local researchers, it poses to the Baltics' statehood.

At the same time, the efficiency of Russia's soft power in the Baltics and other states depends on how successfully the Russian state and society develop. Joseph Nye saw soft power as both influence and attractive power. Fyodor Lukyanov rightly stresses that 'until Russia settles into its new identity, which has to replace the depleted Soviet and never-existent post-Soviet ones, its soft power will remain an array of technical measures, which are not useless but make no essential changes' [30].

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POLISH-RUSSIAN RELATIONS AS REFLECTED IN THE PROGRAMMES OF RIGHT-WING POLITICAL PARTIES IN POLAND: A QUANTITATIVE AND QUALITATIVE ANALYSIS

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Programmes of political parties are an important element of public discourse. In this article, I present the results of research aimed at defining the place of Russia and Polish-Russian relations in the programmes of several Polish right-wing political groups. I attempt an overview of the political programmes of the right-wing parties as regards their principal features, internal structure, and central postulates. Content analysis shows that relations with Russia are an impor tant element in most political programmes proposed by Poland's major right-wing political groups. Based on a qualitative analysis, I distinguish between parties that postulate a determined and assertive policy towards Russia, parties committed to a neutral position on Russia, and those that seek the improvement and pragmatisation of Polish-Russian relations. There are two important conclusions from the qualitative analysis. Firstly, international relations have a pronounced influence on the programmes of political parties. Secondly, as to the right-wing parties considered in the Polish political discourse as pro-Russian (the National Revival of Poland, the National Radical Camp), they are either far from being pro-Russian or Russia is quite low on their agenda.

Keywords:
Poland, political programmes, right-wing parties, Polish-Russian relations

Introduction

A major source of inspiration for public discourse on domestic and international policies of states is political programmes. Enshrined in official docu-

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ments and ensuing from the pragmatics of the actions of political parties and their members, political programmes are a manifestation of the beliefs of parties and their voters. Political programmes are the foundation of political competition between groups both during election campaigns and between elections. The literature maintains that political reality generates abundant material on the beliefs and programmes of political parties. A potential object of political studies, this material can serve as a direct or indirect source of information on the programmes of political parties. Articulated political programmes (for instance, those prepared during election campaigns) are the most tangible and accurate sources of information on the beliefs and ideas of political groups. Moreover, those documents are reliable sources for comparative analyses in political studies [1, pp. 41—42].

A political programme has been defined as a harmonised list of goals and plans of political parties and groups, aimed to attract voters and to gain and keep power [2, p. 349]. According to Chmaj et al., political programmes express political, economic, and ideological interests by adapting political doctrines to the current situation and the current expectations of voters [3, p. 18]. David Robertson describes political (party) programmes as a 'list of goals for achievement if elected to Office'. This approach reduces the significance of political programmes to their instrumental role of demands put forward to win elections [4, p. 361; 5, p. 91]. Irina Smirnova offers a similar interpretation, stressing that the goal of any party programme is to reach voters, to criticise the platforms of other parties, and, as a result, to come to power [6, p. 271].

A related term is 'election programme'. It is a list of demands and plans of political parties prepared for an election campaign. Usually, an election programme is a document adopted by a qualified party department. The goal of the document is to present the platform of a party and describe what it will do once in power. An election programme, at least in the declarations of politicians, is a contract between a party and its voters: it binds the party to keep its manifesto promises in exchange for votes [7, p. 62]. According to Zoya Zotova, an election programme is a comprehensive document that introduces the agenda, goals, and objectives of a party and the methods and techniques to attain them [8, p. 11].

The literature emphasises the significance of the programmes of parties and political groups. In particular, it has been stressed that there is an increasing gap between party programmes and the beliefs and ideas shared by the voters of parties.[1]

Peter Mair writes about a growing disparity between political parties and the mass public in today's liberal democracies: party programmes are becoming divorced from the social expectations and beliefs of voters [9, pp. 361—367].

[1] See an overview prepared by Marek Tyrała [7, pp. 63—64].

Thus, the election process is increasingly identified with instrumental voting, which is aimed to form the parliamentary majority and the government rather than to represent voters. At the same time, the role of expressive voting, which is aimed at conveying the opinions of voters through political parties, is shrinking [7, p. 63].

There is a large body of commentary criticising political parties and their influence on political action. Jacek Raciborski emphasises that, in Polish political reality, parties disseminate their programmes not to implement them but rather to win elections [10, p. 208]. In the Polish party system, the left-right division is largely nominal: it is mostly a product of historical happenstance and an established ideological principle. This circumstance has a distorting effect on discourse about the programme concepts of parties [7, s. 64], which was taken into account when selecting right-wing parties for consideration in this study.

Although many researchers doubt the significance of political programmes for the formation of political reality, programmes remain a major source of knowledge about the intentions and plans of parties. Programmes are a reference point for forecasting political actions taken by a party when it gains power or political influence. Moreover, voters align themselves with a political party based on these documents. According to Herbert Kitschelt, political parties are bodies of ideas that allow voters to align with them and to make rational political choices. An important indicator is a correspondence between a programme and ideas supported by voters. Close correspondence translates into strong ties between a party and its voters and makes it possible for the former to represent the political beliefs of the mass public [11; 7, p. 63].

The literature stresses the significance of political programmes as a source of information on future and current actions of political parties. Ian Budge argues that political programmes are key documents casting light on a party's vision of social and economic order. They are an important source of information because they are thoroughly prepared documents, which have undergone an approval procedure by the party leadership. In this context, political programmes are a bridge linking parties to their voters and a key for differentiating between party platforms [12; 13, p. XVI; 1, p. 42]. Tim Rapley underscores the role of the political programmes that document changes in the intensity and content of public discourse. Programme documents may be used in comparative studies of social life agenda and in analysing whether political parties stand true to their promises once in power [14, pp. 37—48].

Methodology

The above considerations inspired me to attempt at assessing the role and significance of political programmes of prominent Polish right parties as regards their vision of Russia's influence on Poland's foreign economic policy and

security. In this article, I present findings of research into the role of Russia and Russian–Polish relations in the programmes of active Polish right parties. The programmes of Polish parties mention Russia in three contexts: the country's effect on Poland's foreign policy and security; European politics and problems of Euro-Atlantic integration; Poland's trade relations with the East.

I consider the Russia agenda as an element of a larger body of declarations and manifestos associated with party programmes. In this vein, I carry out a comparative analysis of programmes of various political parties. I focus on the programmes of right-wing parties because they have recently put forward programme proposals to revise bilateral relations with Russia. The Russia agenda is an important element distinguishing extreme right parties in the Polish political arena.[2]

I aim to answer the following questions. What is the place of relations with Russia in the programmes of Polish political parties? How often does the Russian agenda appear in party programmes? How do references to the Russia agenda distinguish right parties? Were the programmes of political parties affected by external (growing competition and a changing economic and social situation in Poland) and domestic factors (Russia's growing role in the international arena, cooling in relations between the EU and Russian and NATO and Russia) and if so how?

In analysing the programmes of right political parties from the perspective of Russian–Polish relations, I conducted both quantitative and qualitative analysis of documents, which is the methodological framework of this study [18, pp. 98—104]. This approach is appropriate because it is suitable to achieve the above goals and objectives. I focused, firstly, on the frequency and, secondly, on the areas, of references to the Russia agenda in party programmes. This way, I could take advantage of mix methods to overcome the limitations of quantitative and qualitative approaches.[3] I carried out a content analysis of election programmes in the context of Polish–Russian relations. Content analysis makes it possible to explore such programme elements as official manifestos and dec-

[2] I set out to analyse the role of relations with Russia in the programmes of right political parties rather than to explore the distribution of political parties on the classical left-right spectrum. Thus, I did not apply the methodology developed by Ian Budge and David Robertson within the *Comparative Manifesto Project* (*CMP*) functioning since 1989. For more detail, see [1, pp. 44—45]. A similar methodology was used in a work focusing on other political parties in Poland (see [15, pp. 157—183]). *The Manifesto Data Collection* project has offered yet another methodology [16; 17, pp. 80—81].

[3] A reason to employ mixed methods is the need to accommodate the use of quantitative findings in qualitative studies. The study focuses at first on the frequency of references to the Russia agenda in the programmes of right parties and later on a qualitative analysis of those party programmes that place emphasis on Russia-related problems (see [15, p. 163]).

larations of political leaders. My analysis focuses on the frequency and nature of Russia-related political declarations in Poland's domestic and international politics.

I carry out a comparative analysis. This method is instrumental in juxtaposing the intensity and frequency of phenomena and processes, and thus it makes it possible to identify the differences and similarities between them. Comparative analysis, in most cases, approaches phenomena from the perspective of quality [19, s. 125]. In this article, I compare the visibility of the Russia agenda in the programmes of right-wing political parties with the essence of demands concerning relations with Russia.

An important objective was to select political parties, programme documents, and the study timeframe. I aimed to cover all prominent right parties represented in the Sejm, the Senate, and the European Parliament.[4,5] A major criterion for inclusion into the study was at least 3% of the vote won in the Sejm election of October 25, 2015.[6] The list of parties was expanded to include non-parliamentary groups taking an active part in public discourse in order to demonstrate the variety of views on the Russia agenda.[7]

In this study, I focused on the political parties whose programmes declared their commitment to conservative, national, and catholic values.[8] I did not divide party programmes by their position on the left-right spectrum. As a result, I carried out a quantitative analysis of the programmes of the following right parties and groups: the Congress of the New Right (*Kongres Nowej Prawicy*), Kukiz'15, the National Rebirth of Poland (*Narodowe Odrodzenie Polski*), the National Radical Camp (*Obóz Narodowo-Radykalny*), the Camp of Great

[4] Based on the List of parties included in the political party registry (according to final provisions on qualifications for entry to the registry submitted to the National Election Commission by the Warsaw District Court in pursuant to Article 15 of the Regulation on Political Parties). Quoted in: Wykaz partii wpisanych do ewidencji partii politycznych (na podstawie prawomocnych postanowień w sprawach o wpis do ewidencji przekazanych Państwowej Komisji Wyborczej przez Sąd Okręgowy w Warszawie w trybie określonym art. 15 ustawy o partiach politycznych). URL: http://pkw.gov.pl/322_Wykaz_partii_politycznych (accessed 22.11.2018).

[5] I considered the parties that had at least one seat in the 2015–2019 Sejm, even if its representation in the parliament was a result of a split in the party rather than an electoral victory.

[6] *Obwieszczenie* Państwowej Komisji Wyborczej z dnia 27 października 2015 r. o wynikach wyborów do Sejmu Rzeczypospolitej Polskiej przeprowadzonych w dniu 25 października 2015 r. Dz. U. z dnia 28 października 2015 r. poz. 1731. URL: http://parlament2015.pkw.gov.pl/pliki/1446212096_obwieszczenie_Sejm. pdf (accessed 26.11.2018).

[7] The study included the political groups contribute to social life without enjoying the official political party status.

[8] That is why I did not consider the Civic Platform (*Platforma Obywatelska*), which is a liberal-conservative party.

Poland (*Obóz Wielkiej Polski*), the Republican Party (*Partia Republikanska*), Agreement (*Porozumienie*), the Right Wing of the Republic (*Prawica Rzeczypospolitej*), Law and Justice (*Prawo i Sprawiedliwość*), November 11 Movement (*Ruch 11 Listopada*), the National Movement (*Ruch Narodowy*), Solidary Poland (*Solidarna Polska*), the Real Politics Union (*Unia Polityki Realnej*), Free and Solidary (*Wolni i Solidarni*), and Liberty (*Wolność*).

I considered three types of official programme documents available on party websites: election programmes, programme and ideological declarations, and statements on issues relating to the Russia agenda. If available, I analysed programme documents of 2014–2018. If not, I explored earlier publications. This timeframe was chosen for two reasons. Firstly, in 2104, parties were publishing programmes with the parliamentary election of October 2015 in mind. Secondly, some parties and political groups included in the study created or framed their election programmes in 2016–2018[9] before the municipal election of autumn 2018. Therefore, the study spans a considerable timeframe.

My analysis focused on the body of programme documents. I carried out a content analysis of the frequency of references to the Russia agenda in political party programmes. Further, I conducted a qualitative analysis of mentions of Russia in the contexts of foreign policy and security, economic policy, and social issues.

The frequency of references to the Russia agenda in the programmes of the parties

The Russia agenda appears with varying frequency in the programmes of right political parties and groups. My quantitative analysis covers over twenty programme documents of the parties under study. The analysis focused on the frequency of references to the Russia agenda. It returned four types of results: 1) no references; 2) low frequency (Russia is mentioned in relation to one or two issues); 3) medium frequency (three-five instances); 4) high frequency (six and more instances). Table 1 shows the frequency of references to the Russia agenda in the party programmes.

[9] Suffice to recall the Republican Party, whose establishment was announced on September 20, 2017 (*Powstaje* Partia Republikańska. Będzie współtworzyć Zjednoczoną Prawicę. URL: http://wiadomosci.dziennik. pl/polityka/artykuly/558616,partia-republikanska-zjednoczona-prawica-pis-siarkowska.html (accessed 26.11.2018)).

Table 1

The frequency of references to Polish–Russian relations in the programmes of political parties and groups

Party / group	Programme document (year of publication, if applicable)	Frequency of references to the Russian agenda
Congress of the New Right (*Kongres Nowej Prawicy*)	The programme of the Congress of the New Right; Political ABCs	Low (1 reference)
Kukiz'15	The Strategy of Change. Kukiz'15. You Can, Poland (2015)	Low (2)
National Rebirth of Poland (*Narodowe Odrodzenie Polski*)	NOP programme rules; Contemporary nationalism	Low (1)
National Radical Camp (*Obóz Narodowo-Radykalny*)	Poland tomorrow. The ideological declaration of the National Radical Camp	Low (2)
Camp of Great Poland (*Obóz Wielkiej Polski*)	Ideological assumptions[10]	Low (2)
Republican Party (*Partia Republikanska*)	Declaration on the establishment of the Republican Party (2017)	No references
Agreement (*Porozumienie*)	Great Poland in the small European Union. A manifesto of Polish Euro-realism (2014), The road to wealth (2014)[11]	Low (2)
Right Wing of the Republic (*Prawica Rzeczypospolitej*)	A strong Poland for the civilisation of life (2009)	Low (2)
Law and Justice (*Prawo i Sprawiedliwość*)	Health, labour, family. The programme of the Law and Justice (2014), Thinking: Poland (2015)	High (22)
November 11 Movement (*Ruch 11 Listopada*)	Conservatism = anticommunism, or 3×P: strong passport, fat purse, loaded pistol	No references
National Movement (*Ruch Narodowy*)	A sovereign people in the 21st century (2016)	High (13)
Solidary Poland (*Solidarna Polska*)	The European dialogue of Solidary Poland	No references
Real Politics Union (*Unia Polityki Realnej*)	Ideological declaration, The programme	No references
Free and Solidary (*Wolni i Solidarni*)	The programme signals of the Free and Solidary (2016)	No references
Liberty (*Wolność*)	Proud, rich Poland. KORWiN (2015)[12]; The ideological declaration of the Liberty party (2016)	Low (2)

Source: prepared by the author based on the programme documents of parties and political groups.[10][11][12]

[10] Although, the *Ideological assumptions* of the Camp of Great Poland are essentially a collection of a dozen loosely connected articles, they give an idea of the programme of that political group.

[11] Both documents were published by the party Poland Together (*Polska Razem*), which is the technical and political precursor of the Agreement (*Porozumienie*).

[12] In the 2015 election, the party took part as Coalition for the Renewal of the Republic — Liberty and Hope (KORWiN) (*KORWiN: Koalicja Odnowy Rzeczypospolitej Wolność i Nadzieja*).

The above results show that the programmes of right-wing political groups refer to the Russia agenda with a varying frequency. The programme documents differ significantly, and this circumstance cannot but affect the results of quantitative analysis. A peculiar feature is the coexistence of complex political programmes, which are usually prepared before parliamentary elections and contain a multitude of ideas (Law and Justice, Liberty, National Movement), with more concise documents (Free and Solidary, Congress of the New Right). All this complicates quantitative and qualitative analysis.

From the perspective of quantitative analysis, the party programmes can be divided into three major groups. The first one includes documents that do not mention relations with Russia. Most of them are concise programmes with a brief overview of foreign policy and international economic relations. The second group brings together documents with a low and medium frequency of references to the Russia agenda. In most cases, Russia is mentioned in the contexts of foreign policy, security, and relations with the EU and NATO. The third group of documents comprises programmes with frequent references to the Russia agenda. Remarkably, relations with Russia are a key element of the foreign policy and security agenda of Poland's most prominent right party — Law and Justice. The party has twice come to power over the past years. This circumstance may explain why the party feels that it has greater responsibility for its political programme. Moreover, the documents prepared by Law and Justice are the most voluminous among the programmes of the parties under study.

A quantitative analysis yielded two important observations. Firstly, the programmes of most right political groups that won seats in the Sejm in the 2015 election (Law and Justice, Agreement, the National Movement) mention Russia with a varying frequency; this means that the Russia agenda is an important element of the foreign policy vision of these parties. Secondly, despite the popular opinion, the far-right parties, which are usually considered pro-Russian, hardly mention Russia in their political programmes. Thus, these parties do not build their political programmes on commitment to stronger cooperation with Russia.

The international agenda and relations with Russia in the programmes of right parties

Further, I carried out a qualitative analysis of only those programmes of right parties and groups that focused on relations with Russia. At first, I considered issues relating to the international and security agenda. These are 1)

relations with Russia in a global and regional context (including the conflict in East Ukraine); 2) bilateral relations; 3) security policy including the vision of Russia as a potential threat. The attitudes of the parties in this study can be divided into three groups: negative attitudes stigmatising Russia's aggressive policy; neutral positions; commitment to better and more pragmatic relations with the country.

The most radical perceptions of Polish–Russian relations are found in the manifestos of Law and Justice (*PiS*), the National Rebirth of Poland (*NOP*), the Right Wing of the Republic, and Agreement. The *PiS* programme of 2014 spells out that any collaborations with Russia are inadvisable because of the country's neglect of the basic principles of international law.[13] The document stresses that the foundation of Poland's security is its membership in the North Atlantic Treaty Organisation (NATO) and the international interests of Poland and Russia are at odds when it comes to NATO's eastward enlargement: 'the concept of NATO's enlargement to Eastern Europe and South Caucasus is still relevant; it has to be developed within future scenarios'.[14] An improvement in relations with Russia is possible, yet only on the basis of actual partnership. The programme states that, if Russia continues to support separatists in East Ukraine, it will be necessary to provide permanent assistance to Kyiv authorities, particularly, by taking necessary actions in the international arena [20, p. 85]. The central idea of the *PiS* programme is that of a persistent tough policy towards Russia. Although the document stresses the need to strengthen Poland's defence capacity, a conflict with Russia is not considered a likely scenario. The *PiS* programme recognises that there are unresolved issues in Polish–Ukrainian relations (those concerning the politics of memory play an important role in relations with Russia).

The *Contemporary nationalism* declaration of the National Rebirth of Poland puts forward the idea of a Europe of nations and freedoms committed to harmonious cooperation among sovereign states and peoples of Europe. The party, however, criticises Russia and Germany for revisionist tendencies and 'primitive and archaic 19th-century imperialism. A possible counterweight to Russian interests is the European National Front, which can neutralise Russia's advantage in Central and Eastern Europe.[15]

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[13] *Zdrowie*, Praca, Rodzina. Program Prawa i Sprawiedliwości. Warszawa, 2014. P. 42.

[14] Ibid. P. 153.

[15] *Nowoczesny* nacjonalizm. URL: http://www.nop.org.pl/nowoczesny-nacjonalizm/ (accessed 26.11.2018).

The programme of the Right Wing of the Republic stresses that Poland is part of the Western civilisation. It is in the interest of the country to engage post-Soviet states in cooperation with the West and promote political freedoms in Eastern Europe. Thus, 'Poland should expect that Russia effectively abandons the policy of domination and intervention into the affairs of states in our region'. Relations with Russia and the rest of Europe should be based on equal and uniform principles of cooperation.[16]

The Agreement party supports (contrary to Russian interests) stronger cooperation with the countries of Central and Eastern Europe with priority given to the states covered by the Eastern Partnership. The party promotes the idea of 'Europe whole and free', i.e. stronger integration of Eastern European countries in European and Euro-Atlantic structures. Agreement insists on the establishment of an Eastern Partnership University and a Pontic College to develop social ties with Eastern European states.[17]

Some Polish right parties and groups hold a neutral position on relations with Russia. Their political programmes neither discuss the aggravation of political situation nor call for an equal and pragmatic policy towards Russia. The programme of Kukiz'15 points toward a more visible role of Poland in international relations. It identifies several sources of threats, including destabilisation of the current world order and the risk of a military conflict near Poland's borders. The party programme emphasises that 'the previous government failed to make Poland a leader in the region', whereas 'large states of Europe negotiate with Russia behind our backs'.[18] At the same time Kukiz'15 insists that it does not put a stake on single international partner in the East-West relations in Europe: 'our government will guarantee the advancement of Polish national interests in foreign policy. Our government will further Poland's interests only, rather than those of Germany, Russia, Ukraine, or Europe in general'.[19]

Other right parties in the Polish political arena also think of foreign policy in the vein of achieving balance in relations with Central and Eastern Europe. The programme of the Congress of the New Right says that the party will rely solely on the benefit/loss ratio rather than ideology or sentiments.[20]

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[16] *Silna* Polska dla cywilizacji życia. Założenia polityki Prawicy Rzeczypospolitej. Warszawa, 2009.

[17] *Wielka* Polska w małej Unii. Manifest polskiego eurorealizmu. Warszawa, 2014.

[18] *Strategia* zmiany. Potrafisz Polsko! Kukiz'15. Warszawa, 2015. P. 26.

[19] Ibid.

[20] *Program* Kongresu Nowej Prawicy. URL: https://knp.org.pl/program/#1447702361157-49a62f8b-83fd (accessed 02.12.2018).

The National Radical Camp argues for a foreign policy aimed at promoting correctly understood national interests. The programme reads, 'the location of Poland has been for centuries the symbol of the Nation's power. The location between two powers, Germany and Russia, has forced Poland to show an incredible will to live. The time has come to ensure political, economic, and military independence of Poland'.[21]

Stronger cooperation in the Baltic Sea region is on the agenda of Liberty. The party stresses the need to develop relations with Nordic countries to prevent the emergence of other powers in the area; this should be interpreted as a reference to the Russian threat.[22] On the other hand, the programme of the party points toward equal relations with Eastern and Western Europe without bias in favour of certain neighbours: 'in foreign policy, one cannot ignore the geographical aspect. In the West, Poland borders on the continent's strongest economy and, in the north, on its strongest military power (Russia — K. Z.) '. Below, the document argues for a balanced and realistic approach to relations with the East and the West, based on a ratio between losses and benefits and the prevalence of national interests in foreign policy.[23]

An improvement in relations with Russia is proposed by the National Movement. The party calls for abandoning the 'Jagiellonian myth', i.e. the belief that Poland should secure support from the states lying between Poland and Russia to build a successor to the Confederation of the era of the first Polish-Lithuanian Commonwealth. The authors of the programme maintain that processes taking place in the new nation-states and their independence created a situation where Poland is not interested in promoting European values in Eastern Europe and creating a new federation of Central and Eastern European states. The document sees as a more promising avenue the development of bilateral relations with each state as the current situation requires. Another negative factor is that Europe is subordinate to economic and military powers: Germany and the US. Poland has to compensate for this circumstance by seeking deeper cooperation with China and Russia.[24] As to bilateral relations with Russia, the party places emphasis on the restoration of economic and political relations and admits that, given the current economic and military capacities, Russia is not a threat to Poland. Therefore, there is no actual clash of interests.[25]

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[21] *Polska* Jutra. Deklaracja Ideowa Obozu Narodowo-Radykalnego. URL: https://www.onr.com.pl/deklaracja-ideowa/ (accessed 02.12.2018).

[22] *Dumna* Bogata Polska. Program Partii KORWiN. Warszawa, 2015. P. 20.

[23] Ibid. P. 22.

[24] *Suwerenny* naród w XXI wieku. Program Ruchu Narodowego. Warszawa, 2016. P. 22.

[25] Ibid. P. 25.

The Camp of Great Poland entertains similar ideas. The article 'The Polish people has to become the master of its own state' argues that, from both historical and contemporary perspective, Germany is the greatest enemy of Poland and all the things Polish. Until 1989, Poland's protection was its membership in the Eastern Bloc and the Warsaw Pact. Today, there is nothing to put off the implementation of the German *Mitteleuropa* concept. In this context, Russia is viewed as a potential protector of Poland from German expansion [21]. At the same time, the programme of the Camp of Great Poland condemns the permanent US military presence in Poland, including the siting of missile defence elements since the latter serve the interests of the US and Israel rather than Poland. Another argument against the missile defence complex is objections from France, Germany, and Russia.[26]

Economic and social cooperation with Russia

The programmes of right-wing parties consider the economic and social aspects of relations with Russia. The documents take into account current developments in international relations. Most of them focus on bilateral trade with Russia, sanctions policy, and migration. Law and Justice voices the sharpest criticism of Russia. The *PiS* programme pays special attention to energy independence from the country. As to the security of natural gas supplies, the party calls for the expansion of the LNG terminal in Świnoujście and the development of gas imports from the Nordic countries. Although the party does not rule out cooperation with Russia, it believes that the issue of prolonging the Yamal contract should be postponed until the capacity of the LNG terminal in Świnoujście is expanded [22, p. 32]. As regards oil imports, the programme discusses the construction of the Odessa–Brody–Gdansk pipeline. All these points concerning bilateral trade with the northern neighbour seek to diversify energy supply and to gain energy independence from Russia.[27]

The *PiS* programme stresses the need to restore the national maritime economy and develop international trade. The party supports the construction of a waterway through the Vistula Spit — an initiative strongly opposed by Russia. Moreover, Law and Justice insists on the introduction of safeguard measures to

[26] *Odezwa* Przemysława Górnego. Założenia ideowe. URL: http://www.owp.org.pl/index.php/zalozenia/655-odezwa-przemyslawa-gornego (accessed 11.12.2018).

[27] *Zdrowie*, Praca, Rodzina. Program Prawa i Sprawiedliwości. Warszawa, 2014.

support the agricultural industry, which was denied access to the Russian market.[28] The central demand to Russia is that the country returns the wreckage of the Tu-154 plane that crashed in Smolensk in April 2010.

The Right Wing of the Republic argues for broader rights for Poland in bilateral relations with Russia and the overcoming of the current asymmetry. The party stresses that 'Russia's economic relations with Poland and Central Europe (particularly, the Baltics) should be organised on the principle of fair exchange, following the common rules for cooperation between Russia and Europe.[29] In its turn, the European Union has to show solidarity in bilateral trade with Russia. The programme emphasises that a sign of lacking solidarity is German involvement in joint energy projects with Russia: the party strongly criticises those initiatives.[30]

Among the parties seeking an improvement in relations with Russia, the one with the clearest goal is the National Movement. It calls for the resumption of trade relations with Russia and a search for new expansion opportunities in the Russian market'. According to the party programme, Poland should focus on strengthening the positions of its businesses in the Russian market rather than on promoting the economic interests of other actors, including the EU and Ukraine. In recognising energy dependence from Russia, the party points towards diversification of energy supply. As to social issues, the National Movement stresses the need to give a boost to the repatriation of the Poles living in the East.[31]

The National Radical Camp emphasises the importance of promoting Poland's cultural influence in the former *Kresy Wschodnie*, which are today parts of Lithuania, Belarus, and Ukraine. In particular, the party strongly objects to 'Poland abandoning its legacy in the East; we believe that this attitude, which is being advanced by the left and liberal forces, is national treason and betrayal'.[32] Although this idea does not have a direct bearing on Russia, if it comes to fruition, it will weaken the independence and integrity of the post-Soviet states located between Poland and Russia.

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[28] *Zdrowie*, Praca, Rodzina. Program Prawa i Sprawiedliwości. Warszawa, 2014.

[29] *Silna* Polska dla cywilizacji życia. Założenia polityki Prawicy Rzeczypospolitej. Warszawa, 2009. P. 11.

[30] Ibid. P. 14.

[31] *Suwerenny* naród w XXI wieku. Program Ruchu Narodowego. Warszawa, 2016. P. 25, 37—49.

[32] *Polska* Jutra. Deklaracja Ideowa Obozu Narodowo-Radykalnego. URL: https://www.onr.com.pl/deklaracja-ideowa/ (accessed 02.12.2018).

Conclusion

My analysis emphasises that the programmes of Poland's right parties and political groups differ substantially in their vision of relations with Russia. An exploration of a wide spectrum of parliamentary and non-parliamentary groups made it possible to cover a variety of Russia-related beliefs and ideas of Polish political thought. The major criterion for including a party into the study was representation in the Sejm, the Senate, or the European Union. Parliament seats mean a possibility to affect Poland's foreign policy, including the country's relations with Russia. In the situation when the Polish political arena is divided, Law and Justice has recently been the most influential right power in terms of foreign policy.

To cover the full spectrum of right opinions and beliefs in Poland, I considered both parties and non-parliamentary groups. The principal result of content analysis and the answer to the first question of the study is the following. Russia has received the most attention from Law and Justice, which is, as a rule, sharp criticism. Polish–Russian relations have been 'frozen'. Another important finding is the presence of the Russia agenda in the programmes of most right political parties that are active in Poland. Relations with Russia may have stalled, but parties view it necessary to mention the country in their programmes.[33]

Qualitative analysis made it possible to compare the programmes of political parties as regards their views of relations with Russia. I identified the contexts in which Russia was mentioned. These are bilateral relations, international security, economic cooperation and bilateral trade, and cultural and social ties. Qualitative analysis showed that right-wing political parties fall into three distinct groups. The first group, which includes Law and Justice and the National Rebirth of Poland, is critical of Russia's foreign policy and the current form of Russian–Polish relations. The second group seeks impartiality and pragmatism in Polish–Russian relations. It both criticises Russia and stresses the need to improve relations with the country. This group comprises the following parties and associations: Kukiz'15, the Congress of the New Right, and Liberty. The third group brings together the National Movement, the National Radical Camp, and the Camp of Great Poland. These parties call for an improvement in Polish–Russian relations and closer cooperation with the country (at least in several areas) while both states should stay committed to their foreign policy priorities.

[33] This has little to do with Russia's geographical proximity: the other neighbours did not receive the same attention.

Qualitative analysis helped to establish a clear connection between international developments and the programmes of political parties. For instance, the Ukraine crisis provoked a considerable reaction. Some right parties levelled heavy criticism at Russia.[34] Another important conclusion is that the right groups that are considered as pro-Russian in Polish political discourse (the National Rebirth of Poland and the National Radical Camp) either are not such or pay little attention to the Russia agenda. The attitude to Russia held by some right groups is a result of domestic political struggle in Poland, particularly, of some right parties being accused of pro-Russian sentiment. Some Polish conservative and agrarian parties have faced similar accusations.[35]

Another important element of political party programmes is the economic agenda. In particular, party documents consider the Russian factor in the context of energy security and the sanctions policy of the EU. All this proves that external factors affect party programmes. Tim Rapley was right to emphasise the role of party programmes as documents of their era [14, pp. 37—48]. My analysis proves that international factors affect the programmes of political parties as regards relations with Russia.

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[34] The 2014—2015 change in the views of the political parties (it coincided with the incorporation of Crimea by Russia and the beginning of warfare in the Donbass) mostly concerned the Law and Justice and the Agreement.

[35] An important element of the political programme of the agrarian conservative Polish People's Party (*Polskie Stronnictwo Ludowe — PSL*) is the demand to lift economic sanctions against Russia, as a result of which Polish agrarians took a hit in revenues (see [15, p. 171—172]).

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CULTURAL ISLAM IN NORTHERN EUROPE

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In this study, we aim to analyse the position of cultural Islam in Northern European countries. To this end, we examine publications in major print media. Content analysis of relevant publications gives a detailed picture of narratives produced in mass consciousness as a reaction to the presence of Islam at the local and regional level and makes it possible to identify individual trends in the evaluation of such narratives in both scientific and popular analytical literature. The growing secularization of Islamic communities in Northern Europe and changes in the value-driven behavioural algorithms of believers lead both to the polarization of Islam and changes in attitudes to Islam from outside the religion. Studies into the factors affecting the dynamics of this phenomenon have both theoretical and practical significance since they help to evaluate the most promising forms of cooperation within regional collaborations and national programmes for international partnership. The forces promoting the cultural Islam project position it as an antidote for political and radical Islam. At the same time, the main factor preventing the legitimation of cultural Islam across immigrant Moslem groups (or, more precisely, communities, i.e. associations of people originating from countries where Muslims predominate) is the relevant isolatedness of those groups and their commitment to the Ummah. The novelty of research into how Islam and culture interact within those groups is closely associated with the goal of establishing whether cultural Islam is viable as a phenomenon of collective consciousness and whether it meets the following requirements: 1) satisfying the essential need for preserving the tradition and 2) ensuring flexible adaptation to a foreign cultural context. Our analysis of the data obtained has led us to conclude that cultural Islam is gaining ground within immigrant communities and associations. This can be viewed as a practical contribution to studies into the dynamics and mechanisms of adaptation, acculturation, and, perhaps, integration of Muslims and corresponding social groups into the socio-cultural space of Northern European countries.

Keywords:
cultural Islam, political Islam, periodicals of Northern European countries, immigrant communities, mechanisms of acculturation

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Introduction

Sociocultural project defined as "Cultural Islam" represents one of the few potential gradual acculturation strategies of immigrant communities into the hosting society. Studying specific tendencies characterizing the real state of affairs with the representatives of "Cultural Islam" in the countries of Northern Europe becomes relevant for understanding the future of the region considering that the flow of immigrants from Muslim counties has played and is still playing a noticeable role in the development of the European North [1; 2, c. 261].

Thus, the object of research is not only the situation with Islam, but also social attitudes that are sensitive to any change in sociocultural reality in a potentially conflicting field.

It is well known that several generations of Muslim immigrants live in Sweden, Norway and other countries of Northern Europe. Some of them naturalized long ago, having received full-fledged citizenships with their children becoming citizens by birth. The diasporal structure of these Muslim communities is contributing to preservation of their traditional life style [3—5]. Religious and social issues are often resolved within the diaspora. The current migration crisis promotes the dependence of this Northern European population segment on the Islamic values as they turn to be profoundly acute and relevant. At the same time problems of Muslims, including issues related to identity, prospects for interaction with a non-Muslim environment, etc. represent a research area of extreme importance for understanding the social dynamics of the region as a whole.

Provided that initially Islam is positioning itself as a holistic religious system, the question under discussion is how values that unite these people are being transformed (if they are), which creates a foundation for controversial interpretations of the role of Islam in secular societies.

The purpose of this study is to identify the extent to which Muslim communities of Northern Europe are ready to implement the project of "Cultural Islam" as long as it seeks to overcome the "dichotomy of faith and unbelief" [6, p. 11]. Thus, the study focuses on the dynamics of the "Cultural Islam" diffusion in the region and the degree of acceptance of this concept in the collective consciousness of both Muslims and non-Muslims. The latter can be evaluated by analyzing articles published in the leading newspapers since they remain the main source of official information for the local population. Such an approach allows us to trace a number of relatively new trends containing hidden contradictions that exist both within Muslim communities and between Muslim and non-Muslim communities. A question can then be raised of a sociocultural segment of "secularized Muslims", as well as of identifying the most common aspects of the Muslim religiosity modification in a non-Muslim (i.e., "Western") environment.

The initial hypothesis of this research was that officialdom and non-Muslim citizens wish to support the project of "Cultural Islam" as an alternative to traditional Islam because the latter is often perceived by the host societies as a source

of radical ideas and a breeding ground for terrorism. On the other hand, it is possible to assume that "Cultural Islam" does not enjoy wide support among Muslims of Northern Europe in general and Muslim immigrants in particular, at least at the level of an openly declared position.

Literature Review. History of the "Cultural Islam" Concept

Analytical works in two spheres deserve a special interest. First, publications actually interpreting the notion of "Cultural Islam", which has not been explored enough in academic literature. Second, when investigating the place of "Cultural Islam" in North European countries it is important to take into consideration research dedicated to the recent migration crisis, and as a result — intensification of public discussion around it. It is also necessary to pay attention to the results of scholarly research of the value matrixes in collective consciousness. Special importance is attached to the topics of Muslim-Christian dialogue in Northern Europe [1; 7—10].

The analysis of the activities by migratory communities, their adaptation to the culture of host societies deserve particular attention, namely Ash's *Islam in Europe,* Miller's *Immigrants, Nations, and Citizenship, Muslims in the EU and Russia* by I. S. Semenenko, a chapter on Western Muslims in A. V. Malashenko's *Islamic Alternative and Islamic Project* and others. Among the works dedicated to certain aspects of integration in Scandinavian countries the studies of Andreassen, Brenner, Bennulf, Brunet and others should be singled out.

A number of relatively recent papers by Russian scholars were devoted to analyzing specifics of modern Islam and its role in Europe, among them *Integration of Muslims in Europe: Political Aspect* by S. M. Khenkin and I. V. Kudryashova [11], *The World of Faith vs. The World of Disbelief: Expansion and Reduction of Religiosity* by V. G. Baranovsky and V. V. Naumkin [6]. The issue of political transformations resulting from immigrational redistribution of group preferences (based on materials from a different European region though) was successfully demonstrated in a paper by N. N. Bolshova [12], while an examination of the possibilities and limits of religious variety in relation to the problem of harmonizing legislation in the EU countries was carried out by I. N. Molodikova, L. L. Yemelyanova and A. Y. Lyalina [13, p. 64].

In order to correctly interpret processes related to Islam it is necessary to refer to the definition of "Cultural Islam" as a term used in the contemporary Arab thought as well as in the Western academic literature. Prominent Moroccan philosopher and writer Bensalem Hammish, who in 2016 published a book titled *On Cultural Islam*, can serve as a good example [14].

As for the Western academic literature, the literal tracing of the "Cultural Islam" concept is absent here, but the existing term "Cultural Muslims" defines a secular (non-religious) person who, having a Muslim origin (and living in a non-Muslim country), still identifies with Muslim culture or religion, while not practicing Islam.

According to the Australian scholar Milad Milani, the category "Cultural Muslim" is not only a testament to the cultural diversity associated with the faith, but a showcase of disenchantment with its religious institution [15].

Authors of *The Geography of Muslim Identities* published in the USA in 1988 and reprinted again in 2016, report first coming across the term "Cultural Muslim" in Central Asia and other countries of the socialist block [16]. Consequently, Russia appears to present one of the oldest and vivid examples of "Cultural Islam" concept: since the USSR atheist times many Soviet people, originating from traditional Muslim families, used to preserve memory of their roots and identify themselves according to Muslim religion, while remaining non-believers, for whom Islam was just a cultural phenomenon of their daily lives.

Similar picture can be drawn of the contemporary Russian society, where religion is just a part of cultural identification: according to public polls, the majority of Russians consider religion rather a "national tradition, ancestors' faith" (39%), "ways to follow moral and ethical norms" (26%) or "part of world culture and history" (21%) [17, p. 81] than religious or cult practice.

Thus, it is possible to suggest that the term "Cultural Islam" appeared in similarity with the term "Cultural Christian" (or "Cultural Judaist") that was spread in the Western humanitarian discourse in the end of the 20th — beginning of the 21st century. It is worth noting, however, that the first use of the notion "Cultural Christian" can be traced to the middle of the 19th century, where it can be found in the works of the historian Henry Milman.

Cultural Christian usually refers to a person living in a nominally Christian society who has turned away from the Christian faith or has been brought up without reference to it [18]. Prominent British biologist and a convinced atheist Richard Dawkins has called himself "Cultural Christian" [19], and the famous Russian physicist and demographer Sergei Kapitsa was quoted saying, "I am a Russian Orthodox atheist".

Acculturation as a Platform for "Cultural Islam": the Case of Northern Europe

One of the most relevant descriptions of acculturation strategies is provided by John Berry, an expert in cross-cultural psychology. The four strategies he identifies are:

1) assimilation, in the course of which individuals do not want to preserve their cultural identity and do their best to interact with the representatives of the new culture;

2) separation, during which individual highly appreciates his/her belonging to one's culture and tries to avoid communication with the other cultures;

3) integration, which implies interest in both — sustaining one's own culture and daily interaction with other cultures as well as learning from them;

4) marginalization implies a low level of interest in sustaining relations with other cultures as well as lack of cultural self-identity [20, p. 199].

Obviously, inclusion of a Muslim into the secularization process and formation of "Cultural Muslim" would take place only in the cases of integration or assimilation (since separation or marginalization presuppose that individual would prefer to remain tightly "closed" from the host society, which means that probability that he/she, for external reasons, would break with one's religious and cultural tradition is insignificant).

Evaluating the degree of personal religiosity among Muslim immigrants of Northern Europe is a task that entails many difficulties. First of all, maintaining a declarative affiliation with Islam is important not only for maintaining group solidarity, but also for one's security ("honor killings"). Furthermore, Islam does not exactly approve of the possibility of conversion into another religion (riddah or irtidad).

As a result, for Northern European immigrant Muslims,"Cultural Islam" remains almost the only strategy for implementing such types of acculturation as integration and assimilation regardless of their actual religiosity level.

Another issue that needs to be addressed in order to understand the boundaries of dissemination of the "Cultural Islam" concept deals with a fundamentally different vision of this phenomenon by the Western secular consciousness and traditional Muslim mentality. The extensive use of the term "culture", which almost coincides with the concept of "lifestyle" in this case, allows one to distance from unambiguous secular connotations common for the Western scholarly discourse [21].

Features of Northern European causal attribution imply seeing "Cultural Muslims" as people who actively integrate into local societies, but nevertheless remain Muslims: they still have Muslim first names and surnames, they identify themselves as Muslims (the latter is frequently enough to dispel all doubts; while it's hard to imagine that a modern European would identify oneself by religion, being a non-religious secular person). Meanwhile from the traditional Islamic viewpoint, "Culture Muslims", who have reduced the sacred faith of their fathers and the last divine revelation to humanity to the level of formal identification would be univocally classified as apostates, who committed treason against the holy truths — and this behavior is regarded as one of the most severe forms of kufr (infidelity). Consequently, "Cultural Muslims" find themselves at a compromise point of "under-acceptance" by the new secular society and condemnation by the old community of religious traditionalists.

Methodology

When choosing a methodology for studying the issues around "Cultural Islam" in Northern Europe one faces the difficulty of obtaining reliable informa-

tion. Methods of direct data collection by filling questionnaires or statistics of visits to mosques can give a false picture, because these acts are public and could be driven by the fear of expulsion from the Muslim community.

Among the promising strategies that overcome this difficulty are in-depth interviews and life stories. Being unable to interview a large number of respondents, we referred to processing information from the Northern European media, where we analyzed the frequency of using the term "Cultural Islam" or combination of the concepts "Islam" and "culture", and explored a number of case-studies reflecting the range of problems associated with Islam's adaptation to sociocultural conditions of the Northern European states.

The interpretation of results required certain caution, since the border between ideological use of the combination "Islam" and "culture" and an honest attempt to reveal the factual situation remains rather vague. At the same time, a sequentially conducted content analysis enabled to eliminate doubts regarding the limited number of samples and falsification carried out by bringing forward counterexamples, which enabled us to limit the tendency to extrapolate individual results to the entire region.

Results

Economic, political, social and cultural portrait of Northern Europe is drawn by a number of contradictions, conflicts and controversies. It is associated with increased migration into Northern European countries, governmental crisis (Sweden), strengthening positions of the rightist and populist forces. Along with the political instability driven by the sanction politics of the EU, which is influencing the labor market, debates about the perspectives of Sweden joining NATO create a certain background for social attitudes. These factors do not contribute to the stability of the swiftly transforming region.

Clash of Realities: Mahr, Divorce and Polygamy

It needs to be pointed out that the seemingly united Northern European Muslim community is not too homogeneous. Apart from the traditional split into Sunnis and Shias, there, as in the Muslim world in general, exist a variety of segments. Consequently, the number of members in various Muslim groups of the region is uneven. This situation leads to the appearance of additional vectors in the process of integration into the region's sociocultural space. Domestic and cultural views of Muslims that often differ inside the community have significant social and political projections. For example, Swedish law-makers faced the problem of adjusting such Muslim notion as mahr — a term, with

which Islamic family law defines the property allocated by husband to his wife during their marriage registration — to the national legislation. This notion as well as the corresponding legislative norms traditional for Muslims simply do not exist in the modern societies of Northern Europe. One more difference: the legislation of most European countries says that divorce is an absolute right that both spouses can use without providing reasons and without initiating costly divorce procedures. But in case the court (we take Sweden as an example) approves on the divorce of Muslim spouses, this still would not mean that they are divorced according to the Muslim law. Some religious interpretations restrict the right of Muslim women to divorce, and Islamic communities in Sweden, which support such interpretations, refuse to divorce the spouses. It provokes a paradoxical situation: according to the Swedish law, the spouses are divorced, while according to the Islamic law, they remain married. After getting such a civil divorce (unrecognized by Islamic law) and getting married anew, a woman might face death penalty upon her return to the land of origin (say, Pakistan): her last marriage can literally become the last in her life, because she will be considered as having extramarital illegitimate relationship, which is punishable by death in her home country. Similar paradoxes and complications take place not only in Pakistan, but also in Saudi Arabia and Iraq. At present, this particular problem can be solved by both spouses signing prenuptial contract, which is allowed in Muslim communities. Such contract contains a clause that gives the wife the right to divorce, and then such a document becomes compatible with the Islamic law.[1]

Muslim polygamy is another problem for the North European legislation. Sweden, being one of the most progressive countries in the region today, now officially recognizes polygamous marriages that had been registered abroad. According to the Swedish Tax Service, out of 169 polygamous families in Sweden, only 38 live with more than one partner (data for January 2018).[2] This may be explained by the family separation when some family members remaining outside of Sweden.

As an example, it is possible to compare the total number of issued documents confirming the right to a long-term stay in Sweden with the number of same documents issued to representatives of the four countries having a high level of Muslim religious affiliation (Somalia, Afghanistan, Syria, Eritrea) (Fig. 1).

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[1] *Sayed M.* Svensk och islamisk familjerätt — en jämförelse. Juridisk publikation: vid Stockholms universitet, 2017. Sid. 201—234.

[2] *Skatteverket*, 'Månggifte i folkbokföringsregistret', Dnr 204 402 092—17/13, januari. URL: https://www. skatteverket. se/download/18.4a4d586616058d860bc7b3a/1516808177859/M%C3%A5nggifte+i+folkbokf%C3%B6ringsregistret+204+402+092+-+17+113.pdf (accessed 03.12.2018).

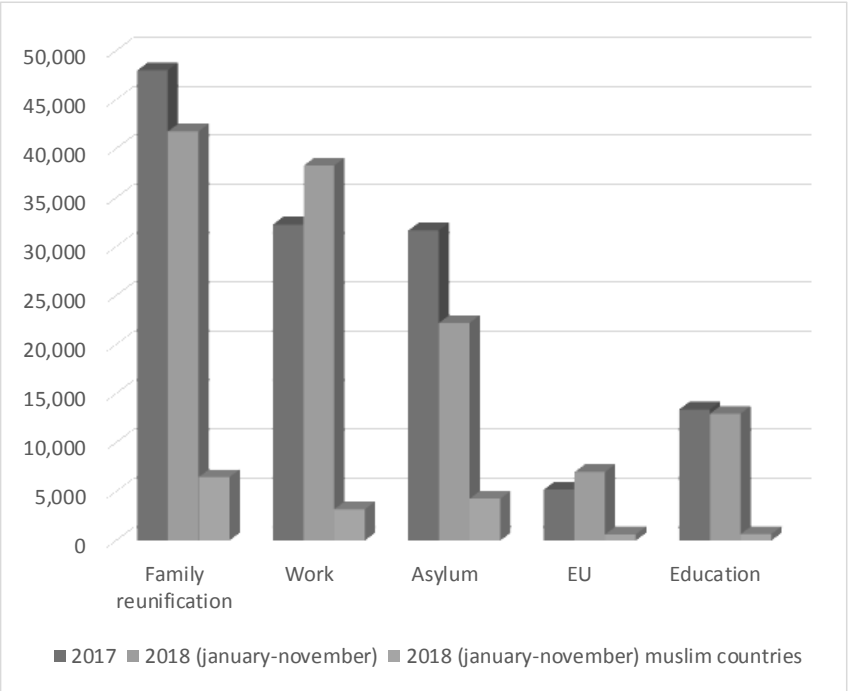

Fig. 1 Comparing the number of documents granting permanent residence in Sweden, 2017/ 2018 (January-November)[3]

Despite the fact that the correlation of the North European laws and Islamic Sharia has many "stumbling blocks", one cannot deny that the process of bilateral interaction is gradually moving forward. Another question is that each settled issue evokes a number of new contradictions and difficulties: violation of the individual rights and freedoms, principle of equal treatment and absence of discrimination, question of raising children in polygamous marriages. Juvenile justice developed in the Nordic countries, which often comes into conflict with the laws of Islamic upbringing, contributes to the intensification of these contradictions.

Particular Cases of Cultural Clashes: Fir-tree and Concert

Rapid growth of the Muslim population in Scandinavian countries is inevitably subjecting society and its everyday reality to specific transformations. Many people still remember the events of 2012 in Danish Kokkedal, when the clash of European cultural principles and the reaction of certain Muslims took place. Back then the administration of the city made a decision not to install the holi-

[3] *Migrationsverket*. URL: https://www.migrationsverket.se/English/Startpage.html (accessed 06.05.2019).

day's main symbol, the Christmas tree, in the city square, because five Muslim municipality members out of nine declared that it was inexpedient to spend seven thousand crowns (about 750 euros) on such a thing claiming they have come to this decision "by voting".[4]

Similar situations took place more than once. However, it is not easy to separate the real conflicts from those imposed by the local right-wing populist media. Thus, on October 9th, 2018 a message was posted on the Orebro regional section of the Swedish television SVT web-site, in which the TV4 executive producer announced that the traditional Christmas concert that had been annually broadcast over the past several years had been canceled. Many international right-wing populists spread this message saying it was the result of the "pressure from the Muslim community". "Probably this one more example of Swedish traditions being suppressed not to annoy migrants who are not Christian," [5] said an Emma R. on the Dutch site Voice of Europe, where it was possible to leave anonymous comments. A Swedish newspaper *Dagens Nyheter* later noted that the Voice of Europe website allowed over 30,000 different comments regarding this matter and similar statements constituted their majority. Representatives of SVT and TV4 repeatedly tried to convince the public that the broadcast cancellation was temporary (probably for only one year) and had more to do with a banal lack of financing than with insidious adversaries.

Islamic Traditions in European Culture: Paradoxes of Choice

One of migration side effects deals with the introduction of traditions based on the specific life experience as well as particular religious ideas accepted in a concrete sociocultural environment into the host society. These cultural constructs are being historically specific variants of interpreting religious guidelines. However, people sharing them believe these were the only true and fundamental interpretations. The disparity of certain Islamic provisions and the general cultural context of the host society is only one side of the value contradictions of Islamic culture as a social phenomenon.

With a relatively high degree of freedom in choosing particular religious practices (characteristic of Islam, which perhaps makes a non-economic background that determines attractiveness of Northern Europe for Muslims), a variety of Is-

[4] *How* one local decision created a national 'War on Christmas' // The Copenhagen Post. 2012. URL: http://cphpost.dk/news/national/how-one-local-decision-created-a-national-war-on-christmas.html (accessed 02.12.2018).

[5] *Islam* inte orsaken bakom inställd julkonsert i TV 4. URL: https://www.dn.se/nyheter/politik/islam-inte-orsaken-bakom-installd-julkonsert-i-tv4/?forceScript=1&variantType=ADBLOCKER (accessed 02.12.2018).

lam interpretations within Muslim communities heterogeneous in their composition creates an angle of axiological contradictions and strengthens the space of possible value conflicts.

The data obtained shows that people who left their homeland for Northern Europe often did so because of their disagreement with Islamic rules, norms or regulations prevailing in their home countries. According to statistics, in 2016 only 32% of Norwegian Iranians remained Muslim, compared, for example, with 98% of Muslims of Somalian origin who still followed Islam.[6]

The Immigrants' Living Conditions Survey (*Levekårsundersøkelsen blant personer med innvandrerbakgrunn*) reports that in 2016 80% of Muslims in Norway claimed they were followers of the Islamic religion. Researchers claim that this figure corresponds to 200 000 people (out of 250 000 immigrants from Muslim countries living in Norway).

A study by a Norwegian government agency responsible for implementing state policy on refugees and integration says that religion plays a lesser role for immigrants, who reside in the country for more than thirty years than for those who have immigrated relatively recently (fewer than 10 years in the host country).[7] Muslims born in the countries of Northern Europe were also less strict about religious customs and norms.[8]

Are Islamic Values Compatible with the Traditional Norwegian Society?

In case of Islam there is more skepticism than with any other religion. At the same time, there is significant difference between, on the one hand, immigrants from Muslim countries and children of immigrants born in Norway, and immigrants from non-Muslim countries and the country's population as a whole, on the other. The last group has more people believing that Islamic values were incompatible with the values of the host society; while the first group, where the majority are Muslims, tends to see the "core values" of both sides as having a greater resemblance (Fig. 2). By such interpretation of their own religion the young generation of Muslims can distance themselves from some religious customs, which they deem unacceptable, and justify their preferences by cultural variations in Islam that overlap with common civil values.

[6] *Amundsen B.* Hvor mange muslimer er det i Norge i 2017. URL: https://forskning.no/religion-samfunn-samfunnskunnskap/2017/11/hvor-mange-muslimer-er-det-i-norge-i-2017 (accessed 02.12.2018).

[7] *Slettholm A., Stokke O.* De fleste norske muslimer er ikke så religiøse. URL: https://www.aftenposten.no/norge/i/LlK9/—De-fleste-norske-muslimer-er-ikke-sa-religiose (accessed 02.12.2018).

[8] *Bustad O.* Synen på islam inom den svenska religionsundervisningen — med utgångspunkt ifrån andra generationens muslimer. URL: http://www.diva-portal.se/smash/get/diva2:1113560/FULLTEXT01.pdf (accessed 02.12.2018).

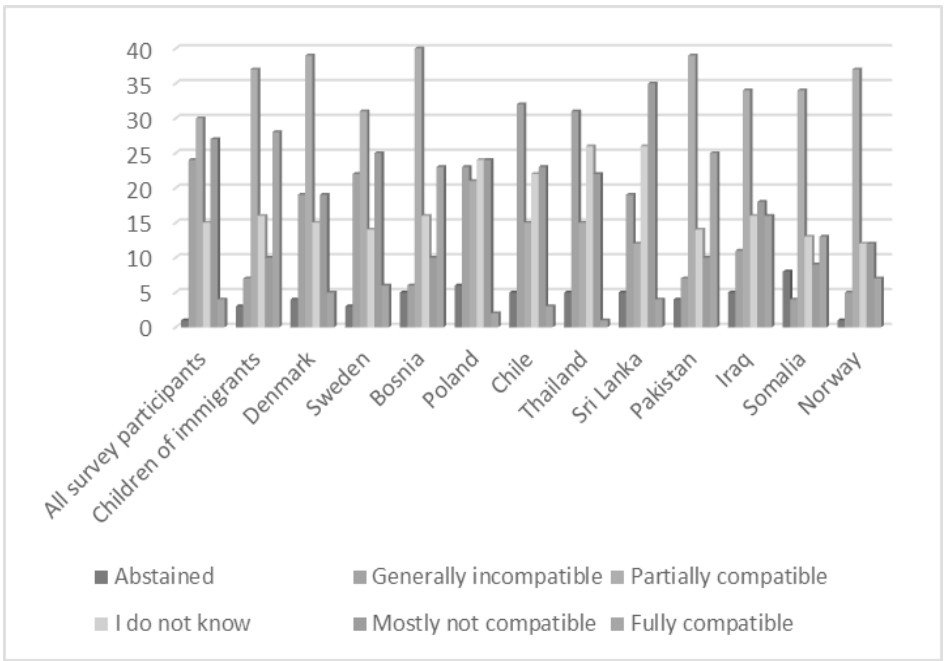

Fig. 2. Compatibility of Islamic values and the main values of the Norwegian society [22]

A note: N = 1364 (all research participants), 256 (children of the immigrants), 264 (Denmark), 248 (Sweden), 362 (Bosnia), 348 (Poland), 321 (Chili), 357 (Thailand), 211 (Sri Lanka), 278 (Pakistan), 367 (Iraq), 228 (Somalia), 74 (Norway).

Statistics

World values survey monitored the role of religion around the globe in 2010—2014 and found that 49% of world's population consider religion to be "very important" in the their lives, further 22% said it was "rather important". Naturally, different countries often demonstrate significant gap in their attitudes: the same question had 14% positive responses for Sweden and 98% for Somalia, for instance. Meanwhile atheist segment in Sweden grew from 6% in 1980—1990s to 15% in 2000s. Similar picture can be seen in Australia, Spain and Germany.[9]

In 2017 professor David Churfell (*Södertörns högskola*) undertook a research demonstrating the attitude of Sweden's population towards religion. He conducted a sociological poll among 100 people, which showed that while 80% of the population had stopped going to the church, they continued to volun-

[9] *Höjer H.* Tro inte att religionen minskar. URL: https://fof.se/tidning/2016/7/artikel/tro-inte-att-religionen-minskar (accessed 01.12.2018).

tarily pay several thousand crowns as annual church tax and celebrate Easter and Christmas. Which means that religious affiliation through membership in the Swedish church was high, while religious activity at all levels was rather low, with only 23% of Swedes saying they believed in God. The researcher also asked a question about the degree of belonging to Christianity, Islam, Judaism, Hinduism or Buddhism. 24% responded that they feel strong or rather strong degree of belonging to Christian religion. For other religion systems the number was about 3%. One third of respondents said that they did not feel any belonging of this kind.[10]

Danish scholar Sune Leegaard, specialist in philosophy and religion, says that secularism does not equal atheism [23]. In his view atheism means absence of grounds for believing in God, while secularism is a "separating" point between politics and religion, non-interference of religion into political conflicts, which definitely does not mean it plays a secondary or insignificant role.

Let us stress again that Northern European societies in general have a very high level of secularization. A study by the international online edition "Salon" published in 2018 confirms it: according to the 2017 list of the most atheist countries, Denmark, Sweden and Norway took second, third and sixth places respectively.[11] This state of affairs is usually explained by quick technical and economic development and influence of information technologies — factors that make people doubt religious values.[12] Yet, *World Values Survey* polls of 2012 showed that every fifth Swede thinks that God plays a solid role in his/her life and every third Swede says that religion is important.[13] These answers refer to Christianity in the first place, but are also relevant for European Islam.

The difficulty is that many immigrants who choose Northern Europe for long-term and permanent residence come from the countries with a much more pronounced religious presence in daily life. If we compare the significance of religion in the life of Danish and Pakistani societies (Fig. 3), we will conclude that a compromise is hardly possible here.

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[10] *Nylander L.* Svenskarna tror — men inte på Gud. URL: https://www.forskning.se/2017/04/12/ svenskarna-tror-men-inte-pa-gud/ (accessed 02.12.2018).

[11] *Marcotte A.* The 8 most atheist-friendly countries in the world. URL: https://www.salon.com/2015/08/17/the_8_most_atheist_friendly_countries_in_the_world/ (accessed 21.12.2018)

[12] *Bustad O.* Synen på islam inom den svenska religionsundervisningen — med utgångspunkt ifrån andra generationens muslimer. URL: http://www.diva-portal.se/smash/get/diva2:1113560/FULLTEXT01.pdf (accessed 02.12.2018).

[13] *Bustad O.* Synen på islam inom den svenska religionsundervisningen — med utgångspunkt ifrån andra generationens muslimer. URL: http://www.diva-portal.se/smash/get/diva2:1113560/FULLTEXT01.pdf (accessed 02.12.2018).

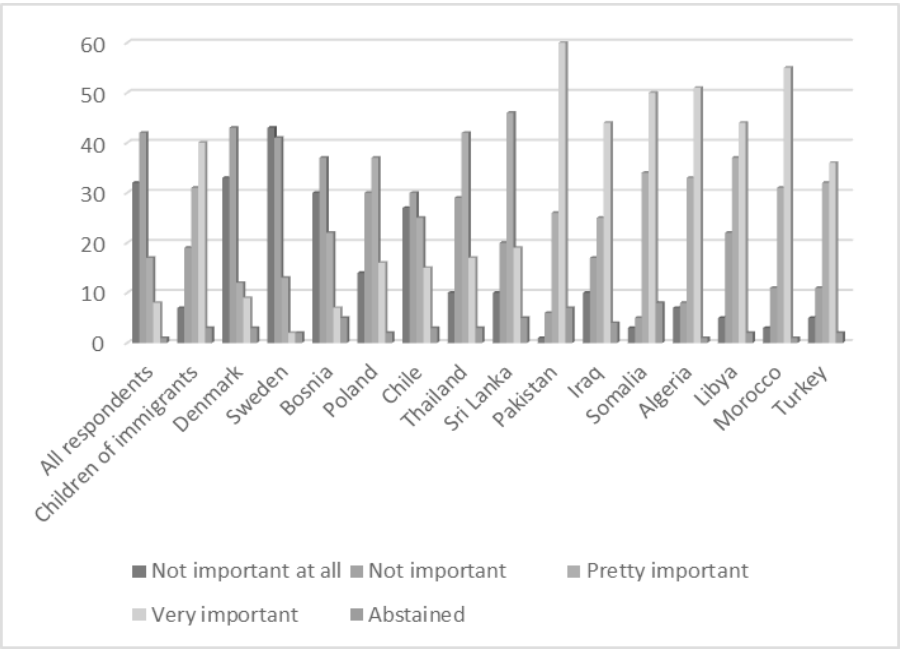

Fig. 3. Role of religion in one's life, by countries [22]

A note: N = 1290 (all research participants), 256 (children of immigrants), 264 (Denmark), 248 (Sweden), 362 (Bosnia), 348 (Poland), 321 (Chili), 357 (Thailand), 211 (Sri Lanka), 278 (Pakistan), 367 (Iraq), 228 (Somalia), 287 (Algeria), 214 (Libya), 321 (Morocco), 298 (Turkey)

Meanwhile, according to a study by the American analytical center Pew Research, which provides information on social issues, public opinion and demographic trends, four countries of Northern Europe — Sweden, Norway, Denmark and Finland — are headed towards becoming the first fifteen world countries with the largest Muslim population by 2050. If their predictions turn right these countries will be taking sixth, tenth, twelfth and thirteenth places respectively.[14]

Mass-Media Materials

Content analysis of Sweden's biggest daily newspaper *Dagens Nyheter* (online version) for the period from January 1st to December 1st, 2018 showed that the word "Islam" was used in 195 articles, 13 of which were dedicated to the migration and assimilation matters, 22 — to participation of Muslims in terrorist organizations and criminal structures, 52 — to political problems, 64 to islamophobic manifestations and another 64 — to cultural/religious issues. It is obvious that negative connotations carry a serious weight, though not surpassing the value-neutral analytics and reflections on positive development of scenarios related to Islam.

[14] *Sörbring K.* Omstridd studie: Kan bli 30 procent muslimer i Sverige. URL: https://www.expressen.se/nyheter/omstridd-studie-kan-bli-30-procent-muslimer-i-sverige/ (accessed 20.12.2018).

In 2017 Swedish mass media published a total of 64,000 materials related to Islam or Muslims. On average it churned out about 175 materials per day. The analysis of Sweden's five largest newspapers (*Dagens Nyheter, Expressen, Sydsvenskan, Svenska Dagbladet, Aftonbladet*) makes it clear that the term "Islamophobia" is used in 187 articles, 11 (5.9%) of which are written by Muslims, while the rhetoric of 7 articles (of these 11) is targeted against the spread of islamophobia (i.e. there is a deliberate journalistic struggle with negative assessments of Islam as a way of life). So, it can be concluded that the vast majority of articles on Islam (about 96%, or 176 articles) are written by people not identifying as Muslims who either do not see the islamophobia problem or do not consider it necessary to bring this topic to public attention (Fig. 4).

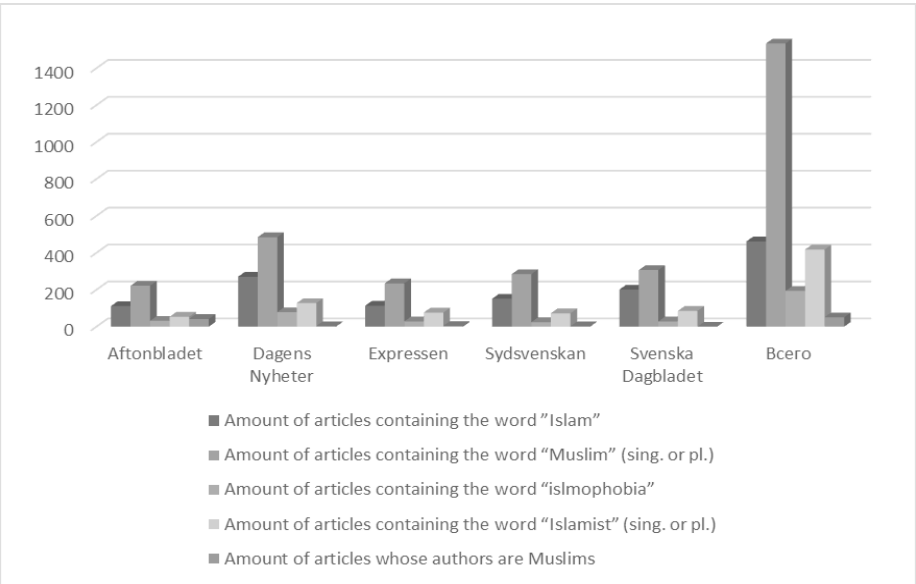

Fig. 4. Leading newspapers of Sweden (2017) [24]

Media readily publish references to various studies about the situation with Islam in the world carried out various by non-governmental organizations. For example, in 2015 Norwegian Directorate for Integration and Diversity (*Integrerings- og mangfoldsdirektoratet* (*IMDi*)) conducted an "Integration Barometer" (*Integreringsbarometer*) research in eight countries with the largest Muslim migrant groups (Bosnia, Poland, Chili, Thailand, Sri Lanka, Pakistan, Iraq, Somalia). When asked how important religious freedom was for them the majority of immigrants from Muslim countries replied "very important". More than half of immigrants from Somalia and Pakistan responded similarly, while eight out of ten Iraqi Muslims said "rather important". Fewer than 50% of Muslim immigrants from Sweden said it was "very important".[15]

[15] *Slettholm A., Stokke O.* De fleste norske muslimer er ikke så religiøse. URL: https://www.aftenposten.no/norge/i/LlK9/-De-fleste-norske-muslimer-er-ikke-sa-religiose (accessed 02.12.2018).

In 2018 the attitude towards Muslims was the toughest in Finland — 62% of Finns responded that Islam was fundamentally incompatible with the host (Finnish) culture and its values (Italy ranked second after Finland — 53%). More than one fourth of Finns (28%) said they were not ready to see prophet Mohammad as their family member; 14% would not accept him as their neighbor. However, according to the *Pew Research Centre,* Finland's Christians were the exception: only one out of five church-going Finns would wish to curb immigration (19%). This number was higher among religiously non-affiliated adults (33%) and non-practicing Christians (37%).[16] About 32% of Finland's population consider themselves non-believers (2015).[17]

At the same time many young Muslims of Finland do not enjoy easy relations with both culture and religion of their parents' homeland. Unlike their parents, second-generation Muslims are more inclined to have dual identity —identifying themselves as Finns when travelling abroad, but feeling foreign inside Finland. A dissertation thesis recently defended in Finland listed features that unite Finland with the Muslim world: modesty, honesty, reliability as well as some hygienic customs (sauna for example). Those young Muslims, who participated in the study, believed that there was only one "true" Islam common for all its adherents in the world, leaving no room for national or ethnic religious differences. Moreover, in their view traditions specific to a particular geographical region or ethnic group actually fall within the scope of "culture" rather than "religion".[18]

What do Muslims Think of Cultural Islam?

Hanna Gadban, a Muslim actively participating in public debates and a journalist of Swedish newspaper *Svenska Dagbladet,* thinks that such reform of Islam in the Norther European countries is necessary not least because of "increased radicalization among young people living in some kind of parallel society, even in Sweden".[19] Rationality, morals, justice, humility and other qualities promoted by Islam are substituted among these radicals by hatred, vengeance and disdain towards everything and everyone not embracing the fundamentalist worldview.

[16] *Teivainen A.* Most Finns view that Islam is incompatible with Finnish culture and values, finds survey. URL: http://www.helsinkitimes.fi/finland/finland-news/domestic/15575-most-finns-view-that-islam-is-incompatible-with-finnish-culture-and-values-finds-survey.html (accessed 12.12.2018).

[17] *Granroth A.* Vi tror i smyg. URL: https://svenska.yle.fi/artikel/2015/04/14/vi-tror-i-smyg (accessed 20.12.2018).

[18] *Rautio P.* Religious and national identity of young Finnish Muslims varies by situation. URL: https://www.helsinki.fi/en/news/language-culture/religious-and-national-identity-of-young-finnish-muslims-varies-by-situation (accessed 21.12.2018).

[19] *Gadban H.* Liberal islam i skuggan av Sveriges politik. URL: http://fritanke.se/liberal-islam-i-skuggan-av-sveriges-politik/ (accessed 23.12.2018).

This propaganda attracted some young Swedes to Islamist groups, such as al-Nusra and ISIS (Islamic State in Iraq and Syria),[20] whose goal is to fight infidels and die as martyrs in the name of faith (as shahids). However, under the pretext of realizing the utopian dream of an ideal state with harmonious sameness of the law and the legal system, they transmit inhuman, senseless in its cruelty calls for destruction of culture as long as it does not meet the perceptions of their narrow group. Gadban is especially outraged by the fact that due to intermittent success of such propaganda, Swedish Muslims can be associated with Islamists and their organizations, which is not true. On the other hand, such associations may fuel radicalization trends among young Swedes, for whom religious freedom might result in pseudo-religious permissiveness.

Imams from Abroad

Most Scandinavian Islamic organizations invite imams from abroad, with the exception of Finnish Tatars, who traditionally receive imams from their lands of origin. Often it means that an imam who has just arrived to a completely new country does not possess sufficient understanding of the local legislation and public affairs. In this regard Swedish, Norwegian and non-Tatar Finnish Muslims expressed their desire and need for launching national education for imams. Governments of Northern European states are currently taking concrete steps to elaborate target educational programmes. Norway has made particular progress in this regard: following such requests from Muslims a two-year program has been launched at the theological faculty of the Oslo University including such courses, as *Norwegian history and society*, *Human rights*, *Spiritual counselling* and *Various religious interpretations*. The University is also working on creating a program of higher Islamic studies. Combined with theological education from foreign Islamic universities it would grant those interested a possibility to acquire official imam qualifications.

At the same time, representatives of Sweden declared they did not consider the issue of higher education for imams, because it would mean interference of a foreign state into the internal affairs of Muslim countries as well as distinguishing Muslims from other religious communities living in the secular Swedish state.[21]

Conclusions

The very fact of increased public interest towards the issue of Islam and Muslim culture confirms the hypothesis of a parallel growth of both fundamentalism

[20] Activity of this organization is prohibited at the territory of the Russian Federation.

[21] *Mårtensson U.* 'Public Islam' and the Nordic Welfare State: Changing Realities? URL: http://islamforskning.dk/files/journal/2014/FIFO-2014—1-del1.pdf (accessed 02.12.2018).

and secular attitudes inside Muslim community of the Nordic region. Cases studied for the purposes of this research show that the drastic disproportion between Islam and culture as a way of life characteristic for the majority of Northern Europeans seems especially obvious from the perspective of abstract theorizing by influential personalities, who are out of domestic, legal and religious realities of Northern European Muslims. Undoubtedly there are certain inconsistencies (like in the case of the Muslim family law), but over time gradual adaptation of Muslims the host society conditions, as well as the adjustment of the host society to peculiarities of the Muslim lifestyle is taking place. The latter is particularly important in the light of the predicted growth of Europe's Muslim population, especially in Northern Europe.

Content analysis of materials published by the leading Scandinavian media demonstrates polar trends in the assessment and interpretation of Islam's role in the cultural space of each Nordic country. However, the answer to the central question about the fate of "Cultural Islam" as an antidote to radicalization and unconstructive fundamentalist politicization of Islam remains open. Still it is possible to assume that in the mid-term (within the next 30 years) trends will remain that lead to singling out a significant part of Muslim believers (from quarter to half) into a specific group who would be practicing religion only externally. "Cultural Islam" in its factual manifestation confirms the assumption that in a foreign cultural environment one seems to lose the need for spiritual dimension as it was formulated by the classical Arab thinkers and representatives of Islamic centers. At the same time, some immigrants from the Muslim countries might be placed outside their religious tradition (mainly adults who have escaped religious persecution at home and fled to the Nordic countries not so much for political or economic, but for religious reasons).

Despite existing doubts regarding the viability of the term "Cultural Islam", there are great opportunities for combining the words "Islam" and "culture" in Northern European media and sociocultural space. At least there is a sign that public attitudes set the vector for public expectations, which are ready to accept Islam as a culture or a way of life, but not ready to see it as a political ideology or a radical social movement. Thus, it is possible to consider the prospects for expanding cooperation between the Baltic region and Nordic countries focusing on countering radical Islamism and developing multifaceted contacts, taking into account dynamics of the religious transformation. Islam is therefore, in a sense, "doomed" to position itself as a cultural phenomenon, i.e. "Cultural Islam". The extent to which such interpretation can impede self-identification as an "orthodox" Muslim and what an "orthodox" community can oppose to individuals and groups choosing their value preferences and behavior in accordance with the "Cultural Islam" requires further study as part of future interdisciplinary projects.

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REVIEW

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A NEW STEP IN THE EVOLUTION OF RUSSIAN POLITICAL SCIENCE

Gaman-Goutvina, O. V., Nikitin, A. I. (eds.). *Sovremennaya politicheskaya nauka: Metodologiya [Modern political science: Methodology].* Second edition — revised and updated. Moscow : Aspekt Press, 2019. — 776 p.

It has become generally accepted that a correct methodology is imperative for the success of research, which begins with methodological design. Overall, contemporary political science develops within a system that includes various methodological strategies. It is hard to believe that half a century ago, in the 1970s, as Nathaniel Beck and Christopher Achen recall it, 'no political science journal welcomed methodological articles, and many journals rejected them out of hand' [2, p. 1]. When methodology was emerging as the foundation of political science and a research area in its own right, specialist periodicals often juxtaposed it with other ways of obtaining political knowledge that were considered as established at the time. Authors often questioned the motifs, features, and educational, personal, career, and political ramifications of commitment to the idea of a political methodology. In the early 1990s, when describing the stages of development of the sub-discipline, Gary King mentioned a dozen terms used by political scientists at different times to describe 'the field we now call "political methodology"' [3, p. 1]. These were 'political statistics' (1926), 'political arithmetic' (1971), 'politimetrics', 'polimetrics', 'politometrics' (1972, 1975, 1976), 'quantitative political science' (1973), and others. According to King, this patchwork of terms gives a clear picture of landmarks in the history of the research area (there were five of them from 1906 to 1988). A major factor in the development of international political methodology was the establishment of the *Political Methodology* journal (today, *Political Analysis*). The periodical helped to identify the scope and theoretical framework of the research area. The establishment of the journal marks the birth of the discipline, which was considered young even at the beginning of the century [4, p. 423]. This area of professional communication gives an impetus to development at a higher level [2, p. 651].

I believe that a major boost for the development of political methodology in Russia will be the publication of the first voluminous (about 800 pages) work on political methodology in this country. The book was edited by eminent specialists: the president of the Russian Political Science Association, Chair of the Political Sciences and Regional Studies Association, Professor at MGIMO University Oksana V. Gaman-Golutvina (who initiated and oversaw the project) and Honorary President of the Russian Political Science Association, Professor at MGIMO University Aleksandr I. Nikitin. Remarkably, the book was prepared under the aegis of MGIMO University, which is affiliated with the Ministry of Foreign Affairs of the Russian Federation, and the Russian Association of Political Science. Over past years, both institutions have published a number of influential works including the five-volume series *Russian political science: origins and prospects* edited by Gaman-Golutvina.

The project attracted a truly remarkable team of contributors representing Russia's major schools of political thought, particularly, MIGIMO University, which is celebrating its 75th anniversary this year. Among the authors are Fellow of the Russian Academy of Sciences (RAS), Rector of MGIMO University, Anatoly V. Torkunov; Fellow of the RAS, Member of the Directorate of the Institute of World Economy and International Relations of the RAS (IMEMO) Vladimir G. Baranovsky; President of the IMEMO, Fellow of the RAS Alexander A. Dynkin; Director of the Institute of International Security Problems of the RAS, Dean of the Faculty of World Politics of Moscow State University, Fellow of the RAS Andrei A. Kokoshin; Fellow of the RAS Nodari A. Simoniya; Corresponding Fellow of the RAS, Deputy Director of the IMEMO Irina S. Semenenko; heads of political science-related departments at different universities Professors Marina M. Lebedeva, Marina M. Mchedlova, Leonid V. Smorgunov, Aleksander I. Solovyov, Oksana V. Gaman-Golutvina, Mikhail V. Ilyin, Elena B. Shestopal; Directors of Research Centres at MGIMO University Professors Aleksander I. Nikitin and Aleksey D. Voskresensky; Special Presidential Representative for International Cooperation in Information Security Andrei V. Krutskikh; and other famous political scientists.

The texts by almost forty experts, who are highly influential figures in their fields, prove that methodologists 'wear two hats' [6, p. 597]. The contributors focus both on solving problems within their own sub-discipline and on analysing methods suited for general theoretical questions. The postulated change in the vision of methodology as a job and a vocation (the two do not exclude each other and there is no forced choice here) is a product of almost fifty years of efforts and evolution. The book covers all relevant political science approaches and paradigms — from those that have become classics in their sub-disciplines

to emerging ones. The areas that together are the mainstream of contemporary political science make very dissimilar theoretical and analytical contributions to political analysis [7, pp. 7—11] so that they seem to be 'at war' [9, p. 3]. This confrontation may reach the scale of an uprising [19] in the name of methodological pluralism and against the hegemony of rational choice and quantitative methods in both journal articles and student training [21; p. 293, 20, p. 73]). As is customary, professional intellectual battles are friendly affairs seeking to ensure the effective development of the chosen field of knowledge. Such debates may significantly increase the influence that political science has on practical politics. Thus, political scientists are fully equipped to meet the challenges of today's politics [8].

The selection of contributors was a success in more than one respect. According to the initiator and supervisor of the project Prof Gaman-Golutvina, the idea was to present a wide spectrum of classical and contemporary intellectual political-theoretical paradigms, which serve as methodological frameworks for political studies [1, p. 10]. The authors did achieve this objective: the work both analyses major political science approaches and gives a clear picture of development trends in contemporary Russian political science voiced by its most prominent representatives. Moreover, the book proves that methodological pluralism and diversity have taken root in the discipline. Today, Russian political science is concerned with the same problems as most international communities are. The architectonic and focus of the new edition testify to the above conclusion. The book demonstrates that the goal of methodology is unchanged: to find the most effective research strategy in view of the stage of the study, data availability, and the problem under consideration. The authors have a deep 'insider' understanding of methodological objectives that present the most difficulty for both beginners and experienced political scientists [1, p. 10]. A clear idea of those objectives and a desire to achieve them make the text infinitely interesting for the latter group of researchers and a must for the former. The very attempt at a methodological project is a proof of the book's thesis about the idiosyncratic development of political science in Russia. In the first decade of its official history, the discipline evolved within the 'emergence paradigm' (A. D. Bogaturov), which was unavoidable because of the need to integrate into global political science. In the early 2000s, Russian political science entered the stage of independent and original development. Its results have become visible today.

The academic element of the book contributes to an important tradition in Russian political science [10, p. 7]. The project team placed emphasis on the applicability of the findings. The vast material presented in the book is structured

in such a way that it can be easily used in teaching a number of political science disciplines. The book is a useful and reliable aid for navigating a wide spectrum of theoretical-conceptual frameworks for studying and interpreting domestic and international politics. Universities are welcoming the mutually complementary and synchronous nature of teaching and research since they 'both entail acquiring new knowledge and communicating it to others, albeit in slightly different forms' [9, p. 32]. All major international schools of political thought are paying special attention to the methodological aspect of research and teaching. This approach can be clearly seen in both the content of academic courses and the topics of publications [11—15]. Almost each large international centre for political research has a methodology department, which is shared sometimes with other faculties. A 'shared' methodological department at the London School of Economics and Political Science was established by the Economic and Social Research Council to narrow the methodological gap in training student researchers. Research skills in each discipline are among the basic requirements at the School. Since different faculties may develop similar skills, a methodology department was established to improve the educational process. Each research student at the School can attend the courses of the department, regardless of his or her faculty affiliation. This is an interesting practice, which may once be borrowed by Russian specialist training centres.

There is yet another dimension to the applied significance of the book under review. It is common knowledge that there is nothing more practical than a good theory. In this case, a correct methodology of theoretical political thinking may benefit practical political thinking and governance, the quality of which is not yet perfect in the post-Soviet space [17; 18].

In this context, the publication of a major Russian work on political methodology is both an important step in the development of Russian schools of political thought and a contribution to the international pool of ideas, much in line with the evolution of the international expert community. The authors of the book have unlocked the heuristic potential of the discipline. In this sense, the work is an intellectual investment in the training of young Russian political scientists, an investment that will hopefully pay off in leaps and bounds.

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