

9 Russia's immigration challenges*

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Surging immigration

Russia's population grew in the mid-1990s due to immigration – a growth never previously seen. Between the Russian census of 1989 and 2002, Russia's total immigrant population grew by 5.6 million people, of whom 56 percent came to Russia during the 1993–8 period (Figure 9.1). Russia received 2.4 million additional people between the census of 2002 and 2010.

By the end of the 1990s, the number of registered regular migrants had declined by more than 60 percent. In 2003–4 it did not reach even 100,000 people a year. Having declined to its lowest level, 93,100 people, in 2003, migration began to increase gradually in 2004, reaching 258,200 people in 2007, 257,100 in 2008 and 259,400 in 2009, 158,100 in 2010, and 319,800 in 2011.

The surge in the migrant population made up for 60 percent of the demographic losses that Russia had experienced during the period of 1992–2011, which were the result of a natural population decline beginning in 1992. The population surge was the result not so much of an increase in the number of new arrivals, as a decline in the number of people leaving the country. The number of immigrants rose to 1.2 million in 1994, as a result of Russia's visible economic advantages in comparison with the other members of the Commonwealth of Independent States (CIS). After the beginning of the Chechen war, the number of migrants to Russia began to fall dramatically.

However, one should keep in mind that in this instance we are referring only to those immigrants who are registered for permanent residency by the Russian Statistics Service. This registration depends considerably on the current rules of registration for arriving foreigners. The laws on citizenship and legal rights of foreigners that were adopted in the early 2000s considerably complicated procedures for immigrants to acquire legal status. The latter law, in addition to changing statistical accounting, lowered registered immigration to its lowest level, 119,200 people, in 2004. Recently, the figure has grown somewhat, but most likely due to the intervention of the Russian Statistics Service rather than an actual increase in immigration.¹

Because of the obvious drawbacks in migration accounting, the available data make it impossible to reproduce the full picture of migration growth

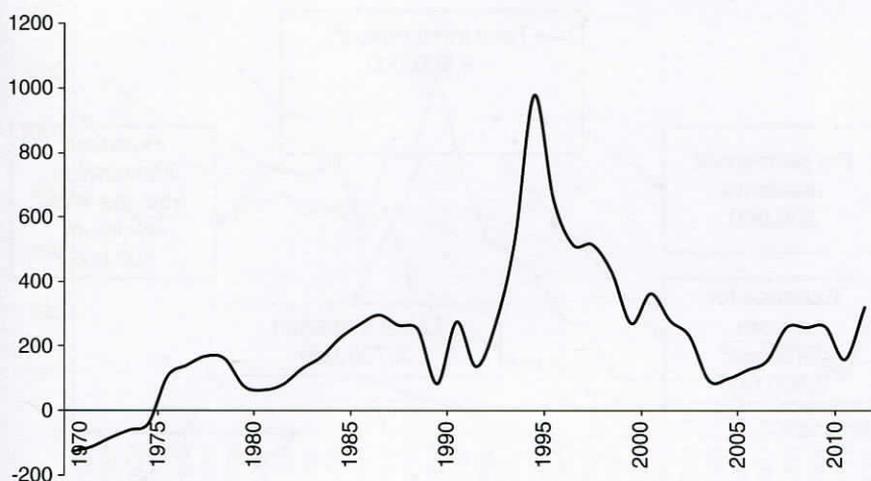


Figure 9.1 Immigration growth of Russian population, 1970–2011 (in thousands)

Source: Federal Statistics Service of the Russian Federation.

in the country. The censuses provide more complete data. Migration growth during the period of 1989–2002, according to the 2002 census, comprised 5,560,000 people, versus 3,730,000 according to registration statistics. During the period of 2003–10, the migration growth was 2,372,000 people according to the 2010 census and 1,404,000 according to registration statistics. Even the census data are incomplete.

According to expert estimates, the total number of migrants in Russia at any given time, including temporary labor migrants, had never reached more than eight million people before the global financial crisis in 2008.

The volume of illegal immigration (see Figure 9.2) was estimated at 4–5 million people. Thirty percent of them had neither registration nor work permits. Some of them were *de facto* permanent residents of Russia, living with their families but without permanent resident status. According to the data of a sociological study of Ukrainian labor migrants conducted in Moscow by the Center for Migration Studies in 2002, half of the subjects had lived in the city for more than three years. According to subsequent research by the Center conducted in 2008–9, 20 percent of illegal labor migrants were in Russia for one to two years, and 12 percent stayed longer.² The figure demonstrates that the main component of illegal migration is labor migration.

The global crisis did not have a major impact on the overall number of immigrants in Russia. According to the information system of the Federal Migration Service of Russia, which was recently established, nine million migrants were in Russia in late 2011, out of whom 3.3 million came to study or for short periods of time for a variety of purposes, including for private visits, for medical treatment, as tourists, for work during vacation, etc.; 1.3 million

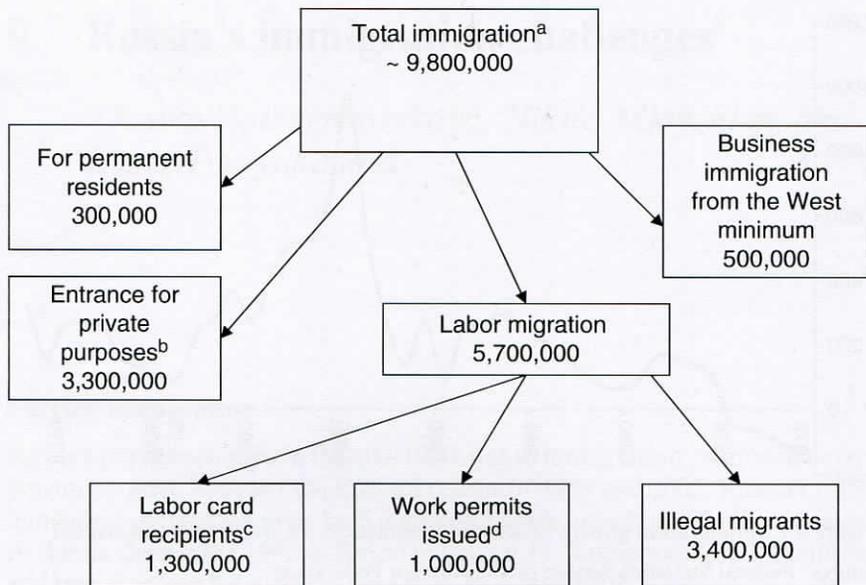


Figure 9.2 Migration flows into Russia (estimates as of end of 2011)

Notes:

- a. This includes 9,000,000 migrants who were present in Russia as of the end of 2011 according to data from the Federal Migration Service; 300,000 migrants who received a resident permit for more than one year according to the Russian Statistics Bureau (320,000); about 500,000 business migrants according to the authors' estimate.
- b. Tourism, private visits, medical treatment, work on holiday, and study are included.
- c. Labor cards – official permission to work – are issued according to quota for no longer than one year.
- d. The number of permits issued is indicated. According to the law, a permit – permission to be employed by private employers – is issued for one month on the condition of prepayment of about \$33. A permit is issued upon receipt of another payment for the next month. Therefore, one migrant can obtain several permits. Unfortunately, there is no information about the number of migrants who took advantage of the permit system, but there are considerably fewer of them than the number of permits issued.

were officially employed, while the remaining 4.3 million – the majority of whom were labor migrants – were typically registered, but engaged in some type of informal employment without work permits. These data do not include the 320,000 migrants who moved to Russia as permanent residents, nor business migrants, who number about half a million (see Figure 9.2).

Emigration

In the early 1990s, the dissolution of the Soviet Union brought about a sharp reduction in emigration to the former Soviet republics (Figure 9.3). It served

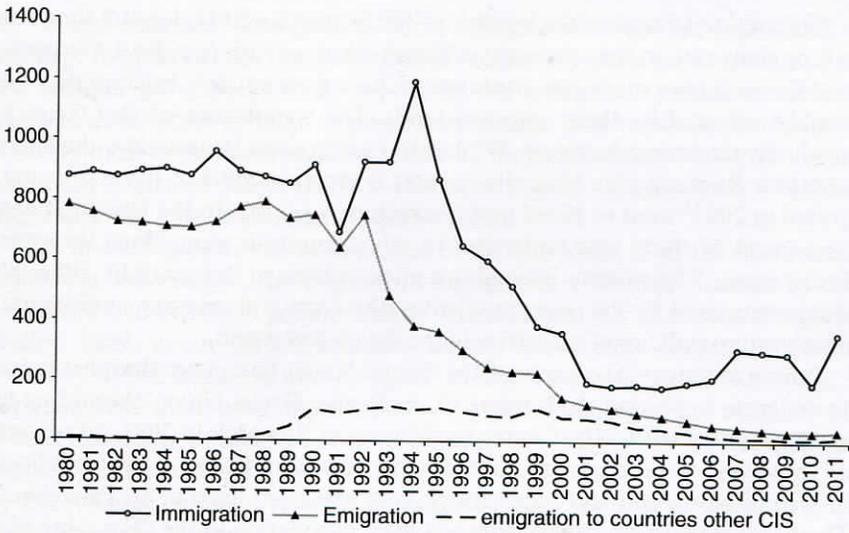


Figure 9.3 Registered international migration in Russia (in thousands)

Source: Federal Statistics Service of the Russian Federation.

as one of the main reasons for the migration surge mentioned earlier. At the same time, emigration to countries outside the borders of the former Soviet Union grew. According to estimates, the total losses to emigration beginning in the late 1980s reached about three million people – twice as high as the officially reported emigration level (1.5 million people) during the period of 1989–2011, which amounted to a quarter of all those who left Russia during this period. Over time, the emigration flow to countries outside of the former Soviet Union started to catch up with the number of migrants leaving Russia for other former republics of the Soviet Union. Beginning in 2003 these migration flows, which are both on the decline, have essentially equaled one another.

Official statistics show that after the sharp surge in the early 1990s, emigration to beyond the borders of the former Soviet Union declined, and by 2006 returned to the original level of the late 1980s. It is possible that these estimates are artificially low. A considerable proportion of the emigrants, when leaving the country, do not abandon their resident status at their former country of residence. They therefore do not appear in the statistics we are looking at. In general, the current status of emigration from Russia is not perceived as particularly problematic, but this does not mean that the status quo will continue, particularly in light of the expected labor shortages in the West.

The risk most commonly associated with emigration is brain drain; however, the depopulation that Russia is experiencing due to emigration is also undesirable. There is a basis to suggest that such losses will continue to grow.

Emigration to beyond the borders of the former Soviet Union still shows an ethnic character, in the sense that different ethnic groups (e.g. Jews, Germans, and Greeks) have more opportunities to leave their country because they are readily accepted by their ancestral lands. The significance of this factor is gradually declining, however. While total emigration is declining, the share of ethnic Russians who leave the country is growing. Half of those who emigrated in 2007³ went to Israel and Germany, two-thirds to the United States; 55 percent of those who emigrated to other countries were ethnic Russians. Emigration of Russians is becoming a phenomenon in its own right, although it is constrained by the more restrictive ethnic emigration opportunities and immigration policies of countries in the developed world.

People in industrial centers of the former Soviet Union are the most prone to emigrate to beyond the borders of the former Soviet Union. According to a study conducted by the Center for Migration Research in 2005, 20 percent of those who were thinking about moving were from Kazan, 25 percent lived in Nizhni Novgorod and Novosibirsk, and one-third lived in St. Petersburg. Their typical wish was to leave Russia for a destination in the "Far Abroad." The cities they would like to leave behind were among the upper echelons of industrial cities within their countries, and they saw no reason to move elsewhere within Russia.

It is possible that emigration from Russia will be boosted by the changes taking place in East European and Baltic countries that have lost a considerable part of their workforce to the West after joining the European Union. In order to compensate for the losses, some of them (e.g. Poland, the Czech Republic, and Lithuania) plan to open their doors widely to workers from Russia, Ukraine, and Belarus. One should not ignore the potential future competition for human resources between Russia and Ukraine. Currently emigration losses in Ukraine are approximately the same as losses in Russia in absolute terms, but in relative terms they are more considerable given the deteriorating demographic situation there.

Russians always moved to Ukraine eagerly, and if the political situation in Ukraine stabilized and its economy began to grow, migration flows from Russia might regain their momentum.

Forced migration

Forced migration in the 1990s was an important challenge for Russia. The country was flooded with waves of refugees from areas of armed conflict. Russian-speaking people who were squeezed out by the flash of nationalism in almost all former Soviet republics were afraid of being cut off by their motherland and relatives.

Russia was the first country among the former Soviet countries to join the UN Convention on the Status of Refugees and its Protocol. The nation organized the Federal Migration Service in 1992, which was responsible for caring for forced migrants and refugees in the early years of its existence. The status

of "forced resettlers" was given to those refugees who received Russian citizenship. In order to ease resettlement and facilitate the process of integration, the Russian government made it possible for would-be refugees to receive Russian citizenship in their respective countries. This method was fraught with political complications. The status of forced resettlers was granted to internally displaced people (IDPs): citizens of Russia, refugees from Chechen Republic, and area of Ossetian-Ingush conflict.

The first refugees in Russia appeared in the late 1980s after the first ethnic conflict in Azerbaijan (the pogrom in Sumgait in 1988 that resulted in the exodus of nearly 20,000 people, mostly Armenians), in Uzbekistan (Fergana Valley, 1989, about 30,000 refugees, mostly Meschetian Turks), in Baku (January 1990, about 90,000 refugees, mostly Armenians and Russians).⁴ By June 1992 there were approximately 400,000 refugees in the territory of Russia according to the data of the Committee on Migration Affairs and the Ministry of Internal Affairs.⁵

The research community in Russia began to study the issue of forced migration in the very beginning of the 1990s. In 1992, in four former Soviet republics and two autonomous republics in the Russian Federation, a sociological study was conducted about Russian mixed families.⁶ The goal of the study was to look into the potential of forced migration and also at the adaptation of forced migrants in some regions of Central Russia. Later, studies of forced migration in regions with a mass influx of resettlers, such as North Caucasus⁷ and Central Russia,⁸ were carried out.

During 1992–2001 in the Russian Federation, out of more than two million people who applied for the status of forced resettlers and refugees, 1,612,400 people were granted the status. Among those who obtained the status, 1,369,000 people (84.9 percent) were from CIS and Baltic countries, 241,500 (15.0 percent) were from Russian regions, and 1,900 (0.1 percent) were from other countries.⁹

In 2002, after transfer of the Federal Migration Services to the authority of the Ministry of Internal Affairs, conditions for granting the status of forced resettler and refugee underwent major changes, and became more restrictive. The problem of forced migration by that time had become less acute. The main goals were now to fight illegal migration and to enhance migration control.

As a result, the number of annually registered forced migrants dropped significantly. In 2002, the status of forced resettler was granted to 20,504 people and the status of refugee to 51 people, and in 2003, the numbers declined further to 4,668 and 58 people, respectively. During the next few years, the number of new resettlers and refugees numbered several thousand per year.¹⁰ Forced migration in Russia practically disappeared (Figure 9.4).

In 1992–2001, when forced migration was relatively significant, 21.2 percent of those who arrived in Russia from CIS and Baltic countries received the status of forced resettler or refugee. The largest shares of officially recognized forced migrants in Russia were found among those who left countries

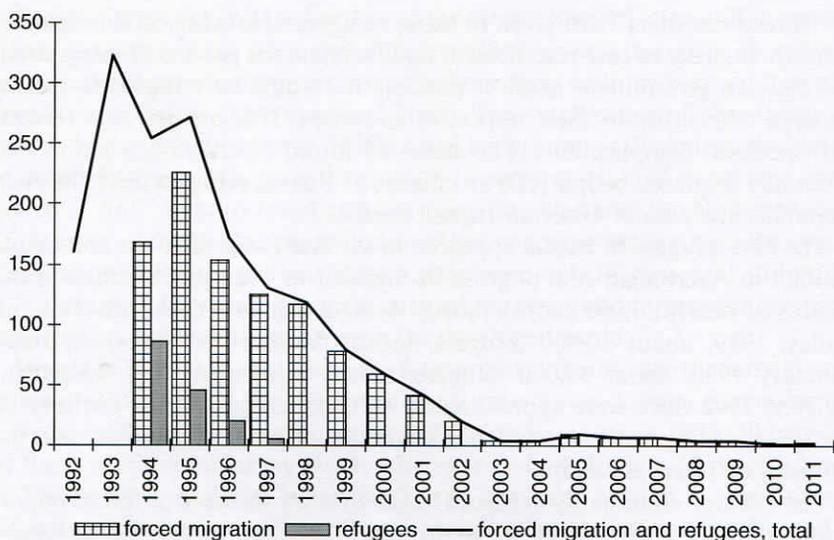


Figure 9.4 Number of forced migrants annually registered in Russia, 2002–11 (in thousands)

Source: Federal Migration Service of the Russian Federation.

in conflict, including 35.3 percent of those from Azerbaijan, 37.8 percent from Georgia, and 71.0 percent from Tajikistan. In some years, 100 percent of those who arrived from Tajikistan and Georgia were granted the status of forced migrants.¹¹ Migration from Ukraine and Belarus was not forced. Migrants from these countries, as well as from Armenia, almost never applied for this status.

Undoubtedly, the most acute case of forced migration occurred in the regions of intense ethnic conflict, in the Northern Caucasus. Practically all of the Ingush population of North Ossetia-Alaniya and the less numerous Ossetian people of Ingushetia had to abandon their homes for many years. The process of their return is far from over. During the rule of D. Dudaev and both military campaigns in Chechnya, not fewer than 250,000 Russians left Chechnya. During the second Chechen military campaign, large numbers of ethnic Chechens also left the republic. During 2000–1, the number of IDPs in Chechnya and adjacent regions, according to the data of the former Ministry of Federation Affairs, National and Migration Policy of Russia, exceeded 400,000 people during some months. It reached 368,400 people in January 2002.¹² The status of internally displaced people has not been settled to date.

A majority of forced migrants who were registered in Russia in the 1990s have lost their status since then. By January 1, 2012, 4,4537 resettlers, including 7,094 from Chechnya, 2,437 from North Ossetia-Alania, 15,169 from Kazakhstan, 9,594 from Georgia, 5,554 from Uzbekistan, and 2,297 from

Tajikistan, were registered. In 2007, Russia started to grant refugee status more actively. During the 2007–11 period, 1,006 people received this status, including 653 from Afghanistan and 229 from Georgia. There were a total of 802 refugees as of January 1, 2012.

Central Asia and Kazakhstan were the sources of the majority of those who received the status of forced migrant. Trans-Caucasus was the main source of such migrants in 1992–9. Starting in 1997, Kazakhstan became the biggest source, with a large Russian Diaspora. About 50–60 percent of the forced migrants who arrived in Russia from 1997–2001 were from Kazakhstan. Despite the fact that there were no armed conflicts in the territory of Kazakhstan, non-Kazakhs who lived there, particularly in its southern regions, were subject to daily discrimination, including language discrimination and other subtle forms of anti-Russian behavior. The Russian government also extended some resettlement assistance to forced migrants on the basis of their status. The state did not put up obstacles in granting the status because there were no other legal avenues for offering material assistance to these migrants.

Resettlement of forced migrants

In spite of the massive influx of forced migrants, their number as a proportion of the Russian population remained small, at around 1 percent. Among all former Soviet republics, this share was the highest in Tajikistan during the civil war, when every ninth citizen of that country became an internally displaced person,¹³ in Azerbaijan, and in Armenia during the armed conflict which resulted in every eighth and twelfth citizen, respectively, becoming a refugee.¹⁴ In this context, the situation in Russia seems relatively stable, despite the existing public opinion to the contrary.

In the early 1990s, the pressure of forced migration was the highest in the North Caucasus and a number of regions in southern Russia and the Volga region. By 1994, there were 600 refugees per 10,000 people in North Ossetia-Alaniya (refugees from South Ossetia and Ingushetia), more than 1,000 refugees per 10,000 in Ingushetia (from Chechnya and North Ossetia), 137 refugees per 10,000 in Belgorod region, and 111 refugees per 10,000 in the Stavropol'skii region. Later, the number of forced migrants grew the fastest in the regions of Urals and Western Siberia, along the borders of Central Asia, which served as the primary source of forced migration. Overall, in 38 subjects of the Russian Federation, the accumulated pressure by forced migrants exceeded 100 refugees per 10,000 people, including 11 regions where it reached 200 refugees per 10,000. In the majority of the northern regions of European Russia, Eastern Siberia, and the Far East, this pressure does not exceed 50 refugees per 10,000 people, in spite of the preferential treatment for forced resettlers that exist in those regions. The share of forced migrants who resettle in the European part of Russia almost never fell below 70 percent.

Annually about 40 percent of forced migrants resettled in rural areas of Russia; the rural population of Russia constitutes about 27 percent of the country's total population. Today there are rumors that the state applied pressure to make forced migrants settle in rural areas. Perhaps in the early 1990s such intentions existed among those who were in charge of solving the problem of forced migration. However, there was no large-scale, purposeful policy of resettling forced migrants in rural areas. The state had financial opportunities to support a few dozen small settlements through shared financing of social and public service infrastructure construction, but the share of resettlers associated with that state support was insignificant. The second indirect mechanism influencing resettlement decisions was the small size of loans for building or purchasing housing. Even the highest possible loans provided enough only for housing and settlement in rural areas, where housing prices were one order lower than in urban areas. The financial means allocated for housing to the socially vulnerable forced resettlers also did not afford them the opportunity to secure housing in large cities. All of the above circumstances resulted in most resettlers deciding to live in rural areas.

Age and education

Forced migration added younger and more educated people to the Russian population. During the period of 1992–2001, 28.3 percent of forced migrants were below the working age, compared to 23.3 percent among the Russian population; and people above the working age comprised 14.9 percent of the forced migrant population, compared to 20.1 percent of the Russian population. Forced migrants surpassed the population of Russia in the share of those with university education by 1.4 times (18.7 percent among the forced migrants and 13.3 percent among the Russian population). There are also more migrants with incomplete university and technical school education than Russians (30.8 percent vs. 23.7 percent).

Ethnic composition

The ethnic composition of the forced migrant population was characterized by a prevailing share of ethnic Russians (70.6 percent). The share of Russians in this population was even higher than among all those who arrived from CIS and Baltic countries. This demonstrates that it was easier for Russians to acquire the status, even though Russian laws did not discriminate on an ethnic basis in this regard. The second largest ethnic group was the Tatars (6.4 percent), followed by Ukrainians (4.4 percent), Armenians (3.8 percent), Ossetians (3.6 percent), and Tajiks, Uzbeks, Meskhetian-Turks, Koreans, who left Central Asia (1.4 percent altogether), and Germans from Kazakhstan (1 percent). These ethnic groups represented 91.2 percent of migrants from

former Soviet countries who received the status of refugee or forced resettler in Russia during the 1992–2001 period.

Repatriation of Russian-speaking population

Migration flows into Russia during the last 15–20 years, and in particular in the mid-1990s, were composed of ethnic Russians and people representing other ethnic groups of Russia or their descendents. Russified representatives of Ukrainians, Belarussians, Armenians, Georgians, Germans, and Jews comprised a small part of this flow. This repatriation migration was not a new phenomenon. The trend had also appeared in the 1960s, when Russians and Russian-speaking people began to leave Trans-Caucasus, and in the mid-1970s, when their exodus started in Central Asia and Kazakhstan. In the 1990s, repatriation intensified and covered all Soviet, non-Slavic countries, including Moldova and the Baltic countries. It acquired the characteristic of being predominantly forced, which greatly distinguished it from the repatriation of Russians during the Soviet time.

Ethnic Russians represented two-thirds of the migration growth in Russia during the 1989–2007 period, while approximately 12 percent of migrants were Russian citizens of other ethnic backgrounds, predominantly Tatars. The special nature of this migration is evident in the fact that during the last few years, registered immigration consisted mostly of people who already had Russian citizenship (75.5 percent of new arrivals from CIS and Baltic states and 72.1 percent from other countries in 2010). The potential of repatriation has not been fully exhausted, but it should not be overestimated. Millions of Russians live beyond Russian borders, although their numbers are decreasing for different reasons (migration to Russia, natural decline, change of ethnic identification). According to the censuses of former Soviet republics conducted mostly from the end of the twentieth century to the beginning of the twenty-first century, out of 25.3 million ethnic Russians who lived in the former Soviet republics in 1989, about 16.5 million (Table 9.1) remained there at the start of the twenty-first century. Since then, their numbers continued a quick decline. For example, between the 1999 census and the 2009 census, the number of Russians in Belarus decreased from 1,142,000 to 785,000, in the Kyrgyz Republic from 603,000 to 419,600, and in Kazakhstan from 4,480,000 to 3,774,000.

The majority of ethnic Russians abroad live in Ukraine, Belarus, and Kazakhstan. They are deeply rooted there and can hardly be considered a highly mobile source of future immigration. A mass exodus of Russians from the Baltics is not highly probable either. Sociological studies show a relatively high potential of ethnic Russian repatriation in Kazakhstan, Uzbekistan, and Kyrgyzstan. The highest estimate would be four million people. Undoubtedly some of this potential will be realized, but as a whole the period of mass repatriation to Russia has ended.

Table 9.1 Net migration of ethnic Russians from CIS and Baltic countries to Russia, 1989–2007

Country	Number of ethnic Russians according to 1989 census (in thousands)	Net migration of Russians, 1989–2007 (in thousands)	Losses of Russians in 1989–2007 (1989 base, in %)	Number of Russians in national censuses (in thousands) ^a
Belarus	1,342	8.3	0.6	785.0 (2009)
Moldova	562	75.3	13.4	412 (2004) ^b
Ukraine	11,356	378.0	3.3	8,334 (2001)
Azerbaijan	392	198.4	50.6	119.3 (2009)
Armenia	52	35.9	69.0	15.0 (2001)
Georgia	341	166.2	48.7	67.7 (2002)
Kyrgyzstan	917	272.1	29.7	419.6 (2009)
Tajikistan	388	239.2	61.6	68 (2000)
Turkmenistan	334	108.9	32.6	165 (2010) ^c
Uzbekistan	1,653	551.0	33.3	1,199.0 (2000) ^d
Kazakhstan	6,228	1,340.3	21.5	3,774.0 (2009)
Latvia	906	97.6	10.8	556.4 (2011)
Lithuania	344	47.1	13.7	219.8 (2001)
Estonia	475	59.4	12.5	340.7 (2012) ^e
TOTAL	25,290	3,577.7	14.1	16,475.5

Notes:

- a. Latest available data are used. The year of each census is in parentheses. Data from the latest censuses – Armenia (2011), Tajikistan (2010), Lithuania (2011), Estonia (2011–12) – have not yet been published. The censuses of the 2010 cycle of Ukraine, Moldova, and Georgia have not taken place.
- b. Including Transdnister.
- c. Estimates from the Statistical Bureau of Turkmenistan, 2010.
- d. Estimates according to the data from: *Etnicheskii atlas Uzbekistana* [Ethnic Atlas of Uzbekistan], Open Society Institute, Uzbekistan, 2002.
- e. Estimates of the Department of Statistics of Estonia for January 1, 2012.

Source: Federal Migration Service of the Russian Federation, USSR Population Census of 1989 and CIS and Baltics Population Census early 2000s.

Indirect evidence of this can be found in the ineffectiveness of the state program to assist compatriots with voluntary resettlement during 2006–12. In 2007–11 only 57,727 people resettled, despite projections that 200,000 would resettle during this period. This result testifies to the weakening motivation to resettle in Russia.

Labor migration

Economic migration is not new in Russia. It began to grow during the Soviet times and was understood as a desirable transfer of population

from labor-surplus to labor-deficit regions of the country. Measures were developed to attract labor from Central Asia to agricultural and other regions of Russia. However, migration from the republics with population surpluses was unmanaged. As a result, between the censuses of 1979 and 1989, the number of Moldovans in the Russian Federation increased by 69 percent (against a 10.5 percent increase in their own republic), Georgians and Armenians by 56 percent (10.3 percent and 13.2 percent in their respective republics), Azeris 2.2 times (24 percent), Uzbeks and Turkmen 1.8 times (34 percent), Kyrgyz 2.9 times (33 percent), and Tajiks 2.1 times (46 percent).

The breakup of the Soviet Union led to an increase in differences in the economic potential of former Soviet republics – differences that had been somewhat diminished within the framework of one state. Economic–demographic imbalances worsened in each republic, which in turn stimulated labor migration flows to Russia.

After the census of 1989, due to the influx of different ethnic migrants from former Soviet republics, there was a 17.5 percent increase in registered migration. However, according to the 2002 census, there were many more members of non-Russian ethnic groups from CIS countries than were registered. The 2002 census data indicated there were 82,000 more Tajiks in Russia than in 1989, while according to registration records, 343,000 had immigrated to Russia. The reduction of the share of ethnic Russians in the total migration from CIS and Baltic states indicated that there was a shift from repatriation to economic migration; 81 percent of the migrants to Russia were ethnic Russians in 1989–92, 64 percent in 1993–2000, 59 percent in 2001–4, 54 percent in 2005, 44 percent in 2006, and 32 percent in 2007.

We should keep in mind that all the official data refer to registered migration, while economic migrants comprise a significant share of illegal migrants who are not officially registered; therefore, in reality economic migration is the leading source of migration in Russia in general. This trend provides evidence for a shift toward the normalization of the social situation in the post-Soviet space as a whole. Today Russia receives immigrants not only from CIS countries, but also from Southeast Asia and the Near East, and transit routes for international migration also run through Russian territory. However, it is clear that labor migration is primarily responsible for shaping the future immigration situation in Russia.

The number of labor migrants who officially work in Russia has increased constantly since the late 1990s. In 2006, according to official statistics of the Federal Migration Service, they exceeded one million people. In 2007, as a result of the adoption of new, more liberal legislation, registered labor migration grew. In 2007, work permits were issued to 2,260,000 migrants, more than twice the level in 2006. On the basis of legal work contracts, 1,717,400 migrants were working in Russia in 2007, 2,425,900 in 2008, 2,223,600 in 2009, 1,600,000 in 2010, and 1,700,000 in 2011 (Figure 9.5).

The growth of labor migration in 2007–8, as indicated by statistical data, reflects not so much a general increase in migration flow as a shift in the

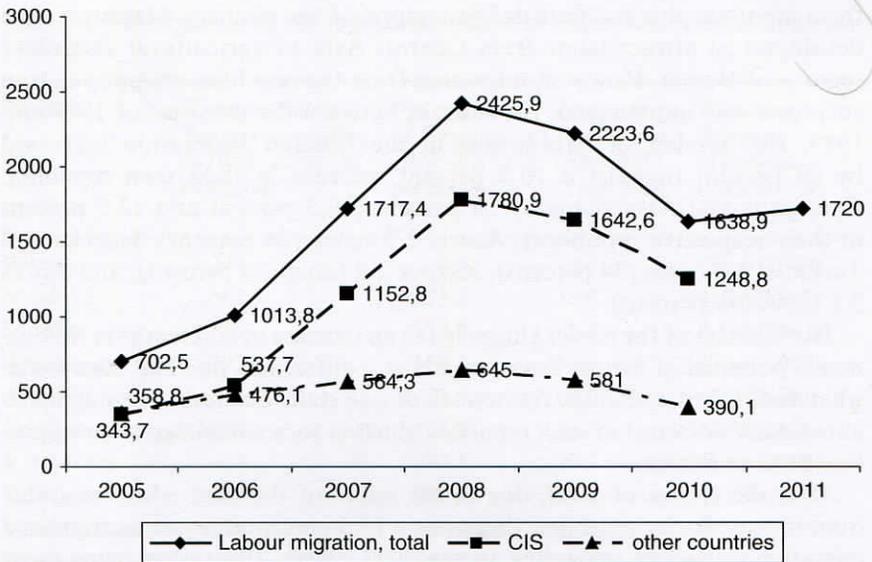


Figure 9.5 Migrant workers legally working in Russia (in thousands)

Source: Federal Migration Service of the Russian Federation.

balance between regulated and unregulated migration, with regulated migration rising as the result of a more liberal migration policy during this period (Figure 9.6).

Estimates of illegally hired migrant workers in Russia that appear in the public media vary from 5 to 15 million people. Researchers' estimates of illegal migrant workers ranged from 3 to 4 million in the early 2000s¹⁵ and grew to 5–7 million by 2005–2007. Because of seasonal fluctuations, the number of migrants during the “low season” can be 1.5 to 2.0 times lower than during the “high season.”¹⁶

Currently, the growth of labor migration is not as rapid as it was during the initial period of migration. Today's labor migration is a result of Russia's growing demand for foreign labor as it loses labor resources, as well as a consequence of the growing supply of labor in main source countries, where populations are growing quickly and becoming more mobile.

During the period of crisis, the number of foreign workers who were hired legally shrank 1.5 times between 2008 and 2010, and the number in 2011 was only slightly higher than in 2010. In accordance with the government's countermeasures against the crisis, the quota for foreign workers was cut by 50 percent, while the procedures for hiring migrants became more restrictive. A list of occupations open to foreign migrant workers was also introduced, while employers were required to advertise their available positions. Unemployed Russian citizens who were moving to other parts of the country were given

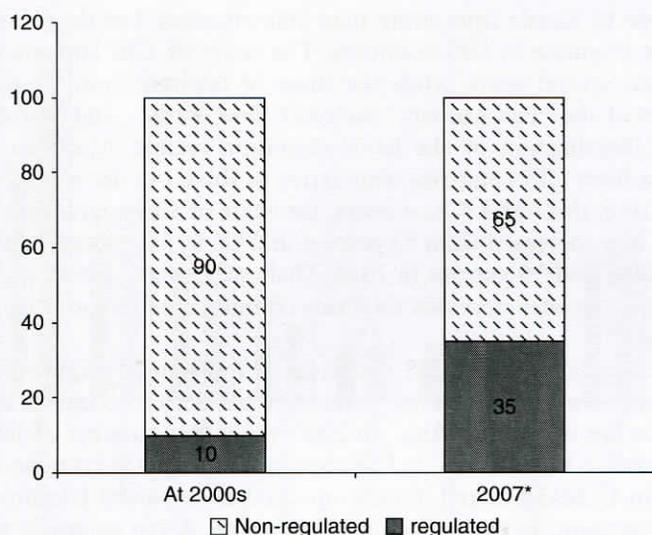


Figure 9.6 Regulated and unregulated components of labor migration (in %)

Source: Expert evaluation based on sociological polls conducted by the Center of Migration Studies.

financial aid. According to the data of the Ministry of Health and Social Development, 5,300 citizens took advantage of the financial assistance. This measure helped extinguish xenophobic flare-up, but it did not have a major impact on the number of foreign labor migrants in the country.

In the middle of 2010, work permits for domestic private service for foreign migrants were introduced, and helped to temporarily soften the impact of reduced quotas for foreign labor in the country. Thanks to the simple procedure for applying for these permits, over one million had been issued by the end of 2011. Some of these permits went to foreign workers employed by organizations, even though this was illegal. Due to those permits, a considerable number of illegal migrants came out of the shadows of illegal work. As a result, the size of legal employment remained approximately the same as prior to the crisis.

In general, anti-crisis measures designed to protect the interests of local workers did not result in massive deportation or administrative expulsion of labor migrants, as some radicals had demanded. The government knew of the situation, but by introducing these measures, it acknowledged the necessity of these migrants' presence in the country.

According to various estimates (those by the Federation Migration Service and experts), the overall number of labor migrants, including those who were illegally employed during the crisis, dropped by 15–20 percent. The 20 percent figure was confirmed by research conducted in Tajikistan.¹⁷

Migrants come to Russia from more than 100 countries; but the primary migration flows originate in CIS countries. The share of CIS laborers has grown in the last several years, while the share of laborers from the main source countries of the "Far Abroad," such as China, Turkey, and Vietnam, has declined. Liberalization of the labor migration regime, which mostly affects migrants from CIS countries who arrive in Russia under a non-visa regime, is a factor in this trend.¹⁸ As a result, the share of CIS migrants in the legal migration flow increased from 53 percent in 2006 to 67 percent in 2007, 73 percent in 2009, and 79 percent in 2010. Their share may be even higher in the actual flow, because non-visa migrants comprise the majority of the so-called "illegals."

The contribution of different CIS countries to the general migrant flow has been changing. During the last few years there has been a noticeable shift toward the countries of Central Asia. In 2006, the largest number of labor migrants who came to Russia from the CIS countries belonged to Ukraine, but the number from Uzbekistan and Tajikistan together surpassed Ukrainians by a significant margin. In 2007, each of the Central Asian countries sent more migrant workers than did Ukraine. This pattern continued in subsequent years (Figure 9.7).¹⁹

If we consider the unregulated component of migration in the middle of 2000, then according to estimates, Ukraine sends no fewer than one million labor migrants to Russia, while Moldova sends up to 500,000. However, emigration from these countries to Russia is declining, while emigration to European Union countries has increased. Countries of the Trans-Caucasus supply no more than 1.5 million migrant workers to Russia. In contrast, rapidly growing migration from the Central Asian countries brings more than two million workers to Russia, including more than 700,000 from Tajikistan, 500,000 from Kyrgyzstan, and more than 1,000,000 from Uzbekistan.²⁰

Migration from the aforementioned countries of Central Asia did not respond as strongly to the crisis as migration from other CIS countries. While the flows from Ukraine and Trans-Caucasus to Russia declined by half in 2010 from 2009, those from the three Central Asian countries dropped by 33 percent. In 2011, the flows from most countries had returned to earlier levels, but the flows from Central Asian countries considerably exceeded previous levels. In 2011, 62,300 migrants arrived in Russia from Uzbekistan (compared to 43,600 in 2009), and 42,600 arrived from Kyrgyzstan (compared to 23,500 in 2009), while the flow from Tajikistan exceeded pre-crisis levels by a smaller margin (34,000 in 2011 compared to 27,700 in 2009).

As a result of the strong presence of Central Asian migrants, migration in Russia from CIS countries became much more noticeable. Uzbekistan, Tajikistan, and Kyrgyzstan represented 36.5 percent of all labor migrants from CIS countries into Russia in 2009, 39.2 percent in 2010, and 44.9 percent in 2011.

The presence of Central Asian migrants is even more pronounced in labor migration. As shown in Figure 9.7, every third migrant in 2010 came from

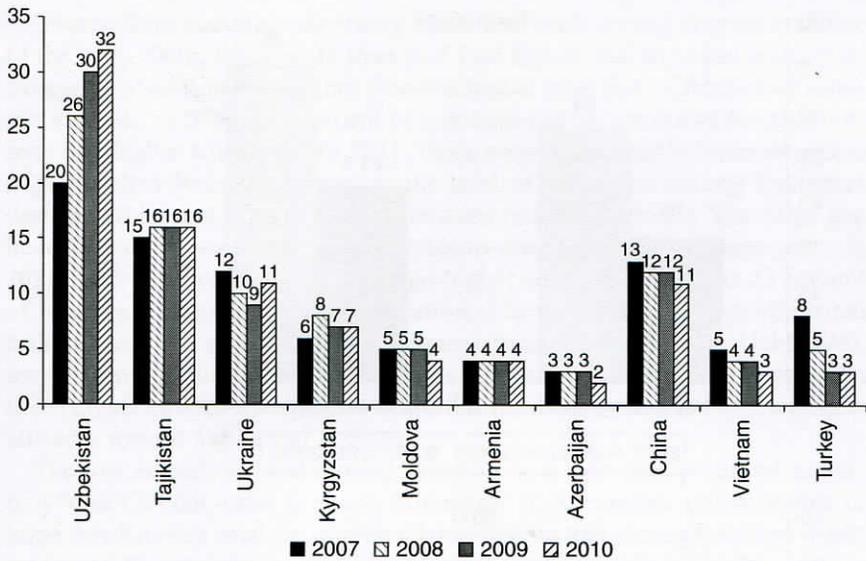


Figure 9.7 The share of main source countries in labor migration to Russia, 2007–10 (in %)

Source: Federal Migration Service of the Russian Federation.

Uzbekistan. Combined with migrants from Tajikistan and Kyrgyzstan, total migration from the three Central Asian countries constitutes 55 percent of total labor migration to Russia, including migration from non-CIS countries.

The majority of migrants, particularly those who arrived in Russia during the crisis, would rather wait for economic recovery in Russia than leave the country. Even after losing their jobs, many did not return to their home countries. Instead, knowing that the situations in their countries of origin were much worse, they relied on occasional earnings from Russia's informal sector. Even during the crisis, most migrants were able to work as they did before the crisis.

Tolerant Russian attitudes toward migrants allowed continued stability in the CIS countries, even during the crisis. A massive exodus of migrants from Russia would have meant the real threat of economic collapse for Central Asian countries, because remittances from these labor migrants would have ceased. It would also have raised serious questions about the Eurasian integration project

Nevertheless, a very significant decline in migrant remittances did occur in Tajikistan and Kyrgyzstan – 31 percent and 20 percent in 2009, respectively, compared with 2008. At the same time, remittances remained higher than 2007 levels.²¹ Consequently, both Tajikistan and Kyrgyzstan stayed in a growth mode and avoided a recession.

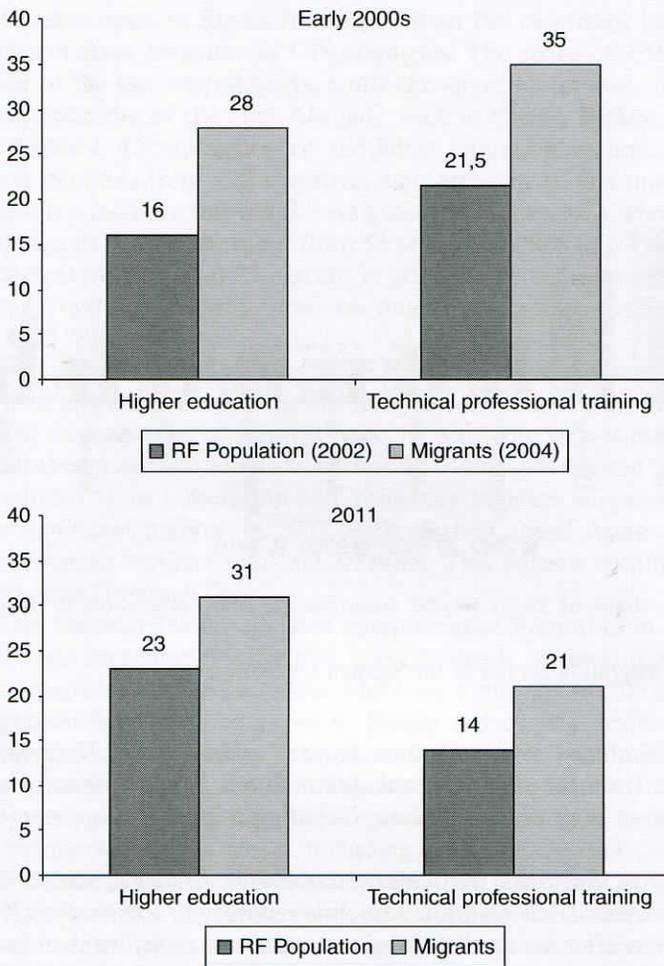


Figure 9.8 Education of RF-population and migrants

Source: Federal Statistics Service of the Russian Federation.

Labor migration into Russia remains male-dominated – 70 percent of migrants are men. Official statistics report an even higher percentage of male migrants, 84 percent. However, there may be a considerable underreporting of female migrants in official statistics and sociological studies. Women migrants, due to the nature of their employment (informal work in public and domestic services, entertainment and sex industry, etc.), often remain in the shadows. Given that about two-thirds of employment in the modern economy is in service industries, and that Russia is a part of this global trend toward service-sector jobs, we can assume that the percentage of female migrants is increasing, and will continue to rise in the future.

Observations document declining education levels among migrants relative to the early 2000s, when more than half had higher and technical education. Migrants' education level at that time was higher than that of Russian citizens. For example, in 2004, 21.5 percent of migrants and 16 percent of Russian citizens had higher education. In 2011, there were considerably fewer educated migrants than Russian citizens, as the level of education among foreigners declined while that among Russian citizens rose (Figure 9.8). The huge gap in education between host country citizens and migrants thus emerged – in 2011, only 14 percent of migrants had higher education, whereas 23 percent of Russian citizens had higher education. The gap in technical professional training was just as significant. Migrants from Tajikistan and Uzbekistan tend to have the lowest education levels – only 8 percent of this population holds higher education degrees – which has resulted in the rise of xenophobic attitudes toward Tajiks and Uzbeks.

The low education level among migrants is a sign that potential migration from CIS countries is nearly exhausted. It is therefore unreasonable to hope that Russia's need for qualified labor can be met through foreign workers from CIS countries.

Migrants with low levels of education and without professional training are the least adaptive and the most problematic segment of the labor market. The following changes in the structure of labor migration are observable:

- *From residents of large cities, who comprised the majority of immigrants until recently, toward residents of smaller towns and villages:* more than 70 percent of migrants arrive in Russia from villages and small towns.
- *From more educated to less educated:* the level of education and professional training of migrants is declining; 65 percent of migrants do not have professional education and can only engage in unskilled labor.
- *From more well-off to lower social strata:* the majority of migrants, prior to leaving for Russia, refer to themselves as poor (38 percent) or very poor (46 percent).
- *From migrants who are culturally close to Russia to migrants who are more removed from Russian culture:* the share of Muslims from Central Asian countries grew to 41 percent of all labor migrants in 2007, and to 53 percent in 2009; migrants' Russian language skills are weaker (10–15 percent of migrants have poor Russian language skills; 20–40 percent have not very good Russian language skills, depending on the region).

As a result of these changes, Russia is absorbing migrants whose characteristics are very different from those in the early 2000s. Culturally more removed and less adaptive, these migrants present a serious challenge to migration policy, which must adapt.

Beginning in December 2012, testing of Russian language skills was introduced for workers employed in trade, services, and city maintenance, who

come into direct contact with the local population. However, starting in 2015, this program will apply to all migrants.

The share of legally employed foreign workers in total Russian employment grew in the pre-crisis year from 2.4 percent in 2007 to 3.4 percent in 2008. During the crisis, some decreases occurred, to 3.2 percent in 2009 and 2.4 percent in 2010. The real share of foreign labor, taking into account those in the shadow sector of the labor market, can reach 7–8 percent. This percentage is approximately the same as the share of foreign workers in such European countries as Germany, Belgium, and Spain. Migrant labor is becoming more and more noticeable in trade, transport, road construction and repair, housing and household repair, and private and public services in large cities and metropolises of the country. It is possible that in the near future, other sectors of employment for foreign workers may emerge, including textile, extraction, other branches of industry, household services, etc., which are more traditionally seen in other European and Asian countries.

The majority of labor migrants have temporary employment in the private sector of the Russian economy. Migrant participation in other spheres of the economy varies. For example, foreign migrants' share in construction is seven times higher than Russian workers. Foreign migrants also have higher participation rates in trade, services, and extraction of mineral resources than their Russian counterparts. Those sectors also lead in the share of foreign workers relative to the total number of employed people (approaching 20 percent in construction, and including estimates of illegal workers, up to 40 percent).

Because large numbers of migrants take less prestigious and lower-wage jobs, and they are concentrated in those sectors that are vulnerable during crisis, such as construction and trade, they are more vulnerable to the fluctuations of the market in comparison with local workers.

The crisis has significantly transformed the structure of migrants' employment. Their engagement in construction was cut by almost 50 percent. As a consequence, the share of this industry in the legal employment of migrants dropped significantly, from 42 percent in 2008 to 36.3 percent in 2010. The engagement in trade shrank by one-third. The figure for city maintenance dropped by the order of 2.5 and in other types of activities by the order of 3. To a lesser degree, the crisis affected the employment of migrant workers in agriculture, processing industry, transportation, and social services.

In international labor markets, the role of migrants is significant in both skilled (e.g. managers, scientists, high-tech workers, and IT specialists) and unskilled sectors. Such high-skilled migrants are noticeable in Russia, but mechanisms for attracting skilled specialists to Russia is not sophisticated. This type of migration will certainly develop due to expected growth in demand for this segment. The Russian government is working on increasing high-skilled recruitment, and in the future one can expect the appearance of special managerial decisions and programs oriented toward high-skilled workers (introduction of a core system of evaluation and selection of migrants, expansion

Table 9.2 Salaries and GDP per capita in CIS countries

	<i>Average nominal wage, January 2012 (in US\$)</i>	<i>GDP per capita, PPP, 2011</i>
Azerbaijan	290	8,960
Armenia	290	6,100
Belarus	344	14,460
Georgia	...	5,350
Kazakhstan	620	11,250
Kyrgyzstan	208	2,180
Moldova	266	3,640
Russia	782	20,560
Tajikistan	110	2,300
Turkmenistan	...	8,690
Uzbekistan	...	3,420
Ukraine	341	7,040

Sources: Statistical Committee of the Center for Immigration Studies and the International Monetary Fund.

of lists of priority professions for accepting migrants beyond quotas, attracting migrants in the system of professional training, etc.).

The difference in demographic and economic development and living standards between Russia and the main source countries will stimulate labor migration to Russia for a long time to come (Table 9.2).

Most modern theories agree that migration is beneficial for both source and receiving countries. Western research shows that migration has practically no negative influence on the level of employment or wages in receiving countries.²² American scholars, using neoclassical methodology based on evaluating the correlation of "costs and benefits" from migration, state that the general benefit from liberalization of migration regimes will be about 25 times higher than effects from the liberalization of international trade and financial flows.²³

However, the size of benefits from migration has been questioned. Speaking at the "High-Level Dialogue on International Migration and Development" at the UN General Assembly, which took place in New York on September 14–15, 2006, Director of the Federal Migration Service of Russia, K. Romodanovskii, stated that Russia's economic losses from the nonpayment of taxes by illegal migrants amounted to more than \$8 billion a year. In addition, migrants from CIS countries export more than \$10 billion annually, bypassing state control. At the same time, the volume of registered money transfers by migrants in these countries exceeded \$3 billion. As to the "benefits" that Russia receives from migration, they are cited in only a handful of reports by experts who emphasize that migrants produce 8–10 percent of GDP in Russia.

Considerable benefits for the economies of receiving countries derive from the relatively low living standards of migrants, and as a result, their provision of "cheap labor." However, "cheap labor" is a much more complex phenomenon than is often acknowledged. Behind this situation is not only dishonest competition and entrepreneurial greed, but also entrepreneurs' response to poor economic conditions (particularly among those who own small- and medium-size businesses, which employ the majority of migrants).

Migrants' willingness to work on an informal basis and for low compensation has had negative consequences for the jobs competition among migrants and local workers. This trend also reflects the unfavorable economic situation in source countries, where workers are paid one-tenth or less than what they can receive in Russia. Strong "push" factors are characteristic of labor migration into Russia, particularly from CIS countries. According to an IOM study in 2006, about one half of migrants who were polled did not have stable employment in their home countries (they were unemployed or temporarily employed). In spite of their young age, more than half of the migrants had their own families and small children; about half of them were the only bread-winners in their families; and on average they had three dependents. Fifty percent of labor migrants from CIS countries, before arriving in Russia for work, could be referred to as extremely poor, as their income was not adequate for daily necessities such as food and clothing. It is despair and lack of any opportunity to provide for their families that propel many migrants to tolerate the exploitative (even slave-like) labor conditions in Russia.

As an IOM study (July–September 2006) indicated, the average migrant in Russia received about 11,000 rubles per month, which was equivalent to US\$400 and equal to the average salary in Russia (10,900 rubles according to the Russian Statistics Bureau in September 2006). At first, it may seem that such incomes are not small; however, we should consider that migrants work an average of 20 hours per week more than Russian citizens – the typical migrant's work week is 60 hours, and more than one-third of the migrants work more than 70 hours per week, meaning they work more than ten hours a day without any days off. Migrants primarily work in positions that are not in demand among the local population: difficult and poorly paid jobs, jobs of temporary or seasonal nature, and informal work in the shadow labor market. However, it would be too simplistic to say that migrants did not compete against local workers. In some spheres, competition does exist. As a rule, migrants' greatest advantage in this competition is their willingness to work for less, without social guarantees, and informally. Neither of the following two points of view can be accepted: that migrants push locals out of labor market, and that migrants and local workers do not compete against each other. The situation is much more complicated. Half of the migrants polled say that local workers do not compete for their jobs. In those spheres/regions where foreign labor has been employed for a long time and more intensively, for example in Moscow, labor market segmentation has already taken place and competition between migrant and local labor is weaker (Figure 9.9).

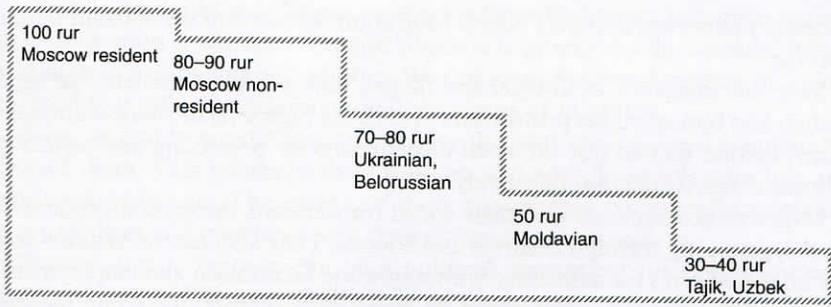


Figure 9.9 Wage differentials between labor groups in Moscow

Source: Focus groups with employers, conducted by Levada Center for the project "La Strada Ukraine."

Competition between migrants and local workers, as well as among migrants themselves, depends particularly on existing segregation in labor compensation based on ethnicity. For example, Figure 9.9 presents a "staircase of wage correlation" which was drawn by employers in Moscow employing foreign labor.

Besides direct contributions to the economy of Russia as a recipient country, labor migration serves as a stabilizing factor for all CIS countries by supporting social stability, assisting economic development, and promoting the formation of a middle class in the migrant source countries.

In the shadow of migrant economy

One characteristic of the Russian economy is the relatively high share of its informal, "shadow" sector. Russia's informal sector activity is estimated at 20–25 percent of GDP. In those sectors where migrants are heavily engaged (construction, trade and services), estimates reach up to 60 percent of sector GDP.²⁴

The huge scale of the shadow economy, which relies predominately on migrants, creates serious challenges for both economic development and migration. Although migration policies took initial steps toward overcoming barriers to the legalization of migrants in 2007, they are not working effectively to overcome the opaque, unregulated nature of most migrant employment. Eager to keep a part of their business in the shadows, employers do not conclude labor contracts with their employees and pay wages in so-called "black cash." According to the Federal Migration Service, in 2007, notifications from employers regarding employment of foreign workers were received for only 47 percent of the work permits that were issued to CIS citizens. This means that even among legal labor migrants who received work permits, more than half were engaged in the shadow sector, with employers who were unwilling to acknowledge that they hire migrants and who did not send the

necessary paperwork to the Federal Migration Service and the Russian Labor Service.

Very few migrants, both legal and illegal, have access to the Russian legal system and human rights protections. Due to the high level of shadow employment, neither formal nor informal mechanisms for protecting and restoring migrants' rights function effectively.

Migrants conduct most of their social transactions through informal networks, primarily through relatives and friends. They also rely on shadow sector intermediaries for assistance with migration facilitation and employment. The shadow economy has created its own infrastructure, including mechanisms for providing shadow businesses with labor. Such intermediaries offer a variety of services: securing legal status, matching employers and employees, finding housing, etc.

Since the beginning of the period of mass labor migration, migrants have created wide and flexible networks, which are used by subsequent generations of migrants to secure employment and settle down in Russia. It would be wrong to say that these networks are well organized. Unlike traditional diasporas, they are more often informal and under-institutionalized; however, they fill the vacuum created by lacking official services, and often function more effectively than the official structures that are available. Today, more than 70 percent of migrants in Russia find work through relatives and friends, i.e. with the assistance of established migrant networks. The network of private intermediaries, which now services 15 percent of the migrant population, continues to establish and expand this sphere of activity. A majority of such intermediaries act as shadow agents, with all the consequences one would expect from unsanctioned and unregulated activities involving a vulnerable population.

State services that assist labor migrants and formal non-state services together handle no more than 10 percent of the migrant flow. The limitations of official infrastructure for labor migration force migrants to rely on informal connections provided by shadow intermediaries, which increases the risks to migrants. In order to shift the current situation away from informal networks and toward official institutions, Russia must create a wide and effective web of services dedicated to organizing and regulating migration, which could offer migrants those services they currently find in the informal, shadow, and extra-legal space.

Is Russian society ready to receive immigrants?

The existence of millions of illegal migrants, the vulnerability of both legal and illegal migrants, and the shadowy economic activities associated with them present a gap between the nature of this economic-social phenomenon and Russia's institutional responses. Russia is not alone in this problem, which exists in virtually every society that must adapt to the realities of modern migration.

There is no doubt that Russia is very far from finding an adequate answer to its migration challenges. A major obstacle is general public opinion, which is contaminated by migrant-phobia. We can identify several aspects of public opinion that influence migration and the status of migrants.

First, migrants are directly affected by the attitudes of local populations toward them. This relates to daily routines and specific people who live and work near migrants. The spread of daily xenophobia complicates migrants' everyday lives and interferes with their integration into society.

Second, public opinion can be a political instrument for politicians and authorities to manipulate. Politicians use the public's anti-immigrant sentiment to formulate their election platforms, and these xenophobic attitudes are subsequently filtered through national politics and reflected in legislation, which in turn influences the situation of migrants. Bureaucrats, making local managerial decisions, are wary of undertaking unpopular measures. Besides, they are a part of Russian society. They may hold liberal or conservative positions with regard to migrants. Many bureaucrats sincerely subscribe to the outdated view that immigration is a potential threat to Russia and should be severely restricted. Local bureaucrats thus oppose liberal federal migration policy, and create unnecessary administrative barriers that complicate the process of employment and legalization of migrants.

Third, negative attitudes among local populations, even if they do not manifest in open xenophobic expressions, contribute to the maintenance of double standards and social indifference regarding "strangers." As a result, society ignores human rights violations, exploitation, and virtual slavery, instead blaming them on the migrants themselves. This tendency not only harms migrants, but also has a negative impact on the evolution of Russian society. Instead of taking a civic position against human rights violations and exploitation, society continues to tolerate double standards.

Fourth, negative public opinion regarding migrants can provoke and lead to the cover up of corruption and abuse among the police and other organizations. The population passively approves the authorities' illegal actions against migrants.

Immigrant-phobia

Government policies cannot be based only on the good intentions of the country's leadership; they have to be based on a minimum of public consensus and supported by major political forces in the country. Currently, achieving consensus on immigration issues in Russia is extremely difficult because of the general prejudice toward migrants, which only grows with time.

According to a Russian public opinion survey conducted by the Levada Center in August 2010, only 14.5 percent of respondents characterized their attitudes toward migrants as "positive" or "rather positive," and 40 percent expressed negative attitudes toward migrants ("rather negative" among 29 percent and "definitely negative" among 11 percent). The years 2009 and

Table 9.3 Question: "What is your attitude to the fact that one can see workers from Ukraine, Belarus, and Moldova and other countries of CIS at Russian construction sites more and more often?"

	Sept. 2005	Aug. 2006	Aug. 2007	Oct. 2008	Aug. 2009	Aug. 2010
Definitely positive	6	6	6	5	4	3
Somewhat positive	16	14	12	16	11	11
Neutral	42	45	49	46	43	42
Somewhat negative	24	21	25	22	25	29
Definitely negative	11	12	6	7	12	11
Difficult to answer	1	2	2	3	6	4

Source: Levada Center, August 2010, N=1,600.

2010 saw a significant deterioration in attitudes toward migrants compared to 2008, when 21 percent of respondents characterized their attitude as positive, and 29 percent as negative (Table 9.3). According to a survey conducted by a VTsIOM (Russian Center of Studies of Public Opinion) in October 2009, Russians had friendlier attitudes toward immigrants from the CIS.

The overwhelming majority of respondents (73 percent) said they were indifferent toward migrants, 11 percent "liked" them, and only 9 percent "disliked" them. Meanwhile, according to the same survey, illegal immigrants from other countries (outside the CIS) faced extreme xenophobia: only 9 percent of respondents expressed a positive attitude toward illegal migrants, 50 percent expressed a negative attitude, and 35 percent characterized their attitude as neutral.

According to Levada Center surveys, a majority of Russians believed immigration to Russia should be limited (52 percent of respondents in 2008 and 60 percent in 2010), and only 27 percent in 2010 (compared to 35 percent in 2008) had a liberal attitude toward migrants, believing that no administrative barriers should be created to limit immigration and that migrants should receive assistance in establishing their legal status and searching for jobs. In Moscow and St. Petersburg in 2008, 78 percent of respondents held the same view.²⁵

According to research by IOM (MOM Moscow) and OSCE, 45 percent of the population of three pilot cities were concerned about the number of migrants in their cities, did not see anything positive about their presence, and thought their cities did not need migrants.²⁶ The public's attention was focused primarily on the negative impacts of migration. First, local residents observed the low quality of goods and foodstuffs that were sold, issues of hygiene and health, and worsening crime rates. Between 30 and 40 percent

of the population emphasized the negative economic consequences of migration, including a monopoly on prices, competition in the labor market, low wages, and so on. Up to one-third of the population pointed out the cultural estrangement of migrants vis-à-vis the local population, their lack of respect for Russian cultural traditions, contamination by foreign cultures, and so on.

At the same time, a considerable portion of the Russian population relies on migrants' services, particularly when they buy food and goods at the market. Migrants deliver communal services, clear yards and houses, are hired for construction and repair works, and carry out household and garden services. However, many Russians do not even realize that they utilize migrant labor.

Chinese in the Russian labor market

China is one of the main sources of migrant labor in Russia, and is the primary source outside of the CIS. Labor migrants from China appeared in Russia after the collapse of the Soviet Union, which differentiated them from the Vietnamese and North Koreans who worked in Russia during the Soviet period. In the 1990s, the volume of workers from China, as well as from North Korea and Vietnam, was modest – approximately 25,000 Chinese and 8,000–9,000 Vietnamese and Koreans per year. In the 2000s, their numbers grew rapidly – the number of Chinese grew seven-fold, the number of Vietnamese increased 7.5 times, and Korean migrants doubled during 2001–9.

Official hiring of Chinese reached 160,596 in 2005 and 210,784 in 2006. During those years, the Chinese led the foreign force in Russia, surpassing Ukraine as the largest source of foreign labor. China also surpassed Turkey by more than 200 percent. In the 1990s, Turkish migrants were the second largest foreign labor force. In 2008, the number of Chinese workers in Russia peaked at 281,679 people, declining in 2009 to 269,885 workers and to 18,492 in 2010. In comparison, 97,474 Vietnamese and 37,712 North Koreans worked in Russia in 2009, with 46,010 Vietnamese and 36,541 North Koreans in 2010.

In spite of the considerable increase in the number of Chinese migrant workers, their share among foreign laborers dropped precipitously, from 20.8 percent in 2005–6 to 12.1 percent in 2009 and 11 percent in 2010. The proportional growth of Chinese immigration has been restrained by the influx of Tajiks and Uzbeks, who poured into Russia starting in 2006 and have subsequently occupied the leading positions among the foreign migrant population, with Chinese workers making up the third largest group.

Due to the effects of the global financial crisis in Russia, the quota of foreign workers was cut in half. According to the quotas in 2011, only 92,500 Chinese were hired, one-third of the number hired in 2008. Their share among foreign workers dropped to 7.6 percent. Nevertheless, the Chinese remained the largest single national group among the migrants from non-CIS countries.

According to data obtained through various studies, the number of Chinese in the Russian regions bordering China, from Irkutsk to Nakhodka on the Sea of Japan, was at one time estimated at 200,000–3,00,000.²⁷ The overall

number of Chinese in Russia is around 400,000–600,000 people.²⁸ These estimates have not changed with time, despite the rapid growth of labor migration. In the early 2000s, due to the introduction of an automated system for immigrant registration on the eastern border, border control was strengthened considerably, and opportunities for Chinese migrants to stay illegally decreased. Therefore, there is no basis to the claim that the general number of Chinese in the country has increased, even considering the existence of underground sewing factories and illegal traders, etc. Nevertheless, the proportion of legitimate migration increased. The same trend was observable for Vietnamese migrants, while North Korean migration was tightly controlled by the North Korean government.

The main occupations among the Chinese are trade (33.4 percent in 2009), construction (31.5 percent), and agriculture (17.7 percent). Some Chinese migrants work in processing enterprises (6.5 percent), while others are employed in other areas. Chinese employment is more diversified relative to the Vietnamese, the majority of whom are engaged in trade (70 percent in 2009) and processing (12.4 percent), and North Koreans, who are mostly working in construction (80 percent), and agriculture and forestry (13.13 percent). It is true that Chinese nationals still cannot widely develop traditional restaurant businesses in Russia, probably due to local entrepreneurs' efforts to limit competition and prevent a potential price decline. However, this process has accelerated in the Russian Far East. According to D. Poletaev,²⁹ in addition to restaurants, the Chinese migrant community has opened hair and massage salons and photo studios, clothes, footwear, and telephone repair shops in Vladivostok. Gradually, cheap Chinese restaurant chains have proliferated in Khabarovsk.

Public opinion in Russia usually associates Chinese immigration with the Russian Far East. Though this is a deeply ingrained perception, it does not reflect reality. In 2008, only 30 percent of Chinese nationals lived in the border areas, including the Russian Far East and Zabaikalie. Approximately the same number of Chinese live in areas along the eastern branch of the Trans-Siberian Railway – from Sverdlovsk to Irkutsk regions (29 percent). There is a similar concentration of Chinese migrants in Moscow (28.7 percent). Outside these territories, there are small pockets of Chinese, for example in St. Petersburg (3.5 percent) and Yakutia (1.6 percent). Chinese nationals live in 71 out of 83 subjects of the Russian Federation. In eight regions, their numbers do not exceed 10 occupants, and in 11 districts, there are no more than 50. Chinese migrants avoid North Caucasus, and they are almost entirely absent from the north of European Russia.

Moscow is host to the largest number of Chinese labor migrants in the country. There were 80,867 Chinese migrant workers living there in 2008. Zabaikalskii krai, with 27,273 Chinese migrant workers, and Amurskaya oblast, with 23,567, follow Moscow. Behind these regions come Irkutskaya oblast (17,326) and Primorskii krai, Krasnoyarskii krai, and Sverdlovskaya oblast (each with a little over 16,000 Chinese migrants). The presence of

Chinese migrants is proportionately the highest in the Jewish autonomous oblast, where they make up 3.7 percent of the population. This oblast is followed by the Amurskaya oblast (2.7 percent) and Zabaikalskii krai (2.4 percent). The proportion of Chinese migrants in Primorskii and Khabarovskii krai is the same as in Moscow, at 0.8 percent.

The data cited above make it clear that the widely held belief in a mass Chinese influx in the border regions³⁰ is nothing but a myth, as are predictions of 4–10 million Chinese in Russia by 2010.³¹ We can see that a “Chinese tsunami” has not occurred. According to our forecast, a Chinese presence on this scale may be expected by the middle of the twenty-first century.

On the other hand, an estimate by Victor Larin, which refers to the number of Chinese in the southern Far East, predicts 65,000–70,000 by the middle of the next decade.³² This estimate may be low, as it only accounts for officially registered labor migrants.

Mass media continues to scare the Russian public about the future establishment of exclusively Chinese towns and cities, and the consolidation of isolated groups of Chinese into communities and criminal groups. However, the most recent research rejects such dire prognoses, at least in the Russian Far East.³³ In Moscow, however, the formation of such communities as a means of coping with a threatening environment is quite possible.³⁴

Will the Chinese presence in Russia lead to confrontation or integration with host communities? Chinese migrants are very adaptable, and perhaps this serves as a particular irritant for Russians who lack confidence in their own business skills. According to the opinion of Far Eastern residents, Chinese are more industrious than Russians (71 percent of respondents believe that Chinese nationals are industrious, compared to only 16 percent who believe that Russians possess this trait), more entrepreneurial (46 percent vs. 20 percent), and cleverer (47 percent vs. 18 percent), while responsibility was a quality believed to be lacking among both Russians and Chinese. Russians do not believe that Chinese are honest, with only 1 percent of respondents believing they are, compared with the perception that an average of 21 percent of Russians are honest. The study also revealed the belief that a lack of business qualities among Russians is compensated for by their inherent generosity (52 percent), which is not considered a Chinese attribute. This negative characterization of Chinese migrants is reinforced by a perception that Chinese are excessively aggressive (35 percent of Chinese are seen as overly aggressive according to opinion polls in the Russian Far East, in comparison with 17 percent of Russians).³⁵ One should not interpret the juxtaposition of the two psychological types that emerge from the data as a difference between Russian and Chinese people. In most cases, these are differences in perception between migrants and members of host communities in general.

Chinese are apprehensive about the difficulties they face in Russia: systemic bribery, racketeering, threats, and unfavorable attitudes toward them on the part of the population and the authorities.³⁶ Regardless, a considerable number of Chinese (33 percent) evaluate business conditions in Russia favorably.

Those respondents who consider conditions to be less favorable amounted to 19 percent, and only 6 percent planned to stop their activities in Russia.

Chinese are not Russophobes: only 10 percent of them have negative attitudes toward mixed marriages with Russians, while 40 percent of Russians have negative views. Chinese migrants are also comfortable with the Russian language: every tenth "knows it well"; every third "can communicate"; and half "read, speak poorly, and understand."³⁷

Almost every second Chinese would like to live in Russia permanently. Many more Chinese would like to open a business in the Far East than in Moscow (52 percent vs. 10 percent), but eagerness to maintain resident status is considerably higher (67 percent against 27 percent). It is obvious that Moscow, a city of potentially huge business opportunities, attracts Chinese, but the city's overly rigid conditions for legal business and difficulties with legitimization scare many Chinese away. In general, however, Chinese show readiness to integrate into the Russian society and economy.

The proximity of China to the Far East compensates for a growing sense of separation between the region and European Russia. While the government looks for the right model of integration into the Asia-Pacific region, the process of integration with China in the Far East is proceeding *de facto* due to the independent initiatives and entrepreneurship on both sides of the Amur River. Russians are involved in trade operations with China even more actively than the Chinese. They cross the border twice as frequently. Every second resident of the Russian Far East has visited China at least once. A significant number of residents of the Far East are engaged in relations with China, and the regional population's attitudes toward the Chinese are changing as a consequence. Among the residents of the regional centers, 44 percent consider relations with China positive. The population views future prospects as even more promising (55 percent). The contrast with the residents of Moscow is striking. According to the opinion of the Chinese, a majority of Moscovites are unfriendly or even hostile toward them (67 percent). In contrast, in the Far Eastern cities a perception of friendly relations is dominant (41 percent).³⁸

Several pairs of cities across the Chinese-Russian border are closely linked with each other. Blagoveschensk and Heihe serve as an example of such relationships. Heihe, in China, is a new city with a population similar to that of Blagoveschensk, in Russia. It grew over the last two decades thanks to border trade with Russia. Blagoveschensk, which once was a remote, isolated city, has been given a second wind due to its proximity to China. Residents of this Russian city not only purchase their everyday consumer goods from China or use Chinese goods at home, but they also travel to Heihe for shopping and celebrating holidays and anniversaries in Chinese restaurants. They go through Heihe on vacations on the Yellow Sea. Blagoveschensk, long an old and neglected city, is now being modernized to maintain its appearance.

Both Chinese and Russians receive enormous economic benefits from these relationships. China benefits from gaining access to vast consumer markets,

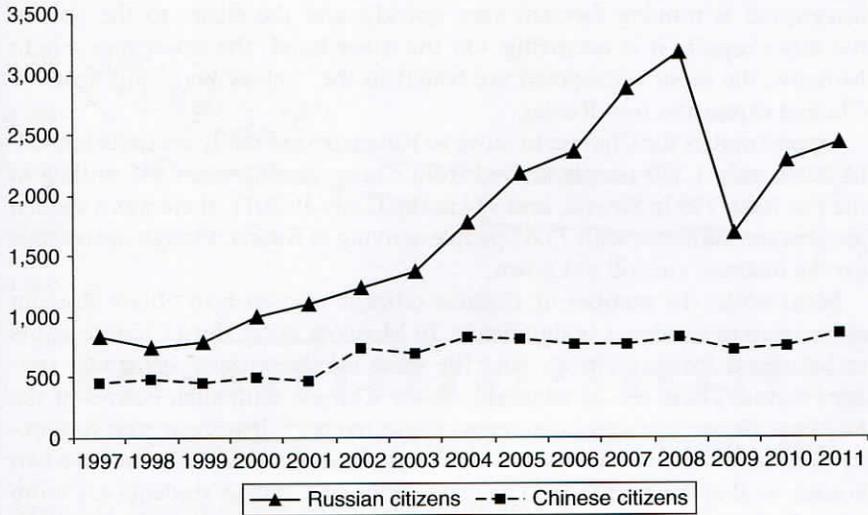


Figure 9.10 Trips of citizens of Russia and China across Russian–Chinese border (in thousands)

Source: *FSB Rossii* [Federal Security Service of Russia].

which extend from Blagoveschensk to the far reaches of Siberia. Russians benefit from the opportunity to locally acquire a wide range of goods very cheaply, for both personal consumption and resale. This leads to growth on both sides. However, China's investment climate is more favorable, and therefore it is actually more profitable for Russians to produce goods in China and import them to Russia.

Russians travel to China much more frequently than Chinese do to Russia. For example, in 2011, three times as many Russians went to China as Chinese to Russia. The Chinese flow to Russia remained remarkably stable, with 790,000–850,000 people per year (Figure 9.10).

Victor Larin states that for residents of the border areas, China means life itself. He demonstrates this using not only economic data³⁹ – neighboring with China provides means of existence to hundreds of thousands of Russians. The opinion that the Chinese are creating employment “only for their compatriots,” as member of the State Duma Anatoly Aksakov suggests, does not reflect the reality.⁴⁰

Russian youth are also interested in China. The Chinese language is taught in almost all universities in the Far East, as well as in other educational institutions. Many university graduates are eager to find employment and live in China.

If one looks only at public opinion polls, one notices many residents of the Far East who still hold arrogant attitudes toward the Chinese, and convey distaste when communicating with them. However, the process of spontaneous

integration is moving forward very quickly, and the closer to the border, the more rapidly it is occurring. On the other hand, the closer one gets to Moscow, the more widespread are beliefs in the “yellow peril” and fears of Chinese expansion into Russia.

Opportunities for Chinese to move to Russia permanently are quite limited. In 2010, only 1,380 people arrived from China, among them 546 settling in the Far East, 199 in Siberia, and 334 in the Urals. In 2011, there was a sudden jump in the numbers, with 7,063 people arriving in Russia, though the reasons for the increase are still unknown.

Meanwhile, the number of Chinese citizens who wish to obtain Russian citizenship or residence is significant. In Moscow, every third Chinese wants to become a Russian citizen, and the same number desire permanent resident status. There are considerably fewer Chinese with such desires in the Far East (9 percent and 18 percent, respectively).⁴¹ It is clear that proximity is a factor in the Far East, where most Chinese would like to have two homes, as they currently do. The aspirations of Chinese students are more often limited to resident status than citizenship in Russia (60 percent of Chinese students in Moscow seek citizenship, compared to 16 percent in the Far East).⁴²

Russia has not yet developed a long-term strategy for cooperation with China in the realm of immigration. The necessity of developing the economies of the Russian Far East and Eastern Siberia is obvious in the context of preserving Russia's position in its partnership with China. However, Russia has not yet adequately appreciated that this goal can be accomplished through cooperation with China, including through the attraction of Chinese workers to Russia on a permanent basis.

Internal migration

The level of mobility of population

The number of individuals resettling in Russia decreased from 4.2 million in 1990 to 1.9 million in 2010. The rate of relocation fell to a level that had not been seen in Russia since before World War I.⁴³ The reduction of mobility was notable in the Russian census conducted in 2002. People who live permanently in their places of birth are now in the majority among the Russian population. According to the 2002 census, they represented 55.8 percent of the population, as compared with 49.3 percent in 1989 and 46.1 percent in 1979.

However, the 2010 census demonstrated that Russia's population is much more mobile than was indicated by the 2002 census. The Russians who had not moved were a minority in 2010, constituting 46.2 percent, similar to 1979. Those who moved during their lifetime represented 53.8 percent in 2010, compared to 44.2 percent in 2001. This considerable increase in mobility over such a short period of time is strong evidence of the revival of Russian economy and social life in the 2000s, relative to the 1990s.

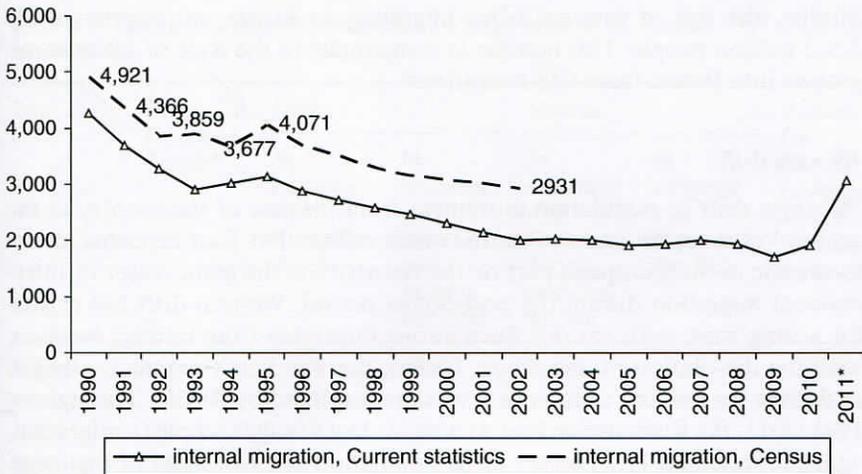


Figure 9.11 Number of internal migrants (in thousands)

Source: Federal Statistics Service of the Russian Federation.

It is known that the 2002 census corrected estimates of the scale of immigration in Russia in 1990–2002 by adding an additional 1.8 million international migrants.⁴⁴ However, it is necessary to make some corrections to the statistics of internal migration. The estimates we conducted in 2004 on the basis of the results of the 2002 census, per request of Rosstat, show that of all internal migration during the 1989–2002 period, approximately 30 percent had gone uncounted by official statistics. The undercounted exodus of people who moved from the regions of Eastern Siberia and Far East to the European part of Russia could reach approximately one million.⁴⁵

Beginning in 2011, an additional category of migrants was introduced to the registration system, namely people who were permitted for the first time to reside in Russia from nine months to a year or more.⁴⁶ Due to the introduction of this new category, the number of internal migrants increased to 3,058,000 in 2011, a number that included 1,100,000 more people than a year earlier. This number practically matched Rosstat's estimated number of unregistered internal migrants (Figure 9.11).

In the realm of internal migration, similar to external migration, permanent resettlement is being replaced by a trend of temporary mobility. Domestic labor migration, which intensified during the post-perestroika period, is evidence of this phenomenon. Its scale is reminiscent of "otkhodnichestvo," which prevailed in Russia in the period from the late nineteenth century to the first third of the twentieth century, when domestic population flows reached 5–6 million people a year.⁴⁷

According to estimates based on a study of households in seven regional centers of Russia, which was conducted in 2000 by the Center for Migration

Studies, the size of internal labor migration in Russia was approximately 2.5–3 million people. This number is comparable to the scale of labor immigration into Russia from CIS countries.⁴⁸

Western drift

“Western drift” – population movement from the east of the country to the center, Volga region and the south, which reflects Far East residents’ desire to resettle in the European part of the country – is the main vector of inter-regional migration during the post-Soviet period. Western drift has existed for a long time, with various fluctuations throughout the history; however, with the dissolution of the Soviet Union, the Far East’s population began to decline for the first time since it was first explored by Russia. Throughout 1991–2011, the Russian Far East as a whole lost 956,000 people to migration, which represented 11.5 percent of its population in 1990. Most of the losses occurred in the 1990s, and were connected largely to the reduction of the army. Ex-servicemen and their families were returning en masse to their former places of residence. The 2002 census shows that the exodus from Siberia and the Far East to the European part of Russia was actually approximately twice as large as the data at that time showed.

As Table 9.4 shows, the rate of western drift is gradually declining. The peak of exodus from Siberia and the Far East appears to have occurred in the mid-1990s.

The weakening of the western drift leads us to expect a slower rate of population decline in Siberia and the Russian Far East. However, for the European part of the country, this will mean reduced migration flows from the east part of the country.

Thanks to the dominant western vector of human migration, many regions located along the migration axis partially compensate for their losses through the arrival of migrants from areas even further to the east. The farther west the region is located, the greater the level of such compensation. In some regions, the population influx from the east exceeded emigration out of their own territories. For example, in the Novosibirsk region in the 1990s, the inflow from the east was four times larger than the outflow toward the west. As western population movement decreases, so does the size of compensatory migration. Even the Novosibirsk region, the only eastern region that maintained population growth for a long time, has begun to suffer population losses.

It is unknown how the migration trends in Russia might be changed by stopping population movement toward the west, or reversing the flow. Russia simply does not have demographic resources that might be directed toward the eastern regions of the country. The cities of the Far East cannot compete against the cities of the country’s European regions in economic development potential, social infrastructure development, or geopolitics.

Table 9.4 Changes in internal migration in large regions of Russia, 1991–2011 (in thousands)

Year	Regions in European Russia*	Ural		Siberia		Russian Far East in exchange with all Russian regions
		In exchange with European Russia	In exchange with Siberia and Russian Far East	In exchange with European Russia and Ural Region	In exchange with Russian Far East	
1991–5	514.2	-94.6	30.1	-130.4	63.8	-383.1
1996–2000	415.2	-47.5	38.2	-164.2	45	-286.7
2001–5	274.1	-37.1	23.9	-139.9	6.3	-127.3
2006–10	288.7	-48.9	21.2	-149.1	14.8	-126.6
2011	73.6	-6.2	8.1	-43.2	2.5	-32.4
1991–2011	1565.8	-234.3	121.5	-626.8	132.4	-956

* Includes Central, Northwestern, Southern, and Volga Federal Districts and in 2009 also new North Caucasus District.

Source: Federal Statistics Service of the Russian Federation.

Outflow of population from the north

The second new trend in internal population movement was a shift from the north to the south of the country, which affected both European and Asian parts of the country. In the 1990s, Chukotka and Magadan regions lost half of their population, Kamchatka, Sakhalin, and Murmansk regions lost 20 percent, and Komi and Yakutia lost more than 10 percent. However, a large population (10.2 million people, or 7.1 percent of Russians) remained in the far north and adjacent areas at the beginning of 2012. This number of residents was considerably larger than in other northern countries. Starting in 2000, population losses in the north due to migration stabilized at 40,000–50,000 people a year, in comparison with 100,000–120,000 people per year in the 1990s. The development of a market economy will further amplify the pressures pushing surplus population from Russia's northern territories. In the Russian Far East, regional population movement toward the south somewhat compensates for the loss of occupants to the west.

Moscow as a magnet

Moscow and its surrounding region serve as a powerful magnet that attracts occupants from all regions of the country, as well as from CIS countries. The reforms of the 1990s demonstrated that Moscow's economic potential had not been fully realized in earlier periods. The arrival of private property, market

relations, and openness to the rest of the world provided a strong stimulus for the city's development. Though population in the rest of the country is decreasing, Moscow and its surrounding region have generally continued to grow at a steady rate. Migration is the main source of Moscow's population growth (Figure 9.13).

At the beginning of the new century, Moscow began to reflect the nation's slowing migration rate, while at the same time devouring huge numbers of Russian migrants. As fewer migrants come to Russia, more of them gravitate toward Moscow.

In 2011, Moscow received 51 migrants per 10,000 residents, in comparison with the national average of 22 migrants per 10,000 residents. Even more migrants (160 migrants per 10,000 residents) settled in the Moscow region, where it is easier to be registered, cheaper to live, and police corruption is less prevalent than in the city of Moscow. Only a few regions of the country (St. Petersburg and Leningrad region, Krasnodar Krai, Belgorod region, and oil/gas-rich Tiumen north) are able to compete with Moscow for migrant population.

In 2011, 37 out of the 80 regions that are considered subjects of the Russian Federation experienced migration growth. Of the total growth in migration, 34 percent occurred in the Moscow region. The attraction of the St. Petersburg and Leningrad region is not as strong (accounting for only 16 percent of the total migration growth). Three-fourths of the population growth in Moscow was due to the influx of domestic migrants, while one-fourth was due to the influx of international migrants.⁴⁹ These proportions are typical of the last decade.

According to VTsIOM data, 19 percent of Russians would like their children to live in Moscow, while 11 percent feel this way about St. Petersburg.⁵⁰ Preference for Moscow was stronger among the residents of larger cities than among those in rural areas of the country. According to polls conducted by the Center for Migration Studies in ten regional centers of Russia, every second resident who was thinking about moving (age 18–49) chose Moscow as his/her destination.

Moscow is attractive to many Russians because of the city environment, opportunities for higher earnings, a diverse and dynamic labor market, good educational opportunities, etc. For many Russians and CIS residents, migration to the capital presents an alternative to moving abroad, because Moscow serves the role of "domestic abroad."

Moscow's current migration policy is oriented toward reducing foreign migration while encouraging Russian regional migrants. This contributes to the depopulation of adjacent regions and enables Moscow to monopolize the migrant population of the entire country. The country's interests could be better served if Moscow absorbed more foreign workers and allowed the Russian workforce to satisfy the demands of the rest of the country.

Migration policy between restrictive and liberal approaches

Migration policies have changed in conjunction with changes in migration patterns. In the 1990s attention was focused on receiving forced migrants.

Other types of migration were not subject to state regulation. Uncontrolled trans-border migration helped absorb the shock of the crisis engulfing the entire post-Soviet space. It also led to the appearance and rapid rise in the number of migrants with unregulated status and associated problems, such as the spread of informal employment among migrants and underpayment of tax, forced labor, deceptive recruitment and human trafficking, drug trafficking, and corruption. The government then swung to the other extreme, severely limiting immigration. The Russian people were accustomed to living under the conditions of a closed society; their distrusting attitude toward foreigners thus enabled this policy.

The complexity of attaining legal migrant status, which was required by the new approach, created impossible barriers to legal residence and employment of foreign citizens in the country. Rigid measures resulted in negative consequences. Excessive limitations on the legitimate space pushed migrants into illegal spheres and facilitated the escalation of illegal migration, formation of criminal networks, and growth of corruption in the field of migration. Legal migration decreased significantly, which was counterproductive to Russia's interests because the nation was in a demographic crisis and desperately needed immigration. The failure of migration policies and the need to expand legitimate immigration became increasingly obvious.

In 2007, a decisive step was taken toward legal migration. Its impact was as radical as the law on the freedom of travel, which had toppled the "iron curtain." Policies stemming from liberal principles had no precedent in the history of modern Russia, Imperial Russia or Soviet Russia.

The changes consisted of significantly simplifying the rules and procedures for registering foreign citizens upon their arrival, as well as for the procedures of employment, which helped to solve most serious problems surrounding the legalization of immigrants. The new approach to managing immigration was formulated in legislation "On Migration Registration of Foreign Citizens and People without Citizenship in the Russian Federation" and in a revised version of the law, "On Legal Status of Foreign Citizens in the Russian Federation," both of which were introduced on January 15, 2007. Those migrants who resided in Russia temporarily had been required to obtain permission for their resident status, but now they were simply required to inform the authorities of their intention upon arrival. The list of documents required for registration was reduced to a minimum – a passport and a migration card with a stamp verifying crossing the border – and mail-in registration was permitted.

The procedures for employment of migrants were also radically changed. Prior to the new law, permits to hire foreigners were issued to employers. This approach forced migrants to depend on employers, and encouraged the development of illegal employment practices. According to the 2007 legislation, work permits were to be provided to migrants themselves. The migrant was thereby given the right to search for employment, while the employer was given the right to hire foreign citizens with a work permit. The migrant's

heavy reliance on their employer was thereby removed, and conditions for the free movement of foreign workers in the labor market were created.

The results from the first year of the new policies were very impressive. For the first time, relatively reliable data about the general scale of migration, including labor migration, became available. In 2007, eight million entry permits were issued for temporary residents, while 2.3 million work permits were issued. Increased legitimacy for temporary labor migrants was the most important result of the new policies. This legitimacy in turn improved protections of human and labor rights. The change in the registration situation was dramatic. Before, 46 percent of migrants were not registered; after the introduction of the new rules, 85 percent of migrants were registered.

The situation of work permits obtained by migrants also changed dramatically. According to the data of IOM and OSCE, three-fourths of labor migrants in Russia had legal work permits. Before 2007, only 15–25 percent had legal employment. As a result, the tax base more than doubled.

However, the expansion of the rights of migrants in the labor market did not guarantee official employment. The new rules for issuing work permits to migrants highlighted the ambiguity of the Russian labor market and the existence of a huge shadow market. Approximately 40 percent of migrants with work permits were hired by employers unofficially in order to avoid paying taxes. In other words, the absolutely legal migrants who met all the formal requirements of legitimate status could still become illegal workers. Such migrants might not even be aware that they were working illegally, as some employers had them sign fictitious contracts.

This problem gave rise to sharp criticisms of the new migration policies and appeals to the old rules, as though there were no problems with the old policies.⁵¹

Experts advocate removal of the remaining restrictions on migrants' mobility, but the realities of migration have led to the return of more rigid controls for migrant employment. Foreign worker quotas are used for such control – in spite of the problems associated with setting “quotas” due to unpredictable fluctuations in the labor market. The existing mechanism for developing quotas is very complicated and involves excessive steps. Small enterprises are unable to follow the current procedures, and there is no quota mechanism for individuals who wish to hire foreign workers. Under these conditions, an attempt to control or regulate labor immigration slows economic development and indirectly encourages illegal employment. The quota of 1.8 million foreign workers in 2008 was filled within the first six months and, in some regions, by April. According to the Ministry of Social Development, the quota had to be doubled before the end of the year. While such decisions were pending, however, employers who used foreign labor either had to slow down production or start hiring illegally.

The situation deteriorated in 2009–10 due to the global economic crisis. Immigration quotas were cut in half and the employment process returned to the way it was before the 2007 reforms.

The Chinese problem demands immediate resolution as well. Although the issue has been discussed for over 20 years, Russia appears no closer to understanding the role of Chinese migration in the country's development. Chinese immigration is understood exclusively in terms of its benefits for China. Russian analysts often understand China's needs and goals in Russia, but in most cases they have only vague ideas about why Chinese immigration is necessary for Russia. In Moscow, there are many distorted ideas about what is actually taking place in the Russian Far East. In most cases, Chinese immigration is viewed as a direct threat to Russia's security and territorial integrity. China is suspected of aspiring to capture Russian territory quietly, by way of creeping migration expansion. Due to these fears and suspicions, authorities seem to be waging a permanent war against Chinese immigration.

The last anti-immigration campaign occurred in 2009, in the sphere of individually conducted trade. It left tens of thousands of Russians, if not hundreds of thousands, unemployed, and forced tens of thousands of Russian enterprises into bankruptcy. This undermined China's trust of Russia, and the trust of Far East residents toward Moscow. Border tourism declined by more than 60 percent, and trade decreased by more than 32 percent. The campaign was undertaken in spite of the fact that Far Eastern residents were beginning to recognize the importance of their connection with China. Half of them, when polled in 2008, said that China should be given priority in the development of Russia's foreign relations. Only one-quarter of the respondents in the Far East sought to develop ties with European Russia. Unfortunately, Moscow has little to offer to counter the growing Chinese influence in the Far East.

According to our estimates, Russia will need around 15 million immigrants up to 2030 in order to fill the gap in labor potential. The combination of an aging population and falling labor potential increases the importance of immigration. The share of retirees in the Russian population will grow from 22 percent in 2010 to 27 percent in 2025. At the same time, Russia's total population will decline by 15 million people, and the retired population will grow by six million, according to the average prognosis.⁵² As a result, the number of workers per retiree will decline from three to two between 2003 and 2025. Accordingly, demand for increasing the size of the working-age population has grown dramatically.

The economic recession, falling incomes and salaries, freezing of retirement pensions, partial curtailing of social programs and programs for national security (defense, domestic security expenditures, and systems of state management) are the real threats that Russia will have to face if the country is unwilling or unable to accept as many immigrants as necessary to compensate for its demographic losses.

Naturally, Russians prefer to see former Soviet republics remain the primary sources of immigration. Given the explosive emigration pressures in Tajikistan and Uzbekistan, it currently seems as though their labor resources are limitless. While migration potential in CIS countries is quite limited,

different experts offer estimates ranging from nine million to ten million, including Russians.⁵³ The failure to complete resettlement programs for ethnic Russians clearly demonstrates that hopes of bringing sufficient numbers of ethnic Russians back to the country are groundless.

There are no serious competitors to China as the source of migration, and with time, Chinese immigration to Russia will inevitably grow. Large-scale foreign immigration is naturally accompanied by serious risks. Russia should make a concerted effort to quickly develop adequate policies. It is also clear that the situation requires liberal immigration policies.

Russia has attempted to declare selective immigration policies based on professional qualifications, but it lacks both foundations for such selection and a clear-eyed evaluation of source countries' potential. Meanwhile, there are reasons to believe that a sufficient number of migrants with desirable qualifications simply may not be available. Russia competes for highly qualified migrants with developed European countries and other regions with much more attractive economic conditions. So, to the popular question "Which migrants does Russia need?" one should add another question of no less significance, "Which migrants need Russia?" In view of the inadequate labor supply in the international market, Russia will need to make additional investments in the selection, training, and retraining of migrants.

In 2010, Russia launched a program to attract highly skilled professionals from other countries. According to the FMS, more than 16,700 professionals arrived in the country at the end of 2011. Approximately half of the professionals came from developed countries (46 percent in 2011), predominantly from Germany, the UK, France, and the United States. Many professionals came from Turkey and China (5 percent from each country). Ukraine was the leader among CIS countries (4.3 percent). A significant majority of professionals chose to move to Moscow (68.4 percent).

Starting in July 2010, migrants were again deprived of their right to gain employment independently. Now, as before, their work permit is given out after their employer confirms readiness to conclude labor contracts with them. However, the employer must receive a quota for foreign employees in order to sign labor contracts.

Although many important issues surrounding migration policies remain unresolved, and in spite of the backwards movement just noted, it is vital that Russia restart the trend of immigrant-friendly policies. The most important political consequence of a liberal migration policy would go far beyond the migration issue – it would strengthen Russia's position within the CIS and create a foundation for more constructive political and economic relations.

In June 2010, the Concept of the State Migration Policy of the Russian Federation through 2025 was approved. The document states that attracting foreign workers is crucial for Russia's economic development, thereby putting an end to all debates about whether the country needs migrants. For the first time, a number of discussions were held before approving this document.

The discussions were part of the government program "Russia-2020," and involved a large number of experts, government officials, and employers.

The document laid out a number of goals, for example to create conditions and incentives for migrants to become permanent residents in Russia, to attract highly skilled professionals, to attract foreign students, to create new opportunities for mobility (including encouraging students to visit Russia during school breaks), to establish differentiated approaches to various migration streams, and to launch Russian language programs. The document was the first to introduce a thesis related to citizens' personal interests – hiring migrants as domestic workers. This step can be viewed as significant progress.

An emphasis is placed on adaptation and integration programs for migrants, enhancing relations between migrants and host communities, and encouraging social acceptance for migrants. This might be the most difficult task, as it requires measures to introduce the majority of migrants into the legal framework, reduce corruption, and limit illegal migratory networks.

There is no doubt that immigration has become an important long-term factor in Russia's development. The size and distribution of its population, the speed of its economic development, the people's standard of living, regional distribution of development, and the country's physical size and territorial integrity – all depend on Russia's ability to attract the necessary numbers of immigrants. Immigration is necessary for Russia. At the same time, it carries serious risks related to the potential negative economic effects of migration and the danger of social and cultural instability. Migration policies should consist both of measures to protect immigrants and steps to counter potential risks.

Notes

* This chapter is based on the co-authors' research at the Institute of Demography, National Research University Higher School of Economics, Moscow.

1 *Demograficheskaya politika Rossii: ot razmyshlenii k deistviyam* [Demographic Policy of Russia: From Thoughts to Actions], Moscow: UNDP, 2008, p. 51.

2 Z. Zayonchkovskaya, E. Tyuryukanova, and Y. Florinskaya, *Labor Migration to Russia: What to Do Next? Migration Barometer in the Russian Federation*, Moscow: MAKS-Press, 2011, p. 23.

3 2007 was the last year that the Russian Federal Statistics Committee conducted research on the ethnic background of migrants.

4 Data here are only with respect to refugees in Russia. See: "Vynuzhdenkiye pereselentsy v Rossii" [Forced Resettlers in Russia], *Statisticheskii bulletin* [Statistical Bulletin], 1993, No. 1, p. 1.

5 Ibid.

6 G.S. Vitkovskaya, "Vynuzhdenennaya migratsia: problemy i perspektivy" [Forced Migration: Problems and Perspectives], *Programma po issledovaniyu migratsii* [Program on the Study of Migration], 1993, Issue 3.

7 "Vynuzhdennyye migranty na Severnom Kavkaze" [Forced Migrants in the North Caucasus] in V. Mukomel' and E. Pain (eds) *Pravovye osnovy i praktika regulirovaniya vynuzhdennykh migratsii v sub'ektakh Rossiiskoi Federatsii* [Legal Foundations and Practice of Regulating Forced Migrations within the Subjects of the Russian Federation], Moscow: OOO Firma Infograf, 1997.

- 8 “Vynuzhdennye migranty v Tsentral’noi Rossii” [Forced Migrants in Central Russia], in Mukomel’ and Pain, *Pravovye osnovy i praktika*.
- 9 In 1992–3, before the laws “On Forced Resettlers” and “On Refugees” were adopted in 1993, the categories of refugees and forced resettlers were not differentiated. Accordingly, there was no separate registration of the two categories. Later the differences between these categories became not only formal (Russian citizenship being the principal difference) but also practical. Forced resettlers received the right to acquire different types of state assistance (loans, housing, assistance in building small settlements, etc.). Refugees were treated as people who lived on the territory of the Russian Federation temporarily or were in transition toward receiving the status of forced resettlers (after obtaining Russian citizenship).
- 10 In 2005–7, 7,000–9,000, and in 2008–9 about 4,000 forced migrants, who were registered, were from North Ossetia-Alaniya, where the process of exchange of refugee status for forced resettler status was underway en masse. There were only 200–300 people who received the status of new migrants from the CIS countries during the same period.
- 11 One should keep in mind that certain delays that appeared as a result of late submissions of paperwork and the time of application review. That is why the highest number of forced migrants was recorded in 1995, one year after the highest number of newly arrived in Russia.
- 12 *Ministry of Internal Affairs of the Russian Federation*, “Informatsionno-statisticheskii sbornik FMS MVD Rossii” [Informational Statistical Compilation of Federal Migration Services, Ministry for Internal Affairs], 2002, No. 1, p. 53.
- 13 *Migratsiya v stranakh SNG: 1997–1998* [Migration in the CIS Countries: 1997–1998], Geneva: International Organization for Migration, 1999, p. 134.
- 14 *Tendentsii v oblasti migratsii v stranakh Vostochnoi Evropy i Tsentral’noi Azii. Obzor za 2001–2002 gody* [Trends in the Sphere of Migration in the Countries of Eastern Europe and Central Asia: Overview for 2001–2002], IOM, 2002, pp. 56–65.
- 15 E. Krasinets, E. Kubishin, and E. Turukanova, *Nelegal’naya migratsia v Rossiyu* [Illegal Migration into Russia], Moscow: Academia, 2000, p. 82.
- 16 E. Krasinets et al., *Nelegal’naya migratsia*, p. 82; V. Mukomel’, *Migratsionnaya politika Rossii. Postsovetskie konteksty* [Migration Policy of Russia. Post-Soviet Context], Moscow: Institute of Sociology, Russian Academy of Sciences, 2005, pp. 194–198.
- 17 Saodat Olimova, “Rabota stanovitsya sovsem neeffektivnoi” [Work is Becoming Completely Ineffective], *Rossiiskaya migratsiya* [Russian Migration], August–September 2009, No. 5–6, p. 36.
- 18 This excludes Georgia and Turkmenistan.
- 19 Migrants from Belarus are not counted for the purposes of statistics on labor migration because they have the same rights as Russian citizens and are not required to obtain work permits.
- 20 For estimates for 2003–5, see: S. Olimova and I. Bosk, “Trudovaya migratsia iz Tajikistana” [Labor Migration from Tajikistan], *International Organization for Migration*, 2003, p. 21; Zhanna Zaionchkovskaya (ed.) *Trudovaya migratsia iz SNG* [Labor Migration from CIS], Moscow, 2003, pp. 147–148; “Migratsiya i rynek truda v stranakh Srednei Azii” [Migration and Labor Market in the Countries of Central Asia], in L. Maksakova (ed.) *Materials of Regional Seminar, Tashkent, October 11–12, 2001*, Moscow and Tashkent: Independent Research Council on Migration of CIS Countries and the Baltics, 2002; A. Vishnevskii (ed.) “Naselenie Rossii 2002, Desyatyi ezhegodnyi demograficheskii doklad” [Population of Russia 2002, the Tenth Annual Demographic Report], *Center of Demography and Human Environment, Institute of Economic Forecasting and Russian Academy of Sciences*, Moscow, 2004, p. 169.

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