

MIGRATION PROCESSES IN THE H1 OF 2014

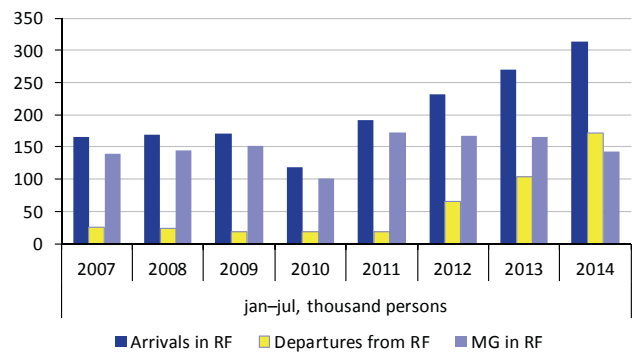
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The migration processes in Russia over the spring and summer of 2014 were being shaped by the deteriorating situation in foreign politics (the events in Ukraine) and by the looming threat of stagnation and recession faced by the Russian economy. As the latest data on migration processes in Russia have not yet been reflected the official statistics released by the Federal Migration Service of Russia (FMS of Russia) and the Russian State Statistics Service (Rosstat), our analysis of these processes is based mainly on the statements on this issue recently made by public officials in the mass media.

Migration Growth

Russia's migration growth index over the period of January–July 2014 amounts to 144.1 thousand, thus being approximately 15 pp. below its value for the same period of 2013¹. Such a decline, in a classical migration model, would have become an indicator of economic trouble, as migration flows are believed to be highly sensitive to slightest changes in the economic situation – that is why migration is often considered to be people's way of 'voting with their feet'. However, at the moment there is no reason to view Russia's statistics of migration flows as a reflection of certain dynamic trends that can be correlated with economic processes. Since 2011, many significant alterations have been introduced in the methodology of keeping statistical records of arrivals in and departures from Russia, as well as the migration growth index. The number of arrivals, which subsequently is used to calculate the migration growth index, from that year onwards has been incorporating all instances of migrants' registration at their place of residence and their place of stay for period longer than 9 months. Departures have been now registered automatically at the end of the permitted period of registration (of course, the migrants thus registered may remain in the Russian territory, or they may leave Russia at some date later or earlier than the registration end date, while at the same time being calculated as 'an input' to the migration growth index). In 2014, we are faced with a newly emerging situation that can be described as a 'collapsed financial pyramid': the decline in the migration growth index has largely been caused by a surge in the number of departures from Russia – which, in its turn, occurred due to the previously accrued number of arrivals for a period under 2 years (Fig. 1).

In a number of Russian regions this process has brought up some paradoxical results (if we are to con-



Note. MG – migration growth

Source: *Sotsial'no-ekonomicheskoe polozhenie Rossii* [The Socioeconomic Situation in Russia], Rosstat, 2007–2014.

Fig. 1. Arrivals, Departures, and Migration Growth as Components of Russia's External Migration, January – July 2007 – 2014, Thousand Persons

template them from the point of view of common sense. Thus, in 2014, regions like the city of Moscow, the city of St.Petersburg, Krasnodar Krai, Tyumen Oblast and Novosibirsk Oblast demonstrated a manifold drop, on 2013, of their net migration indexes. For the first time over the entire post-Soviet period, the migration growth index in the city of Moscow dwindled to less than one half of that registered in St. Petersburg – in fact, it almost disappeared.

Migration from Ukraine

In 2014, similarly to the situation observed 20 years ago, Russia has been faced with an inflow of refugees into its territory. But in contrast to the early 1990s when there had been no legislative framework for receiving refugees, now they had several options for obtaining an official status – these options being available even before the issuance of special educts concerning displaced persons from Ukraine. In accordance with the Federal Law 'On Refugees'² there exist two variants of a refugee status: that of refugee proper – obtained through a very intricate application

¹ For the sake of more accurate comparison, the statistical data for both 2014 and 2013 also include the statistics for the Crimean Federal District.

² Federal Law of 19 February 1993, No 4528 'On Refugees'.

procedure, and that of a temporary refuge. However, the status of a refugee allows one to hope that the State will take care of his or her residence and accommodation, while that of a temporary refugee is only equivalent to a permit for legally staying in the territory of Russia and getting a job there, without any special permits that foreigners must apply for. But, like in most other countries, it is by no means very easy to obtain either of these two statuses. By early 2014 (that is, prior to the onset of the dramatic developments in Ukraine), there had been less than one thousand persons with the refugee status in Russia, and approximately three thousand persons with the status of a temporary refuge. Due to the difficulties associated with the legalization procedure and the limitations associated with the subsequent status in Russia (for example, the impossibility to cross the border once again, if the refugee should want to return home permanently or for a temporary visit), Ukrainian citizens, after the onset of hostilities, began to actively apply to Russia's Federal Migration Service agencies for other types of foreigner status – first of all for temporary residence permits, permit for residence in Russia, or Russian citizenship (not counting those who have applied for a work permit or patent). By late August 2014, the applicant distribution by the type of status they have applied for was as follows: 117 thousand Ukrainian citizens had expressed their desire to obtain a refugee status or applied for a temporary refuge (the latter category representing the overwhelming majority of 108 thousand persons), 136 thousand people opted for some other form of legalization: 75 thousand applied for temporary residence permits, 33 thousand applied for Russian citizenship, and 21 thousand applied for permits for residence in Russia. Another 7.2 thousand applied for participation in the program of compatriot resettlement¹.

In late July, during a conference call held by Prime Minister Dmitry Medvedev on issues relating to the accommodation and social integration of persons involuntarily displaced from the territory of Ukraine, a number of stopgap solutions were put forth by its participants². These had to do with simplification of the procedure for getting a temporary refuge status for citizens of Ukraine: the period of considering an application for temporary refuge was to be shortened from three months to three days; besides, temporary

refuge was now to be granted on a group (or country) basis – that is, the Federal Migration Service's officials were no longer to be required to scrutinize the individual information concerning each applicant³. It was to be made sufficient, for those refugees who wished to properly formalize their stay in the RF, to file an application with an FMS office, in which they were to state that they had escaped from combat zones in Ukraine. The period of stay in the RF for refugees would be automatically extended to 270 days, while previously citizens of Ukraine had been allowed to stay in Russia without properly formalized documents for a period of no more than 90 days.

Besides, some additional temporary residence quotas were granted, backed by the allocation of substantial financial and material resources for resettlement of the displaced persons⁴.

The existence of multiple institutional corridors makes it possible for migrants to pick the one that most appropriate for each of them; at the same time, this is also the factor responsible for distortions in the number of migrants reported in statistics. Thus, the total number of arrivals in Russia from Ukraine over the period since 1 January through August 2014 is more than 800 thousand persons, over August this index increased by 84 thousand persons; very often this number is substituted by the number of refugees; different government departments offer varying estimates as to how many persons are receiving aid, and so on⁵.

According to data released by Russia's Federal Migration Service, the majority of displaced persons are staying in the regions close to Russia's border with Ukraine – Rostov Oblast, Belgorod Oblast, Krasnodar Krai, and the Crimea, the latter being a very attractive destination for migrants from Ukraine. By late August 2014, according to the RF Ministry for Regional Development, a total of 906 temporary

1 Gorodetskaia N. *Bezhtentsy ne khotiat udaliat'sia ot granitsy* [Refugees Do Not Want to Go Far from the Border] // *Kommersant*. 28 August 2014.

2 Decree of the RF Government of 22 July 2014, No 690 'On Granting Temporary Refuge to Citizens of Ukraine in the Territory of the Russian Federation in a Simplified Procedure'.

3 A similar approach to granting the status of a refugee and the status of an involuntarily displaced person was practiced in the early 1990s.

4 The money allocated from the RF federal budget alone amounts to Rb 6bn, which is three times more than the annual budget allocation to the implementation of the Government Program *Compatriots* // Domcheva E., Panina T. *Dom i Khata* [House and Hut]. *Rossiiskaia gazeta* [The Russian Newspaper]. 23 September 2014.

5 For example, as early as June 2014, Speaker of the Federation Council Valentina Matvienko said that more than 500 thousand Ukrainian **refugees** were staying in RF territory. At the same time, head of the Federal Migration Service Konstantin Romodanovskiy spoke of the arrival of 500 thousand **citizens** of Ukraine. For its part, the Office of the United Nations High Commissioner for Refugees (UNHCR) released the information that, as a result of the war, a total of 168 thousand persons escaped from Ukraine to Russia // Kozlov V. *Kak Rossiia spravliaetsia s potokom ukrainskikh bezhtentsev?* [How Is Russia Coping with the Inflow of Ukrainian Refugees?] *Open Democracy*, 11 August 2014.

placement points were established in Russia (or 899 – according to the Federal Migration Service)¹, which housed more than 58 thousand displaced persons, while another 298 thousand persons were billeted in the private housing space. However, the overwhelming majority of them chose to stay with their Russian relatives or friends in the hope of being able to return home as soon as the situation got back to normal, or acquired one of the ‘non-refugee’ statuses in Russia, which make it possible for them to live without relying on government aid. In late August, the situation of the refugees fully dependent on government assistance became extremely complicated when the Crimea’s acting Prime Minister Sergei Aksyonov declared that, from 21 August onwards, Ukrainian refugees would be *en masse* transported from the Crimea to ‘small towns in the RF, raion centers at most, where jobs will be found for them’². The corresponding Decree of the RF Government³ follows the same line, effectively forbidding the administrations of the Crimea, the city of Sevastopol, the city of Moscow, Moscow Oblast, the city of St. Petersburg, Rostov Oblast and the Chechen Republic to grant the status of a temporary refugee to citizens of Ukraine⁴; this policy is aimed at directing displaced persons from Ukraine towards the less attractive regions of Russia, and within those regions – towards the less attractive population units. By doing this, however, the government is delivering a serious blow both to the displaced persons, who are thus forced to settle in problem-ridden raion centers situated in ‘depressed’ Russian regions, and to the local authorities of the relevant municipal formations – who even in conditions of the recently favorable economic situation could not raise sufficient financial resources to enable them to exist from the systemic crisis of the 1990s, and who are faced with problems on their local labor markets. Besides, we should remember the experiences of the 1990s, which demonstrate that it were those refugees and displaced persons settling in bigger cities who got jobs on their own (the so-called ‘get a job’ model) and relied largely on their

own efforts, and not on government aid, that in the end turned out to be much better off than those who chose the ‘get more affordable housing’ model (applicable in rural areas and small towns) and/or government aid⁵. At the same time, the distribution of ‘refugee quotas’ across Russian regions points to the existence of a situation where some regional heads, being faced with workforce shortage and local demographic problems, deliberately choose to receive more displaced persons, in excess of the targets originally planned for them by the federal government. In other words, they give priority to strategy (workforce availability) over tactic (difficulties in dealing with the new arrivals). Among these, there are Kaluga Oblast, Kaliningrad Oblast, Nizhny Novgorod Oblast, Samara Oblast, Saratov Oblast, Sverdlovsk Oblast, Novosibirsk Oblast, and the Republic of Bashkortostan.

In September and October, the difficulties associated with the inflow of refugees were already less of a problem, as the combat operations in the east of Ukraine had become less violent, and there emerged a trend of refugees returning back home.

Labor Migration

The number of issued work permits over the period of January – September 2014 remains practically unchanged by comparison with the same period of last year, amounting to 948.6 thousand. At the same time, the number of work patents issued to physical persons continues to display a noticeably high growth rate, their total number now approaching 2m. The budget revenues generated by the proceeds from patents have been rising accordingly.

The by-month data almost exactly mirror the trend displayed by the number of issued work permits. At the same time, the number of patents issued over the period of January–April 2014 more than doubled on the same period of last year; from May onwards, growth on last year can still be noted, but its rate has become much lower.

Evidently, the situation observed with regard to labor migration resembles that in the autumn of 2008. Then, the inflow of foreign workforce significantly increased in the first half year, and later on after the official recognition of the fact of ongoing crisis was followed by sequestration of the labor migrant quotas established for the CIS member states and work invitations for migrants from the countries that had entered

1 *Bezhtensy ne khotiat udaliat'sia ot granitsy* [Refugees Do Not Want to Go Far from the Border] // *Kommersant*. 28 August 2014.

2 Kozlov V., Tumanov G., Nikiforov V. *Materikovaia uchast* [The Mainland's Fate] // *Kommersant*. 20 August 2014.

3 Decree of the RF Government of 22 July 2014, No 691 ‘On Approving the Urgent Procedure for Large-scale Distribution, Among Subjects of the Russian Federation, of Those Citizens of Ukraine and Persons without Citizenship Who Had Been Permanent Residents in the Territory of Ukraine and Arrived into the Territory of the Russian Federation’.

4 Under the same Decree of the RF Government, the quotas for another four regions – Leningrad Oblast, Belgorod Oblast, Voronezh Oblast and Kursk Oblast – are reduced to nearly zero (to 0.01% each of the total number of persons being distributed).

5 For more detail on this issue, see G. S. Vitkovskaia. *Vynuzhdennaia migratsiia v Rossii: itogi desiatiletia* // *Migratsionnaia situatsiia v stranakh SNG*. [Involuntary Migration in Russia: the Outcome of a Decade // The Migration Situation in the CIS]. Zh. A. Zaionchkovskaia (Ed.). M.: Complex-Progress, 1999. P. 159–194.

into visa agreements with Russia. So far, no crisis has been declared in Russia, so the factors responsible for quota cuts may be the shrinkage of Russia's domestic labor resources (in 2008, this downward trend was only just becoming visible, its first manifestations had been recorded a year earlier, but these were observed in the main in the youngest age group among the able-bodied population, whose real employment rate in the last few decades has been low). At present, the declining number of employable population is already influencing the general employment trends, as this trend has spread beyond that age group. At the same time,

so far *Rosstat* has not reported any unemployment growth – the published statistics only point to declining real wages; the active migration from Ukraine supplies labor resources necessary to 'fill up' the existing quotas, and Russia feels it to be her special duty to care for this cohort. The forced population migration, just as it did in the 1990s, is transforming itself into labor migration. Such a transformation may bring specific benefits to Russia, as Ukrainian workforce shares with Russians a nearly similar ethnic and linguistic background, and their qualification is generally higher than that of migrants from other CIS members. ●