

INTERNATIONAL MIGRATION IN RUSSIA AND PROSPECTS FOR SOCIAL AND ECONOMIC DEVELOPMENT OF THE COUNTRY

Metelev S.E.

*Omsk Institute (branch) of Russian State University of Trade and Economics,
Omsk, e-mail: evshepel@yandex.ru*

Modern science, like all humanity at the beginning of the XXI century faces new, more complex and difficult social, organizational, economic, political, legal, cultural and educational problems.

Keywords: international migration, Russia, prospects

The profound changes that are taking place in the world at the turn of XX-XXI centuries have led to greater international labor migration. Russia's transition to restrictive policy contributed to the fact that over 1997-2004 according to official data migration inflow of international migrants in the country decreased from 364,7 to 39,4 thousand or about 9 times, and the outflow of migrants out of the CIS countries decreased from 60,3 to 34,0 thousand or less than 2 times. At the same time in 2004 international migration outflow in the Far Eastern Federal District amounted to 568 people, in the Siberian Federal District it made 3933 people (the migration outflow from the Omsk region to Germany made 6112 people).

At the same time, under conditions of significant population decline due to negative natural increase, the western drift of internal migration playing a crucial role in the population decline of the eastern regions of the country as well as large-scale flows of irregular migrants (from 1, 5 to 15 million people including 250–450 thousand of the Chinese migrants) it becomes necessary to reconsider the existing model of migration policy¹.

According to the UN forecasts, the population of almost all European countries (of Russia and Japan as well) will decrease in the period from 1995 to 2050. Starting from 2009 the working-age population decrease in Russia will make 1 million people and more per year. Up to 2025 working-age population is projected to decline by 18-19 million people.

When analyzing the situation and looking for a way out the UN is considering several alternative scenarios of immigration flow and its possible influence on population changes and population aging in European countries including Russia. The number of immigrants required to prevent working-age population decline in Russia is estimated at 498 thousand people per year (about 25 million people in 2000-2050) with the most favorable fertility dynamics and life expectancy. The migration problem in the

next two to three decades will become of momentous importance for Russia. The scarcest resource in the country in the short term will be labour. Not oil, gas, or money, but labour, especially skilled one! It is no secret that the depopulation of the country has been taking place for more than 15 years. Almost all developed countries of Western Europe are in alike difficult demographic situation today.

The international flow of migrant workers in Russia's economy is being formed under the influence of very contradictory trends at the national labor market reflecting structural changes in the economy, employment and unemployment, labour supply and demand. These also include significant territorial differences. An important feature of the current model of the Russian economy is the thing that a strong demand for foreign labor in almost all regions including those with a crisis and critical situation with employment and unemployment has formed.

In general, the current situation in the Russian labor market remains quite complicated. Since, on the one hand, there are no considerable free labor resources connected with the cyclical pattern of unemployment which could be used to support further growth of Russian economy. On the other hand, a significant level of available resources due to the structural nature of unemployment is maintained. In this regard, under current conditions the measures aimed at addressing the structural imbalances in labor supply in the domestic labor market in favor of the fastest growing industries and territories by increased labor mobility are of particular significance².

While working out the strategic priorities of the country's development it is important to remember that during the reforms of the 1990-s the socio-demographic potential of Russia not only diminished but also deteriorated in quality. The human development index (HDI) in 1992 was 0,849 indicating that Russia belonged to the industrialized countries with high

¹ Sm.: Topilin A. Prognozy migracii naselenija Rosstaga i nacional'nye interesy Rossii // Mezhdunar. jekonomika. – 2006. – №3.

² Sm.: Suspicyn S.A. Prostranstvennye transformacii v kontrastnyh scenarijah ee razvitija: postanovka problemy i jempiricheskie ocenki // Region: jekonomika i sociologija. – 2006. – №1.

human potential (the maximum value of the index – 0,915 – was in Canada). But by 2002 it dropped to 0,795 resulting in the country's sinking in the scale from 30-th to 57-th place (out of 175 countries studied) and joining, according to the UN classification, a group of countries with average development level. There appeared high imbalance of the various components of the human potential in Russia. If the index of education of the Russian's citizens in 2000 remained close to that of the most developed countries, then the index of their longevity and income index corresponded to the level of the underdeveloped countries.³

Recently, in the conditions of recovery growth two opposing processes which paradoxically combine and determine the change in the socio-demographic parameters of reproduction have developed in the country.

First, there is the dynamic growth of material well-being indicators (based on 1,4 fold increase of per capita GDP during 5 years):

- significant (1,7 fold) increase in real personal income during 5 years with 2,1 fold increase of real wages and 1,5 fold increase in the personal consumption;
- improvement of consumption standards;
- increase of the population savings and loans which contributes to changes in the demand structure in favor of the acquisition of capital goods.

Second, despite considerable improvements in material well-being of the population demographics failed to be changed for better. Under these conditions there is not any evidence of a significant improvement in the dynamics of the major social indicators, but rather their stagnation or even new wave of deterioration which includes such features as life expectancy, health, and crime rates.

The situation is aggravated by the fact that regional and industry-specific distribution of human capital caused by the current attractiveness of the territories, industries and professions forms distortions in the labor force concentration in particular territorial and economic entities and the techno-economic systems, increases the imbalance in labor resources and blocks progressive economic and technological transformations in Russia.

According to the Federal State Statistics Service forecast in the period up to 2025 the trend of population concentration in the Central and Southern Federal Districts will maintain, their proportion in the country's population will increase in 2002-2026 from 26,3 to 27,3% and from 15,8 to 16,9% respectively. At the same time population decline in the North Western, Siberian and Far Eastern Fed-

eral Districts will continue. Omsk region in 2025 will be in the group of 14 Russian eastern and northern regions with a maximum reduction of the working-age population. These are the areas with permanent and significant population outflow. During 2006-2025 working age population may decrease from 1,300 thousand to 950 thousand people i.e. by 350 thousand people, or by 27%. Migration will lead to the population loss of 131,3 thousand people including 58,5 thousand of working age people. These developments can seriously complicate the challenges of economic development and aggravate social problems.

Thus, the forecasted by the Federal State Statistics Service scenario of migration suggests the preservation of prevailing negative trends in population distribution and human resources across the country.

The regions to the east of the Ural – Siberia and the Far East – are a strategic reserve of Russia's survival and of the development of comparative advantages of its economy. The area of the Siberian Federal District makes 30% of the Russian territory and is home to 20,5 million people. (14,3% of the population of Russia). 85% of Russia's reserves of lead and platinum, 80% of coal and molybdenum, 71% of nickel, 69% of copper, 44% of silver, 40% of gold are concentrated in Siberia and its GRP makes 11,4% of Russia's GDP. Foreign countries in the West and the East are interested in joint development of these resources, nor do they exclude the possibility to use them in their own interests in case of strengthening of disintegration processes in Russia.

The development of resources in Siberia and the Far East makes a new strategic potential, new point of world development. Its importance is greater than the development of the United States' West, the development of Canada and Australia. Practice shows that the strategy of economic development based on abstract liberal economic approach is good for geographically compact countries, but for the countries with vast territories and pointwise-advanced transition economies it is destructive, disintegrating.

In the strategic perspective a principally new format for the social and economic development of Russia is being formed. Implementation of key comparative advantages of national economy – the fuel and energy, technical, scientific, agricultural and transit ones – will depend largely on the way the benefits determined by its immigration appeal will be used. An adequate strategic response of Russia to the challenges of the XXI century should ensure the strengthening of its position in the global economy on the basis of scien-

³ See *ibid.*

tific, technical, natural and transit rent. An immigration resource can considerably contribute to this rent. For Russia, the situation is in many ways complicated by the fact that a number of its potential competitive advantages can not be realized due to human resources deficit. These include the enormous sparsely populated territory rich in natural resources including such important for the twenty-first century as lands suitable for agricultural use, fresh water and energy.

At the same time, there are real and far more preferable possibilities to change demographic and socio-economic situation in the future through more active migration, innovation and economic policy.

This scenario implies a significant improvement in the social and economic situation in these regions and enhancement of their migration attractiveness in order to considerably reduce the outflow of population from the eastern and northern territories. This requires a changed attitude of the Centre to them and substantial financial resources gained by the increased share of natural-territorial rent left for the regional development. Under this scenario a differentiated approach to the development of the territories and institutional structures will also be required. In the southern part of Siberia and the Far East with their favorable conditions for the permanent residence of people the resources for the modernization of the whole industrial and social complex will be required. The Far North regions should be developed for the convenience of the people living and working there on the basis of periodic shifts.

Bearing in mind geopolitical prospects and challenges presented in various scenarios of global development, the importance of such zones for the country as a whole can only increase over time. In the Siberian Federal District the best suitable in this respect territories are the southern regions of Western Siberia including Omsk region.

The profound changes of demographic processes in the country pose major challenges to be answered by the Russian society in the XXI century. It will succeed here if we combine the answers that allow to develop social and economic advantages of the country with efficient use of favorable qualitative and quantitative changes in the human capital of Russia on the basis of the radical improvement in the dynamic and structural parameters of the population reproduction and international migrants flows.

The development of a response adequate to the challenges of the XXI century requires qualitatively new system of economic and social institutions corresponding to the changing demographic situation in Russian, a fundamen-

tal change in social and economic system on the basis of a dramatic rise in the value of human resources and their priority role in the economic development of the country. It is necessary to give up the current model based on the low value of human capital, the neglect of a person, his/her needs and requirements.

For this to happen, on the one hand, the distribution of economic resources in favor of those best contributing to the favorable changes in the socio-demographic potential should be made. On the other hand, it is important to shift the focus from traditional to innovative forms and methods of economic development, maximize the impact of the resources channeled to the economy, education, health, science, etc. Such a change in the quality of growth can result in economic and social progress and compensate for unfavorable demographic developments.

The existing structure and the quality of the migration flows do not meet the urgent strategic needs of the state so far.

The present spontaneous often uncontrolled migration makes a negative impact on economic, social, demographic, ethno-cultural and other processes in the Russian Federation as a whole and in its particular regions. The results of this unregulated migration are imbalances in economic and social development of the state and its regions, disproportions in the regional labor market development; the growth of criminogenic centers and threats to the security of the border subjects of the Russian Federation, particularly in the Far East (population expansion), strengthening of the public anti-immigrant moods, etc. All this does not contribute to national security.

Russia's joining the global network of international migration and its transformation into a global center of mass illegal migration dramatically enhance the importance of developing and implementing of measures aimed at suppressing this type of illegal activity. In order to develop new strategies and mechanisms to combat illegal immigration one should take into account that the existing legislative framework regulating migration relations does not meet the pressing practical needs. It lags behind the current experience of foreign countries, do not fully comply with international standards, remains fragmented in the regulation of certain areas and types of migration.

It is necessary to re-work the legislation on migration in order to create more effective mechanisms regulating and controlling immigration processes, particularly to combat illegal immigration and trafficking of Russian citizens outside the territory of the state, to integrate migrants in social and economic conditions of the country, to optimize migra-

tion flows. Both economic and organizational measures are required: full demarcation of the borders, proper equipment and maintaining of the state borders, the development of training of migration services personnel, etc. Migration being an important strategic source of economic growth and the successful solution of geopolitical problems, it is important to radically change the whole set of implementation mechanisms of these processes and to activate the state's regulatory influence on the migration flows, their dynamic and structural parameters.

To improve the current socio-economic situation in Siberia the following high-priority problems are to be solved:

- 1) to stop out-migration from Siberia;
- 2) to lower the unemployment rates (in Siberia they are 2 times higher than all-Russian ones and make 9,5 %).
- 3) to create comfortable environment for living and economic activities of the Siberians.

The major ways to solve these problems are the following:

- 1) to set up manufactures on advanced processing of raw materials and natural resources of Siberia. Making use of the enormous scientific potential accumulated in Siberia for many years it is necessary to increase innovative production manufacturing final products with high added value. This will reduce the share of transport costs in the cost of products;

- 2) to develop small and medium-sized businesses that can play an important role in solving the problems of unemployment and the introduction of innovative technologies. We have not developed small and medium business producing life necessities goods;

- 3) to raise the level of the building industry to change the situation in the housing market;

- 4) to ensure integrated development of Siberian territories on all levels – from municipal to district ones.

Social and economic development of the area is the main duty of local authorities.