

## ECONOMIC AND DEMOGRAPHIC POTENTIAL THE NORTHERN REGIONS OF RUSSIA

**Fauzer Victor Vilgelmovich**

Federal state budgetary establishment of science Institute of Socio-Economic and Energy Problems of the North Komi Science Centre of the Russian Academy of Sciences, Ural Branch,

the head of department of socio-economic problems, Syktyvkar, Russia,  
fauzer@iespn.komisc.ru<sup>1</sup>

***Abstract.** This article represents the assessment of the economic potential of the northern regions of Russia. The uniqueness of the ecological role of the North in a global scale is highlighted. The article shows that the territory of the North is the place of residence of its indigenous people. Demographic potential is studied by quantitative and ethnic characteristics. The conclusion about its failure for the North economy in the near future is drawn.*

***Key words.** The North of Russia, the economic and demographic potential, population, fertility and mortality.*

### 1. INTRODUCTION

The North of Russia, stretching from the Kola Peninsula to Kamchatka, includes the Arctic zone, the tundra, the forest- tundra, the part of taiga, and has a very severe climatic. Nowadays the North of Russia is a natural and economic potential and the development of the country in near and distant future.

The North of Russia is an ecological barrier and an important regulator of the normal life of the Earth's biosphere. The protected natural areas are concentrated there. There are about a third of the ecological territory of the Earth in this region. And in this regard, the North is a global environmental and strategic reserve, not only for Russia but for the whole world [1, p. 8].

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It is difficult to overestimate the North's role in the military-political status of Russia. It accounts for 90% of all Russia's sea borders, the main naval bases and trade ports are concentrated there. Northern seas became a maritime gateway of Russia to the World Ocean. We should not forget the fact that the environment of northern regions is an integral part of the traditional life of indigenous peoples. Under the influence of industry and migration process indigenous ethnic groups change their traditional activity and a way of life. As a result - they lose their unique skills of adaptive reactions to live in uncomfortable and extreme conditions.

Table 1 – Distribution of regions of Russian Federation, which completely belong to the regions of the Far North and the regions equated to them, depending on the population, the territory area and the population density at the 1st of January, 2012

Regions of Russian Federation	Population (people)	Territory area (one thousand sq.km.)	Population density (number of people on 1 sq.km.)
Russian Federation	143 056 383	17 098,2	8,37
The North of Russia	7 915 032	7 623,7	1,04
The European North	3 530 999	1 332,1	2,65
The Karelia Republic	639 681	180,5	3,54
The Komi Republic	889 837	416,8	2,14
Arkhangelsk region	1 213 533	589,9	2,06
including Nenets Autonomous Area	42 437	176,8	0,24
Murmansk region	787 948	144,9	5,44
The Asian North	4 384 033	6 291,6	0,70
The Sakha (Yakutia) Republic	955 859	3 083,5	0,31
The Tyva Republic	309 347	168,6	1,83
Kamchatka territory	320 156	464,3	0,69
Magadan region	154 485	462,5	0,33
Sakhalin region	495 402	87,1	5,69
Khanty-Mansi Autonomous Area – Yugra	1 561 238	534,8	2,92
Yamalo-Nenets Autonomous Area	536 558	769,3	0,70
Chukotka Autonomous Area	50 988	721,5	0,07

## 2. ECONOMIC POTENTIAL

Regions of the North play the leading role in social and economic development of Russia. Northern territories play a key role in national economy. 20% of gross domestic product, 18% of the electric power, 25% of the forest production are made there. More than 90% of

natural gas, 75% of oil, 80% of gold, 90% of copper and nickel, almost all diamonds, cobalt, platinum group metals, an apatite concentrate are mined there. The total number of reindeers lives there. Northern and Far East regions provide 60% of a catching fish, seafood and fish production in Russia.

In recent years the share of the income from using mineral resources exceeds 40% in the federal budget, and the share of foreign exchange – 80%. A sustainable development of all industries depends on production level and a gain of explored reserves of minerals [1, pp. 9, 28-29, 36].

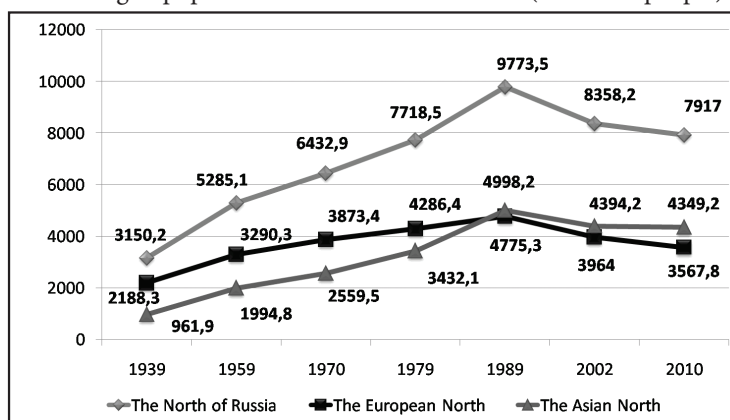
The total potential of the raw materials resources, only in the depths of the Arctic zone of Russia exceeds 1200 billion tons of fuel, including carbon component (61% of this value), oil, natural gas and condensate (21%), and combustible shale (18%). The natural value of these raw materials in a subsoil reaches 62,8 trillion USD [2, p. 48]. 13 regions of Russian Federation and parts of 11 regions of Russian Federation are completely carried to the Far North areas and similar areas (table 1).

Possessing the huge territory the North is almost deserted. At the area of equal 7623,7 thousand sq.km. (44,6% from the area of Russia), the population density makes only 1,04 persons. Significantly higher density of population is in the European North – 2,65 persons per square.km., in the Asian North – 0,7 persons per square.km. The lowest population density is in Chukotka Autonomous Area – 0,07 persons per square.km.

### 3. DEMOGRAPHIC POTENTIAL

From 1990 to 2012, the population of the North of Russia decreased from 9731 to 7915 thousand people, i.e. cumulative losses of northern territories amounted to 1 million 816 thousand people. In this case, the European part of the Russian North has 70.3% of the losses, the Asian part – 29,7%. As a result the ratio in population between Asian and European parts changed. In the early 1980-th more than 50% of the total population lived in the European North, but in 2012 this number was reduced to 44,6% (fig. 1).

**Figure 1.** Number of resident population of the North of Russia according to population censuses of 1939-2010 (thousand people)



In the European North the biggest losses in population were suffered by Murmansk Region – 404 thousand people (or 33,9% from the number of population of 1990). Then follow the Komi Republic – 359 thousand people (28,7%); Arkhangelsk Region – 362 thousand people (23,0%); The Karelia Republic – 152 thousand people (19,2%); Nenets Autonomous Area – 10 thousand people (18,4%).

In the Asian North six regions from eight regions lost their population, and two regions had absolute growth of population. The leader of decline in population is Chukotka Autonomous Area – 111 thousand people (or 68,6% from the number of population of 1990). If such rates of decline will continue, Chukotka remains a blank spot on the map of Russia in the next 7-10 years.

Rapid decline in population is also in Magadan Region – 236 thousand people (60,4%); in Sakhalin Region – 219 thousand people (30,6%); in Kamchatka territory – 157 thousand people (32,9%). In the Sakha Republic (Yakutia) losses made for about 14,0% from the number of population of 1990, or absolutely they are equal 156 thousand people. Except Chukotka Autonomous Area in the Asian North there are also two autonomous areas in which, on the contrary, population grew: in Khanty-Mansiysk (Yugra) the population increased on 294 thousand people (123,2%) and in Yamal-Nenets – on 47 thousand people (109,7%). In the Tyva Republic the small decrease in population on 3 thousand people (1,0%) is observed.

In the population dynamics in 1990-2011 there is a decrease in the number of urban and rural population [3, p. 76-79]. On the Russian North, as well as across Russia, the number of urban population decreased less, than rural (17,8% and 21,8%). The same dynamics is in the European North and the Asian North (table 2).

**Table 2.** The population of northern regions, which completely belong to the region of the Far North and similar areas, according to the resettlement in 1990-2012 (thousand people)

<b>Resettlement</b>	<b>1990</b>	<b>1996</b>	<b>2001</b>	<b>2006</b>	<b>2012</b>
Russian Federation	147665	148292	146304	143236	143056
including the city	108736	108311	107072	104818	105742
the countryside	38929	39981	39232	38418	37314
The North of Russia	9731	8886	8387	8082	7915
including the city	7718	7010	6648	6369	6341
the countryside	2013	1876	1739	1713	1574
The European North	4808	4410	4064	3760	3531
including the city	3840	3461	3206	2965	2843
the countryside	968	949	858	795	688
The Asian North	4923	4476	4323	4322	4384
including the city	3878	3549	3442	3404	3498
the countryside	1045	927	881	918	886

If the reduction of urban population is caused by socio-economic factors, the reduction of rural population depends on the objective reasons. Firstly, in the majority of North regions the environmental conditions do not contribute to the development of agricultural production. Secondly, the destruction of the traditional (nomadic and trade) way of life of indigenous people of the North, its transfer to a settled way of life and moving to settlements of city type reduced the number of rural population. At last, during the XXth century arrived people usually join the ranks of the citizens.

Demographic development of northern regions is integrally connected with the processes proceeding in Russia as a whole. Tendencies of demographic development in the European and Asian North has the specific characteristics and differences. The most important and the main difference is that in the whole in the Asian North the number of births exceeds the number of deaths (table 3).

**Table 3.** The number of births, the number of deaths and the natural increase (decrease) of the population in the northern regions, which completely belong to the regions of the Far North and the regions equated to them in 1995-2011 (people)

Regions	Year	The number of births	The number of deaths	The natural increase (decrease)
The North of Russia	1995	95211	109052	-13841
	2000	87133	99215	-12082
	2005	99598	105529	-5931
	2011	114318	85395	28923
The European North	1995	39705	62178	-22473
	2000	36450	59022	-22572
	2005	40341	61422	-21081
	2011	43438	46594	-3156
The Asian North	1995	55506	46874	8632
	2000	50683	40193	10490
	2005	59257	44107	15150
	2011	70880	38801	32079

Such regions as, The Sakha Republic (Yakutia), The Tyva Republic, Khanty-Mansi Autonomous Area, Yamalo-Nenets Autonomous Area, Chukotka Autonomous Area, provide positive natural increase of population to the Asian North. It is also necessary to note that in the last ten years there has been a positive growth trend in fertility. This occurred by increasing the number of births and the general coefficients of birth rate. As for mortality, it tends to decrease since 2006.

Absolute reduction of the population of the North of Russia contribute to the natural and migratory decline in population. The Russian North had a positive natural increase of the population during 1991-1995 and 2006-2010 periods. Which generally provide positive natural increase in 1991-2010 years in the amount of 81512 people. However, due to out-migration that blocks the positive dynamics of reproduction, the North had negative total population growth all years (Table 4).

**Table 4.** Increase (decrease) of the population of northern regions, which completely belong to the region of the Far North and similar areas, in 1991-2010

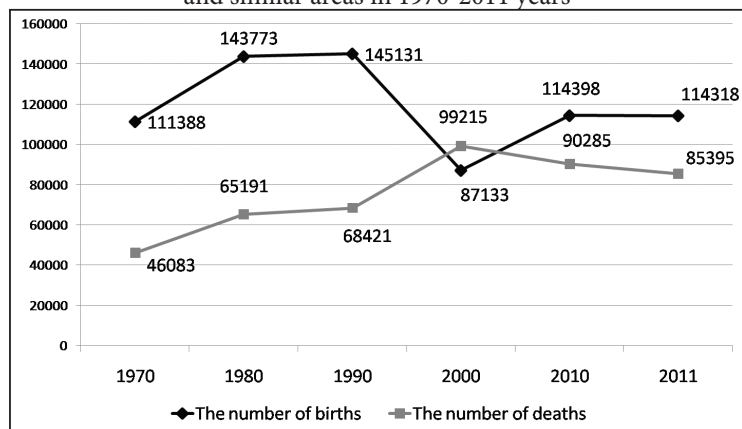
Regions	Period	Increase (decrease)			The average annual increase (decrease)	
		total	natural	mechanical	natural	mechanical
The North of Russia	1991-1995	-831771	56634	-888405	11327	-177681
	1996-2000	-499390	-24132	-475258	-4826	-95052
	2001-2005	-183185	-33950	-149235	-6790	-29847
	2006*-2010	-288875	82960	-371835	16592	-74367
	1991-2010	-1803221	81512	-1884733	4076	-94237
The European North	1991-1995	-379853	-51645	-328208	-10329	-65642
	1996-2000	-345550	-86151	-259399	-17230	-51880
	2001-2005	-225159	-110443	-114716	-22089	-22943
	2006*-2010	-277773	-46013	-231760	-9203	-46352
	1991-2010	-1228335	-294252	-934083	-14713	-46704
The Asian North	1991-1995	-451918	108279	-560197	21656	-112039
	1996-2000	-153840	62019	-215859	12404	-43172
	2001-2005	41974	76493	-34519	15299	-6904
	2006*-2010	-11102	128973	-140075	25795	-28015
	1991-2010	-574886	375764	-950650	18789	-47533

\* population at 01.01.2006 is given without the results of the All-Russian population census of 2010

If you look at the dynamics of the population in the Asian North and the European North it is possible to note the following: the European part had negative growth in all components of the population, and the Asian part had a positive natural growth of the population all the time. Besides, in 2001-2005 in the Asian North the positive natural increase almost blocked migratory decline in population and provided positive growth of the population consisting of 41974 people. This orientation of demographic processes changed a curve of «a demographic cross» for the Russian North (figure 2).

In recent decades migrations influenced not only on quantitative, but also on qualitative characteristics of the population. This applies particularly to the ethnic composition. Without going into detail in the analysis of ethnic structures of the population of the North, we show what role the first ten nation played in development of the North (table 5).

**Figure 2.** Dynamics of the number of births and deaths in the northern regions of the Russian Federation, which completely belong to the region of the Far North and similar areas in 1970-2011 years



**Table 5.** The place of separate nationalities occupied in the national part of Russia and the North of Russia according to the population censuses of 2010.

Nationalities	Russian Federation	The North of Russia	The European North	The Asian North
Russian	1	1	1	1
Tatars	2	6	6	5
Ukrainians	3	3	3	4
Bashkirs	4	9	16	6
Chuvashs	5	13	8	14
Chechens	6	28	32	27
Armenians	7	21	12	21
Avars	8	37	35	34
Mordovians	9	27	14	26
Kazakhs	10	31	29	30

Table 5 shows that only Russians and Ukrainians occupy the same position in the rank of ethnic structure of the population of Russia and the North - 1st and 3rd respectively. Tatars take the 2nd rank of ethnic structure of the population of Russia, but only 6th rank of ethnic structure of the North. At the same time, Belarusians and Azerbaijanians in the ethnic structure of the population of Russia took 15th and 10th ranks, while in the North their ranks are 7th and 8th.

In this regard it is possible to give the excerpt from the Report of Russian President: «There is a real danger that vacated northern territories would be filled by human resources at the expense of uncontrolled migration from other countries» [1, p.11]. To what it will lead – needs no comment.

#### 4. CONCLUSION

Analysis of economic and demographic potentials of the North of Russia allows to draw the following conclusions:

- while the budgetary policy focuses on the formation of the country's budget by fuel and energy sector, the available demographic and labor potential would not be enough;
- from the ten most numerous nations of Russia, only Russians, Ukrainians, Tatars and Bashkirs are in the top ten of those who take an active part in the life of the North and its economy This situation could lead to the fact that the North will be occupied by representatives of the near and far abroad, which will affect its ethnic composition, employment potential, the political situation in general;
- a response to the global challenges of the world economy must be active policy of the state directed on creation to northerners special quality of life in the period of living in the North and in retirement period of life, regardless of where they will live.

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