Transport as a key factor in developing Russian-Chinese border regions

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Abstract. The study presents an analysis of the current state of Sino-Russian cooperation in the field of transport and its effects on the bordering regions. Russia’s Far East and China’s North-East regions both struggle to undergo a socio-economic transformation to overcome depopulation and a peripheral position in their countries. Cross-border cooperation, first of all in the field of transportation, is viewed as a factor of growth, able to foster economic development. This article examines such aspects as the increased focus of Russian central government on the eastern regions and their integration into the expanding Asia-Pacific region, reflected in state programs for the development of the Far East, as well as PRC’s intentions to revitalize old industrial North-East and construct both continental route to Central Asia Europe (as part of the Road and Belt Initiative) and maritime route to other Pacific countries and to provide more efficient connection between northern and southern provinces. Conclusions about the necessity of elaborating efficient strategies and scheduled fulfillment of the projects are presented, as these prove to be the key elements to avoid losing mutual interest in cooperation between the neighboring countries and to bring crucial changes to the bordering regions of the two countries.

1 Introduction

The Russian Federation and the People’s Republic of China share 4209 kilometers of common border, which mainly stretches along the Amur River (Heilong Jiang) and its tributaries. Geographical sites such as rivers efficiently fulfilled the historic function of borders, which is to separate countries, peoples and cultures. However, as the necessity for cooperation between states has been growing to eventually become an essential condition for economic growth, more and more attention has been given to transport as an instrument, which can make borders serve as links between countries [1].

Regions located near state borders have a tendency to become a lesser developed periphery inside their own states, especially if they are located on a considerable distance from the capital or the economic hub/hubs of the country. When this is the case, the regions on both sides of a border can find a potential partner in the neighboring country, form a cross-border zone of economic growth, thus raising region’s financial and political self-sufficiency. Furthermore, growing significance of a border region for international relations might attract

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attention of the central government and prompt it to invest in the costly development of such regions [2].

Russia’s Far East and China’s Northeastern regions do find themselves in a kind of peripheral positions as for the economic and social indicators. While the remoteness of the Far East from the European part of Russia has historically complicated the settlement, control and development of the area, the case with Chinese provinces is not so evident as Beijing itself is located only about 1,500 km away from the border with Russia. Yet the drivers of Chinese economy are located much to the south: Shanghai in the mouth of the Yangtse River and the Greater Bay Area in the southmost province of Guangdong and Hongkong SAR and Macau SAR. However, the region is strategically and geopolitically is important for both countries. Russia aspires for presence in the Asia-Pacific and China, vice versa, is in process of constructing corridors to Europe through its Belt and Road initiative, making it impossible for its Northeastern regions to become neglected. On the contrary, their importance has been stated once and again in national documents and Russian-Chinese memorandums (including the latest one, Memorandum of understanding to strengthen investment cooperation in trade in services). While not always leading to action these documents do open some opportunities for cross-border cooperation, which recently has been looked at as a way for border regions to overcome the peripheral position by creating new centers of growth, involving local resources and gaining financial means and capabilities to solve regional and local problems, as opposed to providing transit [3].

2 Methods and materials

The study is based on the analysis of the key markers of the potential for development of the border regions of Russia and China, which include territory, GDP and its structure, demographic characteristics, natural resource and trade potential among others. To begin, an overview of the demographic situation is presented.

Russia’s Far East occupies large territories (40.6% of the country’s surface), yet a small percentage of population lives their (5.6 %), mainly along the Russian-Chinese border due to both milder climate and historically defined settlement scheme, where the Trans-Siberian Railway still plays an important role. Its faraway location from Moscow, which is simultaneous the capital and the main financial center, and the mostly developed regions of the European part of the country contributes to the Far East’s seemingly peripheral position. In the five bordering regions, the share of mining is considerably smaller comparing to northern federal subjects of the Far East Federal District, with services playing a bigger role, yet the GDP per capita remains quite low (Khabarovsky Krai ranking 22nd, Primorsky Krai – 37th, Amur Oblast – 47th, Jewish Autonomous Oblast – 49th, Zabaykalsky Krai – 58th, Buryatia – 75th) according to the List of federal subjects of the Russian Federation by GDP per capita 2016-2019.

Depopulation has been seen as one of the most severe problems affecting the Far East. Both natural population decrease and emigration contribute to the situation. Average rate of population growth for the Far East Federal District for the period 2000-2023 was -16%, only the Republic of Yakutia had a positive dynamic (+3 percent). Population loss in border regions generally was milder than that of the northmost federal subjects: -19% in Amur Oblast, -16% in Zabaykalsky Krai, -14% in Primorsky Krai and 12% in Khabarovsk Krai. Jewish Autonomous Oblast, the most dependent one on trade with China [4] and the least prosperous of the border regions had an -24% loss of population. The fact that the percentage of loss of economically active population in some regions is higher the average is Russia is especially alarming [5].

Northeastern provinces (Heilongjiang, Jilin, Liaoning and the eastern part of the Inner Mongolia Autonomous Region) form the old industrial base of China, where signs of planned
the region was not able to adopt quickly to the economic transformation in the 1990-s, which resulted in unemployment among other social problems and losing in competition to coastal areas. Just like in Russia’s regions, the situation is aggravated by the outflow of population. So, since 2000 Heilongjiang has lost 13.6% of population, Jilin 11.7% and only Liaoning had a slight increase of 3%. Recent development of science-intensive industries led to an increased economic mobility and subsequent outflow of highly qualified labor [11]. Northeast China Revitalization Strategy launched in 2003 was determined to reduce regional disparities, optimize industrial structure, develop private business, construct infrastructure and strengthen cooperation with neighboring countries. As to 2016, when a new plan was launched, the revitalization strategy was successful in increasing GDP and GDP per capita, yet such vital issues as social security and regional infrastructural road are assessed as not satisfying [6]. To resume, it is possible to highlight the following common features among the bordering regions, which negatively affect economic growth: depopulation, important role of sectors with low added value, like extraction of natural resources (mostly for Russia) and agriculture (characteristic of sparsely populated areas bordering Russia), lack of transport infrastructure or a necessity to modernize.

Special attention during the research was paid to the federal governments’ policies towards the development of the regions along the countries’ mutual border. Since the beginning of the 21st century both countries developed a series of programs to improve the economic situation and state the priority of their bordering areas for both internal and external policy. In 2014 Turn to the East was announce to be Russia’s national strategy. Prior to that, in 2012 the Ministry for the Development of the Russian Far East and Arctic was established. It was followed by several programs: the State Program of Development of the Far East and the Baikal region (2014), which did not achieve stable growth of GRP in the Far East Federal District (consisting of 9 federal subjects before 2018, 11 federal subjects after accession of Buryatia and Zabaykalsky Krai) [7].

Beside regional programs, mutually designed documents played an important role for cross-border cooperation, among which The Program of Cooperation between Northeast of People’s Republic of China and the Far East and Eastern Siberia of the Russia Federation for 2009-2018 stands out. It listed initiatives from various fields, including infrastructure modernization, developing of cooperation zones, labor regulations, tourism, environmental protection. Yet it did not become a strategical document because the projects were not listed according to priority, had no terms of execution nor responsible parties, so by 2015 less than half of the investment projects were in the process of executions, mainly those, which were launched before the Program appeared [2].

As for today, its results still remain uncertain, it should be said that the Program of Cooperation 2009-2018 was a step forward, which, unfortunately, was not followed by another one. The new Program for development of Russian-Chinese cooperation in trade, economic and investment spheres in the Far East of the Russian Federation mainly focuses on Russian regions and does not bind the two countries with obligations, only proposing such cross-border project as Bolshoi Ussuriysky and Russky island developing strategies.

3 Results and discussion

The results of the conducted study focus on the currently the most important bilateral transport project – the development of international corridors, and the shortcomings, which have to be overcome for its successful functioning. In 2017 Memorandum of Cooperation for the Development of Primorye-1 and Primorye-2 International Transport Corridors, was signed, which marked a new stage in this field of cooperation. The main aim and function of these international corridors is to connect landlocked Chinese provinces of Heilongjiang and
Jilin, and potentially Mongolia, with Russian ports on the Japanese sea. This is supposed to cheapen trade with such partners of China as Japan and the Republic of Korea, as well fasten trade between Northeastern and Southern provinces of China. In a long-term perspective the corridors can also serve for export-import operation between China and the USA or Europe.

Primorye-1 starts off from Harbin, the capital of Heilongjiang province, passes through Mudanjiang and two pairs of cross-border settlements, namely Suifenhe and Pogranichny (road)/Grodekovo (railway) and Dongning and Poltavka. On the Russian side the corridor passes through Ussuriysk to Vladivostok, and from there to other ports – Nakhodka and Vostochny. Roads, which connect them (A-184, A-370, A-188) require restoration to make an increase in throughput possible. Primorye-2 goes from Chanchun to Hunchun, which borders Russia in Kraskino (road) and Malakhovo (railway), and gets to the port of Zarubino (Figure 1). Railway line from Harbin to the state border dates back to Chinese Eastern railway, built by Russia in the end of the XIX century, whereas the line between Hunchun and Zarubino is a continuation of the Tumangan Initiative [8].

International transport corridors Primorye-1 and 2 are based on the existing transport routes, which have been carrying goods since long ago [9]. In order to make these ways attractive to Chinese producers they have to be both quicker and cheaper than transportation through Chinese territory, mainly through the port of Dalian. It is already connected by highways and high-speed railroads with the regional centers of Heilongjiang and Jilin, where the level of production is considerably higher, whereas areas located closer to the border mainly export grain and coal [10]. Taking into consideration the plans to further improve the capacity of the ports of the Liaoning province (Dalian and Dandong) considerably higher, whereas areas located closer to the border mainly export grain and coal [10]. Taking into consideration the plans to further improve the capacity of the ports of the Liaoning province (Dalian and Dandong) expressed in High-Quality Development Plan for Liaoning Costal Economic Belt, it becomes clear, that physical distance will not be the decisive factor. In order to compete successful with national schemes of export, the corridors need to work out a way to speed up the border-crossing, which currently turns out to be the most time-consuming part of the route due to both bureaucratic issues and low throughput of checkpoints. This seemingly minor parts of the mega-project actually require urgent modernization on the Russian side, as it is a relatively uncomplicated task (compared to building railway bridges across rivers), but at the same time it is an efficient measure to accelerate transit.

![Fig. 1. Primorye-1 and Primorye-2 scheme. Author’s translation based on https://novelco.ru/press-tsentr/mtk-primore-1-i-primore-2-tendentsii-i-razvitie/](image-url)
Taking into consideration the existing interest of Chinese tourists to visit Russia, it is important to note that automobile border-crossings Pogranichniy (ITC-1) and Kraskino (ITC-2) are also used by Chinese travelers. From 2013 to 2018 there was a steady growth in total expenditures of Chinese tourist outside the country [11], and the total amount of tourist exchange has been recovering after the pandemic. Still, for the first half of 2023 263,9 thousand Chinese citizens entered Russia, which is almost ten times less comparing to the year 2019 (2257 thousand visits) according to Federal State Statistics Service. Out of 263,9 visits already registered in 2023, 155,9 thousand were made not by plane, so either by land or by water. While border-crossings’ infrastructure still allows to increase throughput of cargo, as for 2018 its potential for tourist crossing was already exhausted, with a more slowly checking procedure compared to analogous border crossings on the Russian-Finish border (in the same year). In August 2023 Russia and China renewed the visa-free agreement for groups of Chinese tourists, which was ceased during the pandemic, and launched an e-visa service for single travelers, which can be issued to visit certain regions of Russia, including the Far East. So, an increase in tourist inflow is expected, which will clearly have beneficial effects on regional economy, giving incentive to local small- and big-scale enterprises [12]. Currently Pogranichniy are Kraskino are both under long-needed reconstruction.

It is necessary to mention that when the development of transport is often viewed as an opportunity to enlarge the volume of intercontinental or global trade (between China and Europe, Russia and the Asia-Pacific, etc.), and such an important issue as passenger transport is therefore left out. If economic development of the border regions is planned without taking into consideration the social aspects, such as the standard of living and accessibility of transport for the people, it is highly likely that the final beneficiaries of the projects might have quite a vague relation to the region. Priority of large-sized trade in huge infrastructural project is out of doubt, yet the significance of passenger transport as an instrument for both economic growth and cultural exchange cannot be neglected. The first cross-Amur highway was opened in 2022 for freight traffic only (Figure 2). Although the bridge was supposed to cater personal cars as well, and the opening for passenger traffic was announced for the year 2023, this perspective still remains unclear, as the existing infrastructure is not suitable to provide tourist security control. A similar problem arose with the opening of the railway bridge between Tongjiang and Nizhneleninskoe (Jewish Autonomous Oblast), which was initially designed for cargo only.

![Fig. 2. Blagoveschensk-Heihe bridge.](https://commons.wikimedia.org/wiki/User:Svetlov_Artem)
While Tongjiang and Nizhneleninskoe remain quite distanced settlements with little interaction aside from transport and trade, Blagoveschensk and Heihe are addressed as twin-cities. Although the correctness of this term in case of Blagoveschensk and Heihe is still subject to discussion, this concept has been used in official regional documents. Besides, before the pandemic of coronavirus, there was a notable tourist exchange between the cities, although definitely not big enough to influence the economy of either city. Yet Heihe managed to attract visitors by launching a promotion campaign in 2005; by 2013 the number of Chinese tourists reached 4.5 million, a considerable figure compared to the city’s population of 223,832. Blagoveschensk still lacks places of interest and unsolved transport issues do not let it turn its location into a tourist attraction, as Heihe did [13]. Still the two cities have a unique potential for cooperation as they are comparable in size and population [14] and are only separated by 700-meter-wide Amur (Heilongjiang) River. This relatively short distance can be crossed by ferry during the navigation period, and by car or public bus by a pontoon bridge, which allows to prolong transportation when ice is not solid enough. As for the new bridge, nothing has been said about all-year public transport routes.

4 Conclusion

One of the main benefits for Russian and Chinese border regions from international cooperation in the field of transport is improvement of the infrastructure. International corridors will provide both Russian federal subjects with better road and railway infrastructure, connectivity and transport accessibility, which are vital for sparsely populated and remote regions. The construction and service work will create additional employment. Unfortunately, most of the projects previously mentioned are not subject to regional regulation, so their fulfillment depends on the central government and the resolution of the financial issues [15]. Furthermore, the engagement in international intraregional economic activities is not unconditional. Far eastern markets turn out to be too small for Chinese goods’ producers, Russian side more often than not delays the fulfillment of its part of the projects, as it happened with Tongjiang-Nizhneleninskoe bridge, besides other inconsistencies, which create a threat of fading motivation and disappointment in cross-border cooperation. When it comes to creating a new route of transportation, an alternative to domestic traffic, its quality and efficiency have to be impeccable to compete with the existing scheme. As for other projects and initiatives, well-structured bilateral programs with consequent steps and responsible parties could become a step towards economic development in transport industry, as well as collateral fields. Finally, social aspects cannot be neglected, and it must be clear, what benefits the residence of the border regions will eventually get, how their life will be affected. Same can be said about the environment, as, for example, Khasansky district, in the south of Primorsky Krai, where Primorye-2 passes, has unique nature and a significant part of its territory is protected by law.

References

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