

## Features of the economic development of border regions

A S Troshin<sup>1\*</sup>, S V Kupriyanov<sup>1</sup> and I S Sandu<sup>2</sup>

<sup>1</sup> Belgorod Shukhov State Technological University, 46 Kostyukova str., Belgorod 308012 Russia

<sup>2</sup> Federal Research Center of Agrarian Economy and Social Development of Rural Areas - All-Russian Research Institute of Agricultural Economics, 35, building 2 Khoroshevskoye highway, Moscow 123007 Russia

E-mail: as\_troshin@inbox.ru

**Abstract.** Placement of productive forces (taking into account both the economic feasibility and security of the country) is one of the problems of the regional economy. Due to different circumstances, the implementation of these requirements cannot be achieved at the same time. Thus, the choice is necessary to make, and it is made in favor of the latter, as a rule. Conscious assumption of an imbalance in the development of border regions implies appropriate adjustments in the structure of internal territories. The complexity of solving these problems lies in the individualization of each border region and, accordingly, in choosing its own model of its development and the scheme of the relationship of the periphery with the center. The article also provides approaches to the implementation of this problem.

**Keywords:** regional economy, region, border regions, development

### 1. Introduction

For all its specifics, due to natural and climatic conditions, geographical location, national, and cultural differences, religious characteristics and other factors, some problems of the border regions have similar characteristics. First of all, it concerns their place and role in the structure of ensuring the national security of the country. The border region is a specific territorial entity, the attention to which is permanent not only in our country but also abroad. The historically established geographical position of Russia determines the special importance of studying the development of border territorial entities.

### 2. Russian Border Regions and Their Challenges

The foregoing circumstance connected with the rejection of the territory implies the need to conduct research to identify the general and specific characteristics of each cross-border formation. Research should be carried out in the process of forming and implementing a program of regional development in modern conditions. The need to use complex research methods arises. The complex of methods includes both a set of universal laws (the unity and struggle of opposites, denial, the transition of quantitative to qualitative changes, analogies, etc.) and the application of research methodology in the field of various areas of human activity. This concerns the development of all spheres of economy, science, culture, social sphere, military affairs, etc.

On the territory of such regions, strategic objects of the military-industrial complex, enterprises providing national security, etc. are not entirely appropriate. This circumstance determines the peculiarity of the formation and economic development of the border area.

The economic structure of the border region should be defined in each specific case. The structure of the economy of the border region must meet certain requirements due to natural and geographical conditions [1, 2]. In particular, the active part of fixed assets is characterized by a high degree of mobility, which allows them to be dismantled as soon as possible. In addition, a certain degree of autonomy should be inherent in the economy of the border region.

Some requirements may be imposed on the population of the border region. First of all, it can be the population density and its age structure. In our opinion, a special place is given to the presence of subcultures here. The culturological approach relates the subculture to a sustainable, organized form of culture with its specific traditions, values, and foundations, which exists along with the traditional, conventional culture.

Formation of development features of the border areas should assume the presence of internal regions in the socio-economic complex of the country. These regions would balance these features and contribute to leveling deviations in the scale of the integral economic mechanism.

For Russia, the problems of border regions are of particular importance. The total length of the state borders of Russia is 60,933 km, including 38,807 km of sea borders.

Among 85 subjects of the Russian Federation, there are 48 subjects that have their borders coinciding with interstate areas, passing by sea, land, or rivers. It is worth mentioning that the interstate borders are old, inherited from the Soviet period in 21 subjects of the Russian Federation. In the same number of subjects of the Russian Federation, they are new, arising in connection with the collapse of the USSR. In some subjects of the Russian Federation, interstate borders are a combination of old and new borders.

In addition to the significant number of regions involved in cross-border relations with neighboring countries, the peculiarities of the current state of affairs between the neighboring countries and Russia should be taken into account. In the present economic conditions, these features are expressed in the application of economic restrictions by a number of states, whose actions may have a certain impact on the pace of development of particular industries.

On the other hand, a rather tangible part of foreign trade turnover falls on the share of such countries. The present state of relations can be characterized by a sharp increase in political demarcation lines and a systematic increase in economic barriers. Among other things, the modern international climate of relations demonstrates to a greater degree the priority of political connections over other areas of relations: cultural, social, economic, business, and educational ones.

Currently, all the difficulties, restrictions, and constraints that have been additionally erected in relations between Russia. Mainly, they are crystallizing with a number of European countries. In such conditions, the border regions are the hostages of international European relations and experience the constraining factors of socio-economic development.

Thus, among the particular issues of solving economic problems and stimulating economic growth in the border regions of the Russian Federation, issues of a national nature occupy a significant place [3, 4]. This concerns the improvement of immigration, tax, customs, and criminal legislation; development of the legal framework for international cooperation with neighboring countries in various areas, including environmental protection and resolution of environmental management issues; issues of improving transport systems and creating additional transport corridors [4].

In formulating the state strategy for the development of border regions, the following factors must be taken into account: the emergence of new independent states on the territory of the former Soviet Union and the underdevelopment of the border infrastructure here, which leads to the appearance of border problem zones. In addition, the issues of determining the current state of the socio-economic development of border regions in relation to the internal regions of Russia deserve special attention [3].

However, as the world practice shows, it is the cross-border cooperation and the possibility of using the economic and geographical position can become an internal source of development, a specific competitive resource for a border area. That is, the cross-border cooperation and the possibility of using the economic and geographical position can provide the region's competitive advantages in additional access to commodity, financial and transport flows in the local market.

Considering the special status of border regions, including the very function of protecting the state border, the fundamental industrial and military industrial facilities were located traditionally in a distance from these territorial entities. This is quite reasonable from the point of view of national security.

This is reflected in the population density in the border regions of the Russian Federation, which is about 8.6 people per km<sup>2</sup>, except for some regions. Among which the following regions can be distinguished: Primorsk and Krasnodar Regions, Kaliningrad and Belgorod Regions, the Republic of North Ossetia and Kabardino-Balkaria, where the population density is more than 50 people per km<sup>2</sup>.

The Belgorod region is rightfully one of the highly developed border regions, the total length of its borders with Ukraine is 540 km, with five existing customs posts. It is also characterized by a developed industry, agriculture, construction, an extensive transport network, and a rather differentiated service sector. In general, the sectoral range of enterprises and organizations operating in this area is characterized as a very diverse [3].

The present model of developing the Belgorod region assumes eight main directions (clusters): agrobiotechnology, urban development and urban management, new energy, international logistics, future medicine, high-tech vocational training, Slavic culture, information, media technologies, and tourism.

### **3. Defining Characteristics of a Border Region**

Such features of the border regions in relation to their associated territories should be attributed to the characteristics of the border regions: a lack of language barriers in communication, common cultural customs and traditions, familiarity at the household level and blood relationship, the same mentality, single religion or religious tolerance towards the religion of neighbors, etc.

The economic development of border regions is based on the maintenance of foreign economic relations and the development of cross-border trade, the driving force of which is the differences in the level and ratio of prices for consumer goods and production goods in neighboring countries. The economic effect of this model is associated with the expansion of the external market for products, works, services, on the one hand, and more profitable economic proposals, on the other.

A certain diversity in incomes of participants in cross-border trade operations due to their significant differentiation in structure and composition is another side of the issue. This initiates the need for state support for the implementation of meaningful investment decisions at various hierarchical levels.

For its part, the Government of the Belgorod Region pays great attention to the development of international cooperation. A significant number of city-forming economic entities of the region carry out foreign economic activity. It is quite natural that the main attention was paid to the development of foreign economic relations with neighboring Ukraine. In particular, 27 agreements on cooperation between the Belgorod Region and the Government of the Belgorod Region with state authorities of foreign countries were in force at the beginning of 2014. 17 agreements (or 63%) were with Ukraine. At the moment, a significant reduction in business and investment activity at the interstate level can be noted. This is reflected in regional platforms.

### **4. Conclusion**

Thus, the following conclusions can be made on the basis of our research:

- Among the regional problems of Russia's development, a special place is occupied by the problems of border regions;

- The economic, social, and cultural way of life of the border areas has its own specifics and features. The necessity and possibility of their localization and a certain degree of autonomy from a single economic organism stands out among them;
- Disproportionate, disharmonious economic development of border regions takes place in a number of cases. It should be compensated by other regions that are in more favorable, comfortable conditions and have sufficient potential to ensure the balance of the entire economic complex during the required time;
- The problems of the border regions for Russia have features common to all and specific to each.

Common tasks inherent in all border regions must be addressed at the federal level, in accordance with a unified state program that ensures a systematic, integrated approach within the country in order to achieve its security. Specific problems for each subject of the federation should be solved with the participation of local authorities.

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