

environmental performance, improved a water tariff-setting framework, and adopted water codes establishing a river basin management approach. The OECD also is actively participating in a pan-European effort to produce biodiversity indicators, has introduced EURO II vehicle emission standards and pilot programs to provide information to farmers, has installed new air quality monitoring stations, and has launched advisory boards with NGO participation (OECD, 2007). Noticeable progress seems to have been made on compliance assurance, water supply and sanitation, water resources management, and agriculture, while less progress was apparent in waste management, biodiversity, transport, and energy efficiency.

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The literature reveals a weak point of integration of CSR into corporate strategy and management in Russia (Blagov, 2008). New discussions have emerged on sustainable development as a new management philosophy in which the decision-making process should weigh the possible economic, environmental, and social impacts (Burchakova, 2009). The country also promotes the CSR idea through international conferences and publications of Russia's leading business lobby group, The Russian Union of Industrialists and Entrepreneurs (or RSPP). The sustainability guidelines developed by RSPP in 2008 provide a wide range of quantitative indicators that are traditionally grouped in three categories: economic, social, and environmental. The guidelines promote the issuing of non-financial corporate reports of Russian companies. However, the national guidelines are criticized for their generic character resulting from an effort to accommodate companies in different industries and activities (Andreassen, 2013).

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The 2008 world financial crisis led Russia to economic recession and made the majority of the country's ambitious economic goals unrealizable. The country continues in particular to promote energy resources and infrastructure development. However, the collapse of world prices for oil and other commodities exposes the downside of Russia's high dependence on production and export of natural resources (Cooper, 2009). The overreliance on energy exports depresses other sectors of the economy by starving them of investments and modernization (Aron, 2013). As a result, exports of other goods and services become more expensive and less competitive in world markets. Frozen credit markets and industrial stagnation are major factors that may also influence development of the sustainability idea. The government does not provide fiscal incentives and does not demand responsibility, relying instead on voluntary practices (Preuss & Barkemeyer, 2011). The central idea of the sustainable literature at this time is that the sustainability concept is practiced differently across various industries and geographical contexts (Halme et al., 2009; Blagov, 2008). The statistics of CSR disclosure in Russia as of 2013 stood at 57% among large and listed companies that report on their corporate responsibilities (KPMG, 2013). The Russian Union of Industrialists and Entrepreneurs reported huge progress in non-financial reporting by Russian companies, at least until 2013. Their register also demonstrates that most of the companies publishing their sustainability reports include only oil and gas, energy, metal and mining, and automotive industries (RSPP, 2015).

The Russian economy continues in recession, inflation is rising, and regions are experiencing economic dissatisfaction (The Economist, 2014). Politico-economic reforms aimed at the

modernization of key economic sectors or regional development may influence selective promotion of the sustainability idea and the development of international partnership on sustainability issues on a regional or some industrial level.

5.2 Development of the Arctic energy industry-related sustainability idea in Russia

The analysis demonstrates that the sustainability priorities defined by governmental policy in Russia are unevenly addressed by the state and the media in the context of Russian Arctic energy. A broader politico-economic context is not the only influence on the development of the sustainability idea in Russia. The nation also has differing characteristics of urbanization, industrialization, and energy intensity across its various regions. Russia's northern territories are often portrayed as regions with a range of climate, infrastructure, and institutional problems (Andreassen and Kazakov, 2014). The most urgent sustainability-related ideas considered by the state and the media can be seen in the interplay of the main characteristics and events of Russian Arctic energy.

In recent years, Russia has begun in earnest to develop the economy of its northern territories, including the extraction of hydrocarbons and the development of the Northern Sea Route. Sustainable regional development is underlined as being one of the central sustainability priorities for the region. However, the analysis shows this direction is addressed mostly in relation to the Northern Sea Route and safe transport of hydrocarbons.

The environmental vulnerability of the Arctic territories calls for greater responsibility among companies engaging in energy extraction. In 2012, environmentalists from Greenpeace and World Wildlife Fund-Russia analyzed the region's harsh conditions alongside some unmodernized oil spill response plans at the huge Russian Arctic oil platform Prirazlomnaya. They concluded that its operator, the Russian energy giant Gazprom, is not able to respond properly and that this will lead to serious, long-term pollution of this fragile region, including nearby protected coastal areas and wildlife (Greenpeace, 2012). Fears are expressed about the underdevelopment of energy extraction industry equipment in Russia (Sakharov, 2012). Such concerns may threaten the energy industry in the Arctic by questioning its ability to develop offshore fields. Environmental security is therefore brought up as one of the main directions for sustainable development in the country. In this context, both the state and the media strongly connect the idea with the importance of improvement in the search-and-rescue area, strengthening of emergency management, and preventing disasters.

The State Energy Strategy discloses earnest plans to develop oil and gas resources in offshore Arctic areas and to implement major investment projects (The Order of the Government of Russian Federation 1715-R, 13.11.2009). The most important mineral reserves that are crucial for the development of the Russian economy are concentrated in the Arctic area. Issues of safe and sustainable resource management are addressed by all the state documents, but not by the media, as might be expected. Despite the existence of some laws and policies on the use of renewable resources, there is still no efficient system to stimulate a large-scale use of clean energy. Investors encounter protectionist barriers and an absence of financial stimuli in

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the market (Boute, 2014). The media in the Russian Arctic thus focus attention only on the need to attract foreign investments to this field, but they do not forecast how realistic that is.

The strengthening of international relations is a concern of the both the state and media. Cooperation and partnerships are directed at Arctic governance and toward dialogue with Arctic Council members on maritime environmental problems. Apparently, this is in line with Russian external energy policy, which focuses on an integrated monitoring of international energy cooperation in the Arctic. Arctic governance is also a special case for sustainable development because the country recently resubmitted claims about its interest in owning areas up to the North Pole (Staalesen, 2015).

Research directed toward innovations in technologies and environmental monitoring is increasing. The main concern that can influence the functioning of the industry is that the Arctic ice is becoming thinner, which makes drifting stations unworkable (RIA Novosti, 2010). The priority for sustainability now is to replace drifting stations with platforms for year-round research.

The beginning of 2014 opened with dramatic forecasts that because of global warming there is a serious danger of weakening permafrost near the Novaya Zemlya, the area of radioactive waste storage (RIA Novosti, 2014). A Russian Ministry of Emergency Situations report listed more than 500 potentially hazardous objects by 2014, including radioactive, hazardous chemical, explosive, and flammable objects; oil and gas pipelines; and hydraulic facilities (EMERCOM, 2015). While state concerns address consequences from emergencies, industry production, and consumption, the media address only pollution from industrial waste and concerns about the shortage of investments in this field.

Life in the High North is often described as less comfortable for people due to climate conditions, a high cost of living, and the lack of infrastructure. While the Russian economy is growing, the northern territories are not experiencing significant growth in socio-economic well-being and are struggling with a lack of funding (Rautio, 2013). The important sustainability issue of improving the quality of life is addressed; however, only through the expression of ideas about taking care of the culture of indigenous people and monitoring their needs.

6 CONCLUSION

In this paper, two main points were addressed: how the concept of sustainability has been developed in the politico-economic context of Russia and how the sustainability priorities are related to the particular context of the Russian Arctic energy industry.

As a result, the paper describes the priorities of the sustainability idea that have been developed in Russia and explains how the context has possibly influenced that development. The concept happened to be introduced during the time of economic transition which was characterized by a reduction of industrial production, natural resource exhaustion, growth of fuel prices, budget deficit, and the lack of governmental support for social wellness programs. Accordingly, the main priorities of the sustainability idea embrace a wide range of

environmental and safety issues in industry, call for sustainable management of natural resources, ecosystem recovery, a safe transport system, education, and further research on sustainability issues. The context of “the reckless 90s” with mutual distrust and a shared lack of responsibility among government, business and the public, and —not least— the 1998 financial crash doomed the sustainability idea to being ignored by business for almost 10 years. Rapid economic growth in the period 1999-2008 and a dramatic internationalization trend gave a rise to the best attempt to develop the sustainability idea in Russia. The context influences the ideology by adding direction on strengthening international cooperation and partnerships and improving national legislation. Also, sustainability priorities imply a more detailed focus on the sustainable management of natural resources, environmental measures to reduce and prevent pollution of resources and improve the quality of people’s lives. The 2008 world financial crisis highlights Russia’s vulnerability to commodity price instability. Policies aimed at infrastructure development and modernization of energy industries consequently foster great variations in economic well-being across industries and regions. The sustainability idea gets a broader range of direction and indicators to suit different companies across various sectors, but the economic recession hampers progress in sustainability development.

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Based on theoretical considerations, the broader context can influence the development of the sustainability idea. The paper provides evidence that governmental direction in Russia relative to the sustainability idea has not always been strong. In the 1990s, they were totally neglected and in the first decade of the 2000s the suggested sustainability values did not gain much traction. The unique politico-economic context itself has a stronger influence on development of the sustainability idea in Russia. The extraction, processing, and exploitation of raw mineral resources has always been the most important economic and political factor in Russia, so the sustainability idea has been prioritized to benefit that sector.

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The rhetoric of the sustainability idea in the context of Arctic energy might not necessarily develop in the same way as for other sectors. Sustainability can focus on issues that are urgent for this industrial and regional context. Not only can sustainability be about balancing the development of the economy, the environment, and society. It also can be about particular issues of safe industrial operations and transport, energy and environmental security, strengthening efforts on behalf of a search-and-rescue preparedness system and coordination, international partnerships on Arctic governance and maritime issues, reducing and preventing pollution and waste, sustainable management, improving quality of life of indigenous people, and scientific research. Referring to the initial definition of sustainable development, developing these priorities will positively influence the ability of future generations to meet their own needs.

The positions of critical stakeholders, the state, and the media, which may give rise to legitimacy pressures and influence the development of the phenomenon, have been discussed. To summarize the details, the most urgent sustainability-related ideas embraced by the state are ensuring energy security, modernization of the Arctic transport system, strengthening the search-and-rescue area and preventing disasters, sustainable resource management, developing international and cross-border cooperation in the Arctic, scientific

research on governance and technology development, minimizing consequences from emergencies, production and consumption, and the quality of life of the indigenous population. The sustainability-related priorities of the media include ensuring environmental security, modernization of the Northern Sea Route and safe tourism activity, developing rescue and fire equipment, international cooperation and partnership in the Arctic, maritime research, minimizing industrial waste, and monitoring needs of indigenous population.

However, the analysis has not clearly demonstrated that the media are more powerful, as the prior literature suggests. Fewer sustainability-related issues are touched upon by the media than by the state in this sample. According to the results of this study, it can be suggested that in a politico-economic context of the Russian Arctic, legitimization is more dependent on the state position than on the media. That would mean that the state plays a crucial role in influencing in which directions the sustainability idea is developed, while the media do not have a powerful influence on state promotion of the sustainability idea.

Still, this conclusion is rather tentative due to limited focus of data and calls for further examination. The thorough review of sustainability priorities provides a basis for better understanding of some possible legitimacy pressures; therefore, further research may address how firms have reacted to state and media direction of the sustainability idea in the Arctic.

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