

Strategic Prospects for the Development of the Coastal Regions of the Far East

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Abstract— The basic tendencies of the Far Eastern coastal regions' social-economic dynamics are determined using an index method, and strategic priorities for their sustainable development are justified. It is shown that the coastal regions are characteristic of port activities in the sectoral structure of the regional economy, developed marine fisheries, considerable contribution of the coastal infrastructure to regional development. It is determined that the extractive complex branches are still the key source of the Far Eastern territories growth. Positive dynamics of specific activities is noted, determining the competitiveness of the coastal territories – port activities, fishing industry, recreation, and tourism. It is grounded that the prospects of the Far Eastern coastal regions are related to the development of transport and infrastructure projects. It is reasoned that despite the positive dynamics of their economic development, the Far Eastern coastal regions still fail to provide an adequate standard of living for the population and to stimulate development of social infrastructure at the level of the regions in the centre of the Russian Federation. It is shown that the fullest realization of strategic prospects for the development of the coastal regions of the Far East is promoted by the strategy of "smart specialization", involving arrangement of conditions for the full realization of the social-economic potential of the territories, their comparative competitive advantages with the aim of stimulating economic growth as the basis of achieving socially important targets of the Far Eastern regions and the Russian Federation as a whole.

Keywords— *The coastal regions, The Far East, Index method*

1. INTRODUCTION

The coastal regions traditionally play a special role in creating preconditions for sustainable social-economic development of the Russian Federation, determining competitive advantages in the sphere of international trade, conditioning the country's success in developing marine facilities, fishery, having been Russia's marine outpost for several decades.

In years to come, Russian coastal regions are going to play a significant role in the country's economy, determining the potential of its integration into the global economic system and advantages in international division of labor when developing the World Ocean resources. The question is primarily about the Siberian and Far Eastern coastal regions in which hopes and prospects are invested for Russia moving to East, to the new centre of the global economy, China. It conditions the topicality of the research dedicated to analyzing

the problems and strategic prospects for the development of the Far Eastern coastal regions.

2. SCIENTIFIC BASES OF THE RESEARCH

There are several schools of thought in the RF focused on the issues of functioning and complex development of the coastal territories and water areas. At present, the main lines of the scientific research of the coastal territories are as follows:

- studying the demographic potential of the coastal area with the aim of justifying the most effective approaches to solving demographic and other social problems of the coastal regions by means of intensifying all types of maritime activities for the purpose of stopping the degradation of different type settlements (C. Small, R. Nicholls [1], J. Cohen [2] et al.);
- studying the transport potential of Russian coastal territories with the aim of increasing the cargo turnover of the seaports, enlarging transportation, driving up the demand for transport services of Russian companies, integrating the transport system of the coastal regions into interregional, national, and international transport and logistics networks;
- researching the potential of international trade with active involvement of the coastal territories in the process [3] with the aim of intensive development of international economic integration, activation of the RF coastal territories participation in the global economic processes;
- researching the influence of globalization on the coastal regions of Russia in the context of solving the major and the most vexed problems of social-economic development of the territories and, based on that, cutting territorial disproportions and asymmetry in the country's spatial development (Anokhin A. A. [4], A. Melchior [5], Sorokina N.I. [6] et al.).

3. TASK SETTING AND METHODS

An index method was used as the basic one, implying comparison of actual values of the region's social-economic development indices in different time periods. The method is very popular with scholars and practitioners, since it allows comparing elements of one common phenomenon that are hard to measure and drawing on this basis scientifically grounded conclusions about the tendencies in its development.

The system of indices used for characterizing social-economic development of the coastal regions includes individual and complex indices which, in their turn, can be

estimated or statistical ones, depending on the method of their calculation. Individual indices allow characterizing the key aspects of social-economic development of the territory. Their aggregate expressed by a complex index of the coastal region social-economic development, allows making a general conclusion about the level and problems of the social-economic dynamics of the given territory, justifying strategic prospects for its long-term sustainable development.

4. THEORETICAL PART

Seafaring regions are included with the coastal regions [7]. They occupy more than 60% of Russian territory. The coastal regions are located mainly in the east and north of the country in its least populated parts. A seaside position is an objective factor of region formation. The following is distinguished in academic literature:

- specific “coastal” nature of accommodation characterized by high concentration of population in the shorefront localities;
- specific nature of sectoral and territorial organization of the coastal regions economy, expressed in the development of economic activities related to the sea and sea transport (port activities, fishing industry, recreation and tourism), and the branches based on imported raw materials.

The main features, most characteristic of all the coastal regions are: substantial contribution of sea transport into the sectoral structure of the economy, developed marine fisheries, significant contribution of the coastal infrastructure into regional development. The abovementioned features are

mostly demonstrated in the Far Eastern coastal regions. Meanwhile, not many coastal regions efficiently use their competitive advantages conditioned by their access to the seas. Establishing the reasons for the current situation and forming relevant approaches to the fullest realization of the coastal territories’ potential required an in-depth analysis of their social-economic position, and search of new strategic solutions of the problems of their functioning and development.

The complex index characterizing the social-economic situation in the coastal regions is calculated as the average of three indices [8]:

- the index of general economic development characterizing the general economic situation of the territory: the dynamics of the gross regional product (GRP), the attracted investment, foreign economic activities and ecological sustainability;
- the social-demographic index enabling to track trends in the dynamics of the living standards of the population in the coastal territories: dynamics of workforce size and unemployment, human development and poverty of the population;
- the resource and sectoral index reflecting the most characteristic features of all the coastal regions and the degree of the given coastal region’s participation in port activities of the Russian Federation: the dynamics of port activities, development of fisheries and tourist significance of the territory (Table 1).

Table 1.

Social-economic characteristics of the coastal regions of the Russian Far East, 2016, in % as opposed to the previous year

Region	Index of general economic development	Index of social-demographic development	Index of resource and sectoral development	Integrated index of social-economic development
Sakhalin Region	0.05169	0.02063	15.42425	5.16552
Primorsky Territory	0.14932	0.00336	1.28572	0.47947
Khabarovsk Territory	0.02118	0.00422	1.45033	0.49191
Magadan Region	0.10239	0.02249	0.67742	0.26743
Kamchatka Territory	0.26473	0.00473	1.71717	0.66221
Chukotka Autonomous Region	0.01084	0.00147	0.17647	0.06293

Source. Calculated from the data <http://www.gks.ru/>; <http://www.customs.ru/>; <http://gtmarket.ru>, last accessed 2018/03/21.

5. RESULTS

The indices of resource and sectoral development of all the regions under study (except for the Chukotka Autonomous Region) demonstrate considerably better dynamics than the indices of general economic and social-demographic development. There is no doubt that it is a positive tendency reflecting that the Far Eastern coastal regions use their unique natural-resources potential actively, promote development of specific branches of regional economies, implement the strategy of “smart specialization”, involving “unlocking

entrepreneurial potential” of the territory, its comparative competitive advantages [9]. Fishing and fisheries are the most actively developing types of activities among the traditional ones, port activity is the most problematic sphere, however, the Far Eastern coastal regions managed to overcome the negative tendencies of the late 90-s of the XX century: the port activity index is higher than 1 in all the regions, which is indicative of its positive dynamics.

Indices of physical volume of the territories’ GRP indicate the increase of their economic potential; indices of

physical volume of fixed investment allow suggesting maintenance of the tendency of the regional potential growth of the Far Eastern regions in the medium term perspective; foreign trade turnover index, which is formed mainly by means of export, allows speaking of competitive products, in the structure of which natural and biological resources prevail. Maintaining fast economic growth of the Far Eastern coastal regions requires their more active participation in the processes of natural-resources potential development and monitoring of its usage.

The index of social-demographic development demonstrates the traditional problem of Russian regions distant from the centre, namely, the negative dynamics of the workforce size. Labor force loss may be made up for by their qualitative improvement in the medium term perspective, as evidenced by quite high values of the human development index.

In the period under study, the highest dynamics of development among the Far Eastern coastal regions was shown by the Sakhalin Region, which took the lead in terms of the resource and sectoral development index. Although the basis of the competitiveness of the Sakhalin Region's economy is formed by the activities characteristic of all the coastal regions, it should be stated that the high dynamics of the region's development is determined, first of all, by economic indicators of the oil and gas complex. Implementation of the "Sakhalin-1" and "Sakhalin-2" oil and gas projects and their multiplicative effect, which conditioned an increase in business activity in almost all the sectors of regional economy, are the main sources of economic and social development of the territory.

The Kamchatka Territory showed good rates of growth, too, it took the lead in the level of general economic development due to the positive dynamics of the index of physical volume of fixed investment. It should be noted that the infrastructure of the fisheries industry is the priority object of investment, which is due to the strategic positioning of the region as one of the main fishing centers of Russia. Strategic priorities of the region's development are also connected to extraction of precious metals, one of the most promising directions of developing the mining industry and economy of the Kamchatka Territory.

The Magadan Region showed the best results in terms of social-demographic development indices. The region managed to create quite comfortable (as compared to other coastal regions of the Far East) living conditions for people, active development and systematic reproduction of human and labor potentials. In particular, it was achieved due to providing quality medical care to citizens, living in difficult-to-reach and distant localities of the Magadan Region, as well as by acknowledging that quality education is a strategic priority, indicator of the region's prosperity and the condition for sustainable development.

6. CONCLUSION

1. On the whole, the dynamics of economic and resource and sectoral indices of the Far Eastern coastal regions looks

much more attractive than the dynamics of social-demographic indices. It allows specifying the key threat to sustainable, safe development of territories in the following way: despite the positive dynamics of economic development, the Far Eastern coastal regions still failed to provide an adequate living standard for the population and to stimulate development of social infrastructure at the level of the regions in the central part of the Russian Federation.

2. The leading coastal regions of the Far East are characterized by high rates of social-economic development, conditioned by the dynamics of the mining complex sectors, the basic sector of their regional economies. Accelerated development of the key activities traditionally determining the competitiveness of the coastal territories – marine fisheries, shipping and shipbuilding, port activities - should be considered as a positive tendency.

3. The unique location of the Far Eastern coastal regions, exploitation of their resources, and development of international traffic arteries will allow ensuring not only sustainable social-economic development of the coastal territories, but will facilitate the achievement of geopolitical stability and comprehensive implementation of strategic interests of the Russian Federation in the Asia-Pacific Region.

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