Cross-border Tourism in the Russian Northwest: General Trends and Features of Development
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As a result of the socioeconomic transformations in the Russian Federation, the openness of border regions under the influence of integration process taking place in the world community facilitates tourist mobility between neighbouring countries. The author describes an approach that considers the border regions of Northwest Russia as attractive destinations for tourists from neighbouring countries. The development of cross-border tourism as a specific form characteristic of only border regions is one of key areas of tourism development in these regions. An assessment of the prospects of developing cross-border tourism in the border regions of Russian Northwest becomes a relevant research objective. The author identifies the specific features and general trends in the development of cross-border tourism in the Russian regions in question. It is proven that Russian border regions are less competitive than the territories of neighbouring states in terms of the development of cross-border tourism. The author also points out to the avenues of stimulating cross-border tourism development in Russian border regions.

**Key words:** cross-border tourism, border regions, North-western Federal District, tourist mobility, neighbouring states

At the turn of XX—XXI centuries the socio-economic transformation, changes in the geopolitical situation of the state on the world stage had an impact on the cooperation between the Russian Federation and neighbouring countries giving rise to a qualitatively new political, economic and cultural dialogue between the countries on both sides of the border. For the first time the scientific community has initiated a wide discussion on the development of Russia’s border regions, the cross-border cooperation prospects and development areas. Given that for many years,
the border areas of the Soviet Union were closed even for its own population, the dominant ‘locked down border’ ideology [1] had a retarding effect on the regional development.

The type of cross-border cooperation is determined by the type of cross-border space conditioned by a number of features (nature, settlement pattern, transport network close to the border as well as cross-border transport network), and may vary from extensive to intensive.

In favourable geopolitical and institutional conditions, boundaries of intensive cooperation begin to expand functionally: the barrier function of the border is reduced and the contact function is becoming more active [11]. Recently, the contact function of the boundaries in Russia has begun to dominate for the first time in recent decades [6].

The Russian Federation has recently begun to integrate into the world economy, a process inevitably accompanied by the increased mobility of citizens. In the context of integration, the world community has undergone significant changes in the global tourism development (both at the state and individual levels) judging by the number of tourists and directions of inbound and outbound tourist flows [14]. In many studies of Russian and foreign researchers tourism is referred to as a promising cross-border cooperation area and a factor of acceleration of the socio-economic processes in the regions of neighbouring states (due to the diversification of the economy and the multiplier effect) [2; 23]. Perception of tourism in border regions of the Russian Federation by the regional authorities and local community as a new, perspective and/or priority area for the regional development was only possible in the new environment [13], with a change in approaches to cooperation.

In the studies on the development of tourism in border areas, researchers use the ‘cross-border tourism’ concept as a specific form of tourism development, which is only typical of regions having a special economic and geographical location (sharing a border with another state). However, the research literature has no summarised study of the cross-border tourism development in Russia; the existing exploratory works on the issue are fragmented and largely reflect regional issues focusing on the stages of formation and development of certain cross-border tourism aspects in the regions of Russia. In the absence of proper attention in Russia to cross-border tourism development, other countries consider it as one of the business development priorities in their border areas; they develop and implement policies intended for the development of this economic activity by taking measures to encourage inbound tourist flows especially from the neighbouring states (e.g. the experience of Poland and Finland).

A border region as an attractive tourist destination is studied by a number of Russian and foreign researchers [19; 25]. In this context, it is quite interesting how attractive are border regions of the North-West Federal District of Russia as a tourist destination for citizens of the neighbouring states, or what the proportion of border regions in the inbound tourist flow from these countries is.
In this paper, cross-border tourism is considered in terms of tourist mobility between a region of the Russian Federation and the neighbouring countries without taking into account the development and functioning of all the tourist system. The study of the development of cross-border tourism is based on the example of border regions of the North-West of the Russian Federation. The total number of tourists serves as an indicator of assessing tourism development growth rates and all kinds of tourism are taken into account. Another important indicator is the share of tourism in GDP. Special attention is given to the analysis of cross-border tourism proper.

Since the 1990s of the XX century in the Baltic Sea region, there had been a stronger focus on restoration of the historical cooperation between BSR countries, and the new economic and cultural communication between nations was fostered. Cooperation and integration penetrating social, economic and political life took various forms [20]. In this respect, the nature of new relations between Russia and neighbouring states and the (cross-border) tourism development are strongly influenced by the history of cooperation between the countries. According to V. S. Korneevts [4], it is possible to single out two groups of border regions among all regions of the Russian Federation:

— ‘old’ border regions where the new state border and the state border of the USSR (12 regions);
— ‘new’ ones which became border regions after the collapse of the USSR (24 regions).

From among the border regions of the North-West Federal District, the Murmansk region and the Republic of Karelia should be referred to as the ‘old’ ones, and the Pskov region as the ‘new’ one. However, the two border regions (Leningrad and Kaliningrad) cannot be unambiguously attributed to one group or another due to the coincidence of the ‘old’ borders (Poland and Finland), and the emergence of ‘new’ ones with the Baltic countries (Estonia and Lithuania). St. Petersburg located directly on the Baltic coast is a special case. The other constituent territories of the Federal District are not considered in the study due to their specific geographic location.

In the north-west the Russian Federation has the longest border with Finland (1,325.8 km) directly bordering on three regions — the Murmansk and Leningrad regions as well as the Republic of Karelia. In the study of the Russian Federation border region, only Karelia has a foreign neighbour with the longest border between the Russian Federation and the European Union (more than 700 km). Estonia ranks second in terms of the length of the state border (the Leningrad and Pskov regions); Norway has the lowest rank (Table 1). The Kaliningrad region has the largest number of border crossings (8 road and 4 rail border-crossing points), and Finland has the largest number of border crossings among the neighbouring states (10 and 5, respectively) [9].

The study of cross-border tourism in the regions of the North-Western Federal District has shown some general trends in terms of tourist mobility of citizens of Russia and neighbouring countries.
Table 1

Comparative characteristics of the border regions of the North-West Federal District

<table>
<thead>
<tr>
<th>Border region</th>
<th>Adjacent states</th>
<th>Length of the state border, km</th>
<th>Border crossings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Road</td>
</tr>
<tr>
<td>Murmansk region</td>
<td>Norway</td>
<td>219.1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Finland</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Republic of Karelia</td>
<td>Finland</td>
<td>132.8</td>
<td>5</td>
</tr>
<tr>
<td>Leningrad region</td>
<td>Finland</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Estonia</td>
<td>466.8</td>
<td>1</td>
</tr>
<tr>
<td>Pskov region</td>
<td>Estonia</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Kaliningrad region</td>
<td>Latvia</td>
<td>270.5</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Lithuania</td>
<td>288.4</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Poland</td>
<td>236.3</td>
<td>4</td>
</tr>
</tbody>
</table>

Compiled from source [9].

During the period 2005—2012 there was a steady upward trend in the number of Russian citizens who visited neighbouring countries. It allows us to predict positive dynamics and increasing tourist flows (with different growth rates) in the coming years (see Table 2). The greatest growth of outbound tourist flow of Russians in the territory among the neighbouring states in question can be recorded in the Baltic States (in 2012 more than 45,000 thousand people), the lowest growth being in Norway (about 7,000 people).

Table 2

The dynamics of the Russian outbound and inbound tourism flows in 2005—2012

<table>
<thead>
<tr>
<th>State</th>
<th>Outbound flow from Russia</th>
<th>Inbound flow to Russia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poland</td>
<td>Increase: 2.4 times</td>
<td>Decrease: 2.3 times</td>
</tr>
<tr>
<td>Baltic State</td>
<td>7.2 times</td>
<td>—</td>
</tr>
<tr>
<td>Norway</td>
<td>1.6 times</td>
<td>7.1 times</td>
</tr>
<tr>
<td>Finland</td>
<td>3 times*</td>
<td>6.1 times</td>
</tr>
</tbody>
</table>

Calculated according to the source [10].
* — calculation as of 2004—2012.

Along with the growth of outbound flows of the Russian tourists, there is a trend towards lower motivation among foreign tourists coming from the neighbouring countries to visit the Russian Federation (Table 2).
The largest decrease in the interest to visit the Russian Federation (by 7.1 times) is among the Norwegian tourists. In 2008, the reduction in the inbound tourist flow was due to the global economic crisis, when expenses for tourism reduced in the budgets of households (Table 3). Even with the positive dynamics of 2009, in 2012 it was not possible to reach the 2005 indicator. The number of tourists coming to Russia almost halved — Norway (900 people), Finland (11,000 people) and Poland (2,500 people). In 2006—2007 the Baltic States observed an increase in the number of tourists visiting the Russian Federation by 1.5 and 2.5 times respectively, which was then followed by a sharp drop in the flows in 2008 (4 times) followed by a slight increase.

### Table 3

**Dynamics of the shares of Russia’s inbound tourist flows in 2005—2012, %**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Poland</td>
<td>100</td>
<td>45</td>
<td>13</td>
<td>10</td>
<td>20</td>
<td>25</td>
<td>36</td>
<td>43</td>
</tr>
<tr>
<td>Baltic States</td>
<td>100</td>
<td>155</td>
<td>246</td>
<td>59</td>
<td>45</td>
<td>81</td>
<td>171</td>
<td>142</td>
</tr>
<tr>
<td>Norway</td>
<td>100</td>
<td>71</td>
<td>21</td>
<td>9</td>
<td>15</td>
<td>24</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>Finland</td>
<td>100</td>
<td>74</td>
<td>24</td>
<td>19</td>
<td>18</td>
<td>20</td>
<td>16</td>
<td>17</td>
</tr>
</tbody>
</table>

Calculated according to the source [10].

The neighbouring countries of Northern Europe and the Baltic countries observed inbound tourist flows from Russia, with the majority of tourists coming from the North-West and Central federal districts. During 2005—2012 the number of tourists coming from these two areas of Russia averaged more than 70% in Norway and 90% in the Baltic States, Poland and Finland. The dominant share of the flow of the North-West Federal District during the analyzed period is formed by tourists from St. Petersburg (60% to the Baltic States and Norway, and 76% to Finland). Poland is an exception: the outbound tourist flow is 90% residents of the Kaliningrad region.

It is assumed that the flow of foreign tourists from neighboring countries to the border regions is particularly important in terms of further development of tourist. The flow of incoming tourists from a neighbouring state to the Russian Federation may be insignificant in the total inbound tourist volume but quite remarkable for a border region. In addition, the income generated and the socio-economic benefits arising from the development of this economic activity may be significant for border regions.

Our research shows that most tourists from the countries mentioned above visit the Central and Northwestern districts of Russia, where the latter is a more popular destination. Thus, there is a high proportion of the North-Western Federal District in the number of foreign tourists from neighbouring countries (with significant fluctuations in some years). Thus, the average number of foreign tourist visiting the North-West Federal District are as follows: Poland — 48.5%, the Baltic countries — 59%, Norway — 56% and Finland — 92% (Table 4).
Table 4

Dynamics of the North-Western Federal District in receiving the inbound flow of foreign tourists of the Russian Federation in 2005—2012, %

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Poland</td>
<td>40</td>
<td>87</td>
<td>57</td>
<td>35</td>
<td>6</td>
<td>59</td>
<td>38</td>
<td>66</td>
</tr>
<tr>
<td>Baltic States</td>
<td>15</td>
<td>77</td>
<td>31</td>
<td>82</td>
<td>21</td>
<td>75</td>
<td>88</td>
<td>83</td>
</tr>
<tr>
<td>Norway</td>
<td>10</td>
<td>91</td>
<td>78</td>
<td>27</td>
<td>49</td>
<td>85</td>
<td>40</td>
<td>70</td>
</tr>
<tr>
<td>Finland</td>
<td>79</td>
<td>99</td>
<td>97</td>
<td>95</td>
<td>96</td>
<td>95</td>
<td>76</td>
<td>97</td>
</tr>
</tbody>
</table>

Calculated according to the source [10].

It seems interesting enough that North-West Federal District regions are visited by tourists from neighbouring countries and these border regions are attractive tourist destinations for these tourists. Distribution of tourists according to their region of interest shows that St. Petersburg attracts a larger share of tourists from Poland (in 2012, 35% of the total flow to the Russian Federation), as well as the Kaliningrad and Pskov regions receive 14—15% respectively. The main destinations for tourists from the Baltic countries are St. Petersburg (33%) and the Kaliningrad region (35%). The Pskov region receives one-tenth of the total number of tourists.

As for Norwegian citizens, the Murmansk region is the most popular destination with them (in different years the indicators varies from 38 to 87%). In 2012, the Republic of Karelia received 82% of Finnish tourists visiting the Russian Federation. A high proportion of tourists from countries adjacent to North-West regions confirm their advantage concerning the development of the cross-border tourism, among other tourist destinations of the district (for example, the Arkhangelsk and Vologda region).

Considering the structure of the tourist flow to the regions regarding the citizenship it can be revealed that the share of tourists from neighbouring countries is high. Thus, the development of international tourism in the Republic of Karelia is most dependent on tourists coming from the neighbouring state — tourists from Finland make up 99% (2008—2012) in the incoming tourist flow from abroad. It shows a high dependence of the Karelian tourist industry on the dynamics of the entry flow from Finland and actualizes the problem of the cross-border tourism.

Similarly, the share of tourists from neighbouring countries in the structure of the incoming flow to the Murmansk region (Norway, Finland) was more than 40% in the period 2000—2012, in the Pskov region (the Baltic countries, Poland) — about 36%, which is also a fairly high rate requiring special attention to the development of the cross-border tourism in the regions.

A topical issue of the cross-border tourism is the balance of tourist flows, taking into account the level of tourism expenditure. Unfortunately, there is an imbalance in the regions of the North-West Federal District, where during
the study period the number of Russian tourists visiting the neighbouring states exceeded considerably the number of tourists coming to the Russian Federation. For example, in 2012 in the Polish and Finnish directions the excess was 5.7 times, the Baltic States — 9.6 times, and the Norwegian direction (since 2007) — 7.5 times.

Thus, the study results of the dynamics of the tourist mobility of the citizens between Russia and neighbouring states allow us to speak about a failure of the Russian border tourist destinations compared with border regions of the neighbouring countries. An actively pursued policy of the neighbouring countries to attract Russian tourists will only become more pronounced in the coming years. In this context, the key questions are: what attracts tourists to the border regions of the neighbouring countries and how the tourist flow and tourism expenditure are made to stay in those countries and grow?

International practice considers the development of shopping tourism and nostalgic tourism as types of cross-border tourism (or one of the stages of its formation). They are later capable of transforming and enhancing the development of other types of tourism, e.g. cultural tourism. The development of these kinds of tourism is important also for border regions of the Russian Federation — shopping tourism (the Kaliningrad Oblast — Poland, the Republic of Karelia — Finland, the Primorsky Krai — China etc.) and nostalgic tourism (the Republic of Karelia — Finland).

The development of nostalgic tourism can be explained by the desire of citizens of other countries to visit their former place of residence and historic sites. It is only natural that a greater tourist flow occurs during the period of traditional and religious holidays. Involvement with the local community and strengthening family and community ties become paramount for such tourists. In this regard, the development of nostalgic tourism is possible as long as migrants and their descendants maintain ties and interest in their ‘native land’. Besides, many European and North American tourists are attracted by rural culture, which has disappeared in their states as a result of industrialisation, urbanisation and globalisation but is still preserved in the Russian regions [18]. A good example is the development of tourism in the Republic of Karelia. After opening the external borders, visa facilitation regime resulted in an increased tourist flow from abroad. The ‘nostalgic’ tourist service (in the early 1990s the flow of the Finnish tourists increased up to 700 thousand people per year) laid the foundation for the development of tourism in the region [13].

For the Kaliningrad region, possibilities of cross-border cooperation, including cross-border tourism, began to appear after the ‘discovery’ of the region. In fact, it was an important impetus for the development of economic relations and transformation of a closed military area (the main base of the Baltic Navy) into a free economic zone, and later a special economic zone [15; 16; 20].

Political and territorial changes had a multidirectional impact on the interaction of the Kaliningrad region as a part of the Russian Federation with neighbouring states. At some point mutual contacts with Lithuania came to a
minimum and the development of a new social, political and cultural dialogue of the region took place with Poland [16, 23]. However, granting the Kaliningrad region the status of a special economic zone (2002) gave renewed impetus to active cross-border cooperation of the region with Lithuania in the field of culture and entrepreneurship [16].

In most cases the development of cooperation between border regions and neighbouring countries were initiated by the regional and local authorities, including the signing of a number of agreements (for example, between the Polish provinces and towns and territories of the Kaliningrad region) [20]. Cross-border cooperation (e.g., the Kaliningrad region — Poland, the Republic of Karelia — Finland) led to the movement of people, goods, investment across the borders thus creating opportunities for the development of small and medium enterprises and transit. The intensity of international tourist flows increased [23].

Particular attention in research literature is paid to the development of cross-border shopping tourism representing a specific type of tourism that has a lot in common in all parts of the globe [24]. For instance, people living close to the border and having the opportunity to cross it every day may travel to a neighbouring country to buy petrol, food, beer, tobacco and so on. People living at a distance (border crossings may be located rather far) buy products of a higher value. Those who live far away from the border (rare trips) tend to buy large-size items, clothing and electronics [25]. From an economic point of view, the development of cross-border shopping tourism may be important for the economy of border regions. In the marketing aspect, special attention should be paid to various categories of tourists and the purpose of their travel [24; 27]

| — shopping tourists, for whom shopping is the main purpose of the trip; |
| — shopping tourists in a broader sense, for whom shopping is only a component, but not the main purpose of the visit. |

Thus, a positive example of this type of cross-border tourism is Poland; for this country cross-border shopping tourism is one of the most important forms of tourism for all territories located along the Polish border. Although shopping is not the main reason for visiting Poland by foreign tourists, in recent years there has been a slow but steady increase in this particular type of tourism. For residents of Russia, Ukraine and Belarus shopping is the main purpose (more than 30%, 2010) of their visit to Poland. Researchers distinguish the following main factors favourable for the development of the Polish-Russian shopping tourism across the border with the Kaliningrad region [17]:

| — geographic proximity; |
| — satisfactory condition of transport infrastructure, rapidly growing in recent years; |
| — convenient work time of shops, especially at weekends and during holiday periods; |
| — pricing policy; |
| — similarity of the two languages making communication easier; |
| — ample opportunities for spending free time in Poland. |
The Agreement on visa-free border crossing signed by national governments of Russia and Poland in the early 1990s (valid until 2003) played a particular role in promoting unhampered border crossing, sometimes several times a day, to the population of border regions [16]. Poland striving to strengthen its positions in the development of business and international tourism is active in intensifying the model of local border traffic (the most active of all the EU countries). The main purpose of the local border traffic agreement is the development of depressive eastern provinces by investing in the development of cross-border business, as it was stated by Poland [5]. The development of local border traffic was made possible due to the adoption of a number of documents by the European Union [21; 22]. Signing the Agreement on local border traffic between the Kaliningrad region of the Russian Federation and the northern provinces of Poland (14.12.2011, Moscow) opened up prospects for building a new format of cooperation not only between neighbouring regions of the two states, but in general, between the Russian Federation and the EU [7; 8; 12]. The Agreement contributes to the increase in the number of shopping tourists visiting the territory of a neighbouring state [17]. The success of the Polish tourist agencies in opening the Kaliningrad market to Polish tourists should be specially emphasized [5].

In the sphere of tourist exchange between Finland and Russia, shopping tours of Russians to Finland and recreational trips of Finns dominate [3]. At the same time, Russian tourists are the largest group of foreign tourists in Finland [19]. Small businessmen from Russia, along with shopping tourists are a source of welfare for some parts of residents of Finnish border regions. Finnish businesses have taken a number of measures to attract tourists from Russia: most signs in the shops and cafes in immediate proximity to the border are in Russian, there are Russian speaking staff servings tourists [3]. There is a lot of information and websites in Russian and so on. The system of tax refund functioning in the European Union is of particular importance.

From an economic point of view, the development of cross-border shopping in the border regions can significantly influence the development of local commerce and the territory as a whole. At the same time focusing business on shopping tourism only can present a risk because of possible difficulties in crossing the border. Therefore, focusing on domestic demand and the needs of shopping tourists is most advantageous for the development of any border region [17].

Long cooperation of neighbouring states leads to the formation of social infrastructure specially designed to meet the needs of citizens from another state. And gradually, a significant part of the population of adjacent areas is involved into the sphere of cross-border economic and social cooperation [3].

Taking the topicality and future development of cross-border tourism in the Russian regions into the consideration, the following measures for strengthening its role in the socio-economic development of the regions, can be offered:

— development of transport and tourism and recreation infrastructure allowing to fully meet the needs of tourists;
— implementation of strategic documents for the development of tourism in the region focusing on the cross-border tourism;
— identification and promotion of tourist products of the border region in the international tourism market;
— meeting the interests of tourists who come from neighbouring countries;
— interregional cooperation of Russian regions and their inclusion in multi-day tours;
— integration of border regions of two or more neighbouring countries allowing to include these border regions into multi-tours.

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