

Migratory problems in Russia

Russia's immigration policy needs to strike a balance between economic demands and demographic and social perspectives.

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Attracting a cheap workforce means cutting production costs and ensuring more competitive prices on domestic and foreign markets. Cheap labour fills positions left vacant due to the absence of a pool of local labour.

The unregulated influx of labour leads to an additional burden on the social infrastructure, and as such “erodes” a cultural and national environment which is growing more complex, while at the same time lowering labour costs.

The break-up of the USSR, Russia's transition from a centrally planned and administered economy to a market economy, the different socio-economic conditions in the former USSR and an easy system of entry and exit have caused a sharp increase in migratory flows.

As the Prime Minister of the Russian Federation, Mikhail Kassianov, pointed out, some 8 million foreign nationals have arrived in Russia over the past ten years while 4 million people left the country during the same period.

“The fall in the working population is not only a social problem but also one which will determine the success or failure of our country's development,” said Mr. Kassianov, adding that “in the near future, the development of our economy will rely precisely on there being a pool of labour”.

The Prime Minister said that population figures in Russia had been in constant

decline over the past few years; 1999 saw the biggest fall, with some 768,000 people, or 0.5 per cent of the population. “Unfortunately, this downward trend in the population is continuing,” he said.

In general, the Government of the Russian Federation believes that in the near future, migration processes will become increasingly important to the country. According to forecasts, by 2005, the population of the Russian Federation will already have been reduced by 2.6 million (falling from 144 million to 141.4 million).

An ageing population

Unwanted changes are also likely to occur within the actual structure of the population. During the same period, the younger population is set to fall by 5.5 million according to projections by the State Committee of the Russian Federation on Statistics (dropping from 27.8 to 22.3 million). And even if the population of working age increases from 81.7 to 89.7 million during the same period, the numbers in this category will begin to fall again from 2005 onwards. The Committee forecasts that overall this category will be reduced by 7.4 million over the period 2006-2015.

According to forecasts by the Centre for Demography and Human Ecology, by 2050, there will be a total of just 86.5 million native Russian inhabitants.

During the same period and according to forecasts, gross domestic product is set to increase fairly rapidly between 2002 and 2005, at a minimum rate of at least 5 per cent per annum, and the number of working people inserted into the country's economy is set to rise by almost 2 million over the same period.

Current estimates show that during the period in question, around 4 million people will plan to come to live permanently in Russia. But will that really happen? Well, that depends on the state of the economy, how attractive Russia is in economic and social terms, whether or not the necessary conditions prevail and how its immigration policy develops.

Accordingly, one of the priorities of such a policy must be to promote immigration into the Russian Federation, so that this vital workforce can help keep the economy of the country and its component regions afloat.

According to the Interstate Statistical Institute of the Commonwealth of Independent States (CIS-STAT), the flow of migrants from neighbouring countries has once again increased following a period of decline towards the end of the 1990s. Director of the Institute, Constantin Zatulin says: "Give or take a few minor fluctuations, migration to Russia is just as substantial as that seen in other Russian regions; such migration balances out natural losses."

It is difficult to say exactly how many of these migrants from the CIS live in Russia. V. Ivanov, vice-director of the President's administration and chairman of an inter-departmental working group charged with drafting migration legislation, claims that there are roughly 4 million illegal "economic immigrants" in Russia. But statistics from the Russian Federation show that more than 22 million people who arrived in Russia from CIS countries between 1997 and 2001 have not left "as required by law". According to estimates by experts from the Ministry of the Interior, there is a whole army of workers from the CIS numbering around 5 million who are temporarily residing in Russia.

In some countries (e.g. Armenia and Azerbaijan), the number of people who have left to earn a living in the Russian Federation is equal to the number of working people who have remained in the country. The main countries providing manpower are Ukraine, Kazakhstan, Moldova and Azerbaijan, closely followed by Armenia and Tajikistan, while Belarus ranks lower down on the market for imported manpower.

Experts have long been checking their economic forecasts by basing them on migratory flows: when people leave one country to go and earn a living in neighbouring states it generally means that the economic situation is far from good. If those leaving include not only unskilled but also highly qualified workers, the situation is even worse. And when the latter leave to work elsewhere as part of a semi-skilled workforce, the situation is nothing short of disgraceful. On this last point, Tajikistan, Kazakhstan and indeed Ukraine are finding themselves in a particularly worrying situation: many engineers are leaving the country to take on any kind of work in Russia and at any wage. Things are a little better in Belarus where fewer people are leaving and those who do are looking for work more or less in line with their qualifications and experience. People in Armenia, Azerbaijan and Georgia have carved out a solid niche in trade and business.

It goes without saying that a large proportion of workers arriving in Moscow find work there and in the surrounding region, or in large cities. In some towns, if all the migrants decided to go on strike, some sectors of the economy would be paralysed. Trolleybuses would be unable to leave the depot, rubbish would be left uncollected and all building sites would grind to a halt.

Russia's migration-related problems are most clearly apparent in Moscow. This is not difficult to understand: economic growth in the Russian capital is stable at between 7 and 14 per cent a year and a large proportion of the country's financial resources pass through it.

Migrations play a major role in Moscow's socio-economic development. The influx of manpower guarantees stable activity in many of the city's economic sectors (construction, transport, maintenance, general economic activity and so forth). Immigration enables the city's demographics to remain at an acceptable level.

On average, natural losses in Moscow's population stood at 66,000 a year between 1992 and 2000. For instance, in 2000, there were 72,600 births and 130,700 deaths. The number of people arriving in the city to settle there permanently increased to 103,300 (according to figures from the Moscow City Statistics Committee). It also estimated that 36,600 people had left the city, which meant net immigration of 66,700. Net immigration in 2000 offset the capital's natural losses.

Nevertheless, in the context of a complex labour market, there are a number of reasons why immigration (particularly illegal immigration) poses a serious threat to economic and social security, and health (epidemics). This huge influx of excessive manpower into the city brings with it violations of labour regulations and deters employers from using the most productive technologies. The fall in the population's income as a result of depreciation of labour has led to some groups and immigrants themselves becoming marginalized, and is preventing the city's companies from boosting production of goods and services. In 2001, a total of 64,500 foreign workers were registered and working in Moscow. More than 37,000 people (for a fixed quota of 50,000) were authorized to work in the city's bodies, institutions and companies.

In all, 995,500 people were registered as residents and of those, 643,300 originated from the CIS.

In addition, some 2.1 million people were arrested for violations of passport and residence regulations, of whom 998,600 originated from the CIS. Action was taken against 513 organizations for infringing regulations pertaining to hiring foreign workers.

According to estimates, there are between 600,000 and 800,000 people living

illegally in Moscow, of whom between 100,000 and 150,000 are from faraway countries (mainly Afghanistan and countries in Africa and South-East Asia). Based on this information, experts estimate that between 400,000 and 600,000 people are working without the required authorization.

The imbalance between the influx of migrants and the opportunities for decent paid work, and shortcomings in legislation governing the procedures for entering citizens of the Russian Federation into the population register for the district in which they live are the main reasons behind a number of problems: why migrants accept illegal jobs, why a criminal element is beginning to pervade the economic life of the city under the influence of immigration, why criminal ethnic groups are monopolizing different sectors of the economy, and why prostitution, begging and vagrancy are on the increase.

Depopulation

Wide-scale emigration due mainly to the negative impact of this excessive influx of immigrants to Moscow is also threatening the city's socio-economic development. Emigration, which develops as a result of depopulation, is a serious issue in itself but especially if we consider the quality of the population being lost in this way: those who leave the country are primarily highly qualified specialists who have been left high-and-dry on the national labour market. The increase in this process is bringing with it other problems such as a growing technological gap and irreparable damage in terms of the continuity of intellectual potential, and is preventing people from benefiting from the growth potential afforded by economic efficiency.

The seriousness of the threats arising from migratory processes, along with the significant illegal element they involve, requires us to take steps both to regulate the influx of immigrants and improve the structure of this influx, and to halt the emigration of intellectuals.

Therefore, it is important that, despite its complex structure, the influx of migrants be controlled and adapted to both the priorities of socio-economic development and the potential for change, and that it neither create more situations of conflict nor undermine the well-being and security of inhabitants.

On the basis of these measures, the Moscow city programme of migration regulation for the period 2002-2004 was adopted. The programme is a fundamental idea that consists of two approaches: (1) using existing economic and organizational tools in Moscow to stamp out the practice of underpaid work being performed by migrants (including on the markets) in companies which maintain their profitability artificially by hiring underpaid, illegal workers who essentially have no rights at all; and (2) putting in place a modern, information-based system for regulating migrants that can genuinely influence the reasons behind these migrations in the interests of both the city and the migrants themselves.

The measures put forward in the programme also include: systematically replacing the foreign workforce with manpower from Moscow itself and different regions of Russia; helping migrants obtain the social guarantees prescribed by law; enhancing the work done by law-enforcement bodies designed to crack down on antisocial activities by migrants; and creating the conditions required to reduce emigration of the city's scientific, technical and creative potential.

In the late 1990s, the rapid rise in immigration to Moscow – together with its increasing impact on the capital's economic, social, health and epidemiological security – forced the city authorities to draw up a systematic approach to regulation. Federal authorities are currently facing the same task.

According to Constantin Zatulin, Director of CIS-STAT, "The root of migratory problems lies in the lack of a specific federal migration policy." He believes that "attempting to resolve migratory problems through bodies that are answerable to the Ministry of the Interior is pointless".

Legislation on the legal status of foreign nationals residing in Russia was due to take effect in November 2002 and has been described by the Director of the Federal Migration Office (FMS) as "a revolutionary step".

Under the new legislation, the Government of the Russian Federation will set a specific quota of migrant workers for their region. Foreigners will be issued a special migration card that will clearly state where the worker is going, for what reason, for how long and by whom authorization has been granted. Foreigners will also be liable to pay a substantial migration tax (around US\$100), apparently intended to save them from having to pay bribes. The registration system will also be modified to make it possible to register with the FMS. All these measures are designed to legalize and bring out of the shadows the "grey mass" of foreign workers and their income. Moreover, they will not be the only ones facing penalties for working illegally and not paying the corresponding contributions; the Russian "labour mafia" – i.e. employers – are also affected.

The main difficulty is that at the moment, no one can be sure whether the standards set out in the legislation adopted will be adhered to, nor how effective the work carried out by the system uniting bodies called upon to guarantee adherence to the priorities of the national migration policy will be.

So, then, the main – and most complex – question remains unanswered: "Are immigration and flows of labour a benefit or a curse for Russia?"