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**MIGRATION IN THE CIS REGION:
COMMON PROBLEMS AND MUTUAL BENEFITS***

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**Migrations in the CIS Region:
Common Problems and Mutual Benefits**

After 1.5 decades of sovereign development the post-soviet states are pragmatically seeking the most appropriate ways to benefit from globalization they are drawn into. Open to the rest of the world, the post-soviet space remains closely interrelated in the economic and social context. Visa-free population movements between the majority of former soviet republics is a ‘natural’ and humane migration regime for a space where state borders have separated families, relatives, countrymen, and compatriots – the result of centuries and generations when people were living in a common country called the USSR.

At the same time, freedom of population movements is an important *resource* of economic development of the newly sovereign states. The countries of the region demonstrate dramatic disparities in terms of economic development rates, GDP per capita, poverty rates, and economic opportunities for their citizens. In combination with demographic imbalance between the CIS countries, where rapid population decline in Russia and Ukraine contrasts to relatively high population growth rates in the Central Asian states and Transcaucasia; these factors result in numerous migration flows in the region. In this context, the CIS common labor market could be a reasonable economic instrument to provide most effective employment of the region’s labor force, balance labor market deficits with labor surpluses, give an impulse to less developed economies, and serve regional integration for mutual benefit..

Shifts in migration trends in the post-soviet space

The Commonwealth of Independent States (CIS) is a regional structure¹, which evolved after the USSR dissolution. In terms of migration processes, it represents a common migration system. The Eurasian migration system is characterized by the following factors:

- historical ties;
- geographical proximity, ‘transparent’ borders (visa-free movements);
- common transport infrastructure;
- psychological easiness to move (language, former common territory);

¹ The CIS member states are: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russian Federation, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan, i.e. all the post-soviet states except the Baltic countries (Latvia, Lithuania, Estonia).

- demographic complementarity;
- mutual interest towards common labor market;
- large-scale irregular migration;
- regional cooperation aimed at coordinated migration management.

The scale of international migration within the frames of Eurasian migration system characterizes it as one of the world biggest migration systems. The UN estimate (2005) ranks Russia – the major destination country in the region – the second in the list of the countries with biggest numbers of immigrants after the USA, and Ukraine – the fourth after Germany (USA – 38.9 mln. immigrants; Russia – 12.1 mln., Germany – 10.1 mln., Ukraine – 6.8 mln.).

During the last 15 years the nature of migration flows in the CIS region shifted from primarily *forced migrations* – as a result of strong political and economic push factors, such as military conflicts, social outbursts, discrimination of ethnic minorities, economic crisis – to voluntary *economic migrations*. Already since mid-1990s ethnic and political factors of migration were supplemented and then replaced by economic ones, both push and pull. Socio-economic differentiation among the newly sovereign states stimulated huge waves of labor migrants. Migration flows were directed primarily towards Russia, which was doing comparatively better in its transition to market economy and stabilization of socio-economic situation in comparison to most of the other CIS states. People migrate in quest of jobs, for economic and social betterment, to gain stability.

Table 1. CIS: Differences in standards of living

CIS country	GDP per capita, \$US	Percentage of population living on less than 2 \$US per day
Armenia	1234.0	49
Azerbaijan	2585.9	9
Belarus	3316.2	2
Georgia	1765.8	16
Kazakhstan	4386.1	25
Kyrgyzstan	507.7	25
Moldova	917.4	64
Russian Federation	6330.8	8
Tajikistan	411.5	43
Turkmenistan	3888.6	44
Ukraine	2020.6	46
Uzbekistan	498.6	72

Sources: IMF. World Economic Outlook Database. April 2006

UN. Population Reference Bureau. World Population Data Sheet. 2005

It is worth noting that development of private sector in Russia in the 1990s and its growing need for labor, as well as migration flows from labor excessive states were taking place largely spontaneously, without noticeable management by the governments in the region. The channels for regular labor migration were not sufficient, official migration infrastructure (public and private employment agencies, labor demand & supply databases, information and consultation services for migrants, etc.) was not developed. The result was the formation of a large *irregular* regional labor market. The situation was aggravated by activities of international networks of

criminal organizations specializing in human trafficking over the post-soviet territory. Human traffickers effectively benefit from gaps in national legislation on migration, lack of official migration infrastructure, over-bureaucratic procedures of getting job permissions, against the growing demand for migrant labor in Russia.

The number of irregular migrants in the CIS region is estimated 5 to 15 million (most part of them in Russia; up to 1 mln. seasonal workers in Kazakhstan; about 0.2 mln. illegal transit migrants in Ukraine).

Table 2. CIS: Migrant workers abroad estimates (thousands), early 2000s

CIS country	Migrant workers abroad	Migrant workers in Russia
Armenia	800-900	650
Azerbaijan	600-700	550-650
Georgia	250-300	200
Kyrgyzstan	400-450	350-400
Moldova	500	250
Tajikistan	600-700	600-700
Ukraine	2.000-2.500	1.000-1.500
Uzbekistan	600-700	550-600
Russian Federation	2.000-3.000	-

Based on: National estimates of origin countries.

Source: Overview of the CIS Migration Systems. ICMPD, Vienna, 2006

Estimates presented in Table 2 include migrant workers from CIS countries working in other countries, both legally and illegally. For Central Asian states and Caucasus republics Russia is the major destination country accumulating 70-90% of their labor migrants. As to Moldova and Ukraine, only about half of migrants from these countries come to Russia while the other half tends to move westward, to Europe, primarily to the Southern European countries where during the last 15 years numerous migrants networks of Moldavians and Ukrainians have been formed that provide support to the new coming countrymen and facilitate their migration.

Russia is the major receiving country in the region. However, at the same time it is a sending country: migrants from Russia move primarily to more developed western countries in Europe, South and North Americas, and Asia.

Along with Russia, Kazakhstan has become a receiving country in the recent years hosting seasonal labor migrants from Kyrgyzstan, Tajikistan, and Uzbekistan. Having lost 20% of its population due to mass emigration of Slavic people, Germans and Jews in the 1990s, Kazakhstan faces labor deficit since economic recovery is going on and wages are growing. Skilled labor migrants come from Russia (to oil industry, transports, and construction) and countries from outside CIS.

Transit migration

The post-soviet territory is used as a transit route by migrants from Asian and even African countries wending their way to more developed countries of the European Union. According to estimates, over 300,000 transit migrants from Afghanistan, China, Angola, Pakistan, India, Sri-Lanka, Turkey, Ethiopia and other countries have got stranded in Russia and Ukraine running into an obstacle of tight control at the EU

border. They stay in Russia for months and even years (usually in illegal status) in order to raise funds for the onward smuggling fee or purchase of falsified travel documents and visas. They earn money in the shadow sector of economy or by criminal activities.

Numerous illegal transit migrants from remote Asian and African countries carry epidemiological risks. When staying in Russia, Ukraine or other CIS transit states they do not have proper access to health care system.

Once in abusive situations, lack of papers and fear of arrest or deportation often prevent transit migrants from seeking help from authorities. The alternative protection frame comes from informal ethnic solidarity or criminal organizations. Therefore, illegal transit migrants can be easily recruited for crime.

Migrants in transit are not going to integrate with the local society not in the least. They feel forced to stay in a country, which they regard not more than a staging post on their way to more prosperous states in terms of economic opportunities and welfare system.

Meanwhile transit countries where these migrants got stuck, suffer from growing shadow labor market, epidemiological risks, ethnic-based conflicts, and bulging criminal sector of smugglers' and traffickers' services related to poorly controlled flows of transit migrants.

Human trafficking

Wide spread human trafficking practices is the most disturbing common problem for both origin countries and destination countries in the CIS region. Men, women and children from low-wage CIS countries are trafficked for labor exploitation and sex exploitation, sometimes by deceit, sometimes in consent with the victims. Pushed by despair and poverty, people agree to over-exploitation, embarrassment, and illegality in order to provide economic support for their families. Hundreds of thousands of Tajik, Kyrgyz, Moldavian or Uzbek migrants are taken to Russia for seasonal works in construction and agriculture, and their seasonal earnings provide sustenance to their families left behind. They 'pay' for that with their human rights being violated, with oppression and health risks.

Surely, the governments of migrants' origin countries are not indifferent to this situation. On the other hand, government of Russia realizes that wide spread human trafficking practices in the sphere of irregular labor migration damage national labor market, breeds shadow sector of economy, gives rise to corruption, provokes criminality and social tension. So, both sending and receiving countries are strongly interested in counteracting human trafficking in the region. It can be effective only with combined efforts of the governments, within the frames of inter-ministerial cooperation, exchange of information, joint counter-traffickers operations, etc.

Human dimension of migration needs particular attention of government bodies responsible for migration management. Development of legal channels of migration, access of potential migrants to information about migration possibilities, migrants'

rights, and threats of illegal employment, specialized juridical and consultation services for migrants, severe penalties for unscrupulous employers hiring migrants illegally can reduce the sphere of human trafficking and increase human security of migrants.

In this context, efforts to cultivate non-tolerance of a society towards exploitation, violence, and forced labor at the national level and by NGOs can play an important role.

Brain drain

The CIS region, especially Russia, Ukraine, and Kazakhstan, have suffered serious losses due to outflow of highly skilled professionals in the 1990s. For Russia, the UNDP estimates (2004) annual losses resulting from brain drain as 25 billion \$US.

Researchers from former soviet republics are working in European and American universities and research centers pushed from their origin countries by low wages in the R&D sector and reduced prestige of intellectual labor. Some of them have emigrated forever, while the others keep contacts with their homeland and inspire international projects, training courses, etc. for mutual benefit of researchers from CIS and other countries.

The nature of contemporary science is shifting. It is becoming more internationalized. In many fields of science, like space investigations, energy technologies, physics of high energies, molecular biology, etc., development within the frames of only one country is hardly possible now. Projects in these fields of highest priority need huge resources – human and financial. Besides, cooperation between researchers from different scientific schools gives more effective results, and ‘brain exchange’ is an important instrument of scientific progress and mutual enrichment of scholars. So, nowadays development of fundamental science needs global management. This means that new forms of organization and mobilization of intellectual resources at the global level are to be found. Another side of this new approach is to make the national economies able to apply and integrate the results of globally produced high technologies.

Gradually, the most advanced CIS states are coming to a new understanding that in order to participate in a newly organized global scientific research process most effectively they should not only give their brains but also be ready to absorb produced innovations in their economy. By this reason, Russia, for example, is focusing on speeding up the development of high technologies sectors (the IT sector in Russia demonstrates the highest annual growth rate of 15%). Keeping in mind to reduce brain drain damages and to stimulate application of high technologies, Russia concentrates on (1) reorganization of R&D sector with priorities given to forward-looking studies, scientific schools, and talented young researchers; (2) restructuring of economy with special emphasis on HT sector; (3) encouragement of private investments in R&D; (4) development of interstate cooperation in R&D sector, etc.

Migrant remittances

Improvements in living standards of migrants' households are the most obvious positive effect of labor migration. Money earned in other countries is sent to the families that are left behind and used by migrants' households to purchase consumer goods, houses, investments in human capital and business.

In the 2000s, the scale of remittances at the post-soviet space considerably increased. The major receiving country, Russia is the main source of remittances. According to the Central Bank of Russia, the total amount of remittances sent from Russia to other CIS states increased by 7 times between 1999 and 2004: from 0.5 billion to 3.5 billion \$US. According to the national Bank of Kazakhstan, since 2000 the remittances by residents and non-residents sent by official channels were growing 1.5–2 times annually, and by 2005 exceeded 1 billion \$US. However, the overwhelming part of migrants' money is delivered to their origin countries not by official channels (bank transfer, postal order, other money remittance systems) but non-officially – with friends, relatives, or carried on their own. According to the Federal Migration Service of the Russian Federation, migrants take away 7-8 billion \$US from Russia annually.

In many smaller CIS countries migrant remittances play more important role in stabilizing economic development than foreign direct investments (FDI) or official development aid (ODA) (Table 3). Along with official IMF data estimates of total amount of remittances are included.

Table 3. Comparative role of remittances in the smaller CIS states

Country	migrant transfers BOP 2003	migrant transfers estimate	FDI millions 2003	exports of goods and services 2003	ODA and official aid 2002	GDP 2003
<i>in millions of U.S. dollars</i>						
Armenia	162	850	121	678	293	2 760
Azerbaijan	156	700	2 352	2 167	349	7 341
Georgia	237	275	334	477	313	3 984
Kyrgyz Republic	100	400	46	582	186	1 775
Moldova	464	500	58	806	142	1 950
Tajikistan	146	500	32	791	168	1 586
Uzbekistan	n.a.	600	70	3 240	189	8 728
<i>as a share of GDP</i>						
Armenia	5,9	30,8	4,4	24,6	12,4	
Azerbaijan	2,1	9,5	32,0	29,5	5,7	
Georgia	6,0	6,9	8,4	12,0	9,2	
Kyrgyz Republic	5,7	22,5	2,6	32,8	11,6	
Moldova	23,8	25,6	3,0	41,4	8,7	
Tajikistan	9,2	31,5	2,0	49,9	13,9	
Uzbekistan	n.a.	6,9	0,8	37,1	2,4	

BOP – balance of payments, IMF data

FDI – foreign direct investments, World Bank data

ODA – official development aid, World Bank data

GDP – gross domestic product

Source: Korobkov A., Palei L., The Socio-Economic Impact of Migrant Remittances in the CIS
In: International Migration Trends. Volume 15 of the scientific series “International migration of population: Russia and contemporary world”. Edited by V. Iontsev. Moscow, MAX Press, 2005, p. 142.

The major concern of both sending and receiving countries in the CIS region is to widen official channels for migrant remittances and develop incentives for labor migrants to transfer money legally. Central banks of the countries of the region coordinate their activities in information services for migrant workers on official facilities for remittances. National banks of both sending and receiving countries enlarge services for migrants in cooperation with Western Union, MoneyGram, TWML, Contact, and other money remittance systems.

From strategy for survival to strategy for development

International migration is a process full with benefits and gains for participating actors – migrants, employers, receiving states, and sending states. However, its benefits are closely correlated to individual strategies of migrants, types and forms of migration, and economic patterns in sending and receiving countries. Until recently, in the CIS region migration was a *strategy for survival*. Lack of economic opportunities pushed people of smaller CIS countries away to seek for any kind of jobs anywhere. The surveys on spending remittances in migrants’ households in Central Asian republics demonstrated that money earned abroad is spent mainly on consumption: food, clothing and other daily living needs.

However, the structure of spending in households of migrants is correlated to length of stay of migrants in a destination country (or number of short term stays for seasonal works) and economic situation in the country of origin where migrant’s family lives. E.g. migrants from Tajikistan who have been working in Russia for several years (70% of Tajik migrants surveyed in 2005 have been international labor migrants for over 5 years) invest more money into health and education that improves human capital and sometimes manage to accumulate initial capital for starting up their own small business after return to Tajikistan. The survey conducted in 2004 in Kyrgyzstan² proves that the pattern of spending of migrant remittances does include “investment segment”: 111 small scale companies owned by former labor migrants who have earned initial capital during their trips to Russia have created workplaces for other Kyrgyz people, about 4,000 in all. Similar evidence comes from Armenia.

International migration can become a *strategy for development* rather than strategy for survival when the economy of sending countries is developing to provide breeding for initiatives of private sector in terms of needs for additional resources for development. Growth of incomes and agricultural sector can be supported by households’ strategies in the field of migration: by sending a family member to work abroad a household can provide financial inflow for the needs of its development.

² The survey of migrants households was conducted by L.Maksakova and A.Elebaeva, the Kyrgyz National Institute for Macro-Economic and Social Studies.

The role of the governments is to support developmental effects of migration: to encourage migrants to remit money home by official channels and to invest them into development projects. Financial and economic bodies of Moldova, Tajikistan, Kyrgyzstan, Armenia, Uzbekistan, Azerbaijan show interest in experience of the other sending countries (like India, China, Turkey), which have earlier realized the potential role of migrants remittances for economic development and have elaborated systems of practical instruments to attract these remittances for the purposes of development (by tax remissions, preferential terms of investments, crediting, etc.)

Towards the CIS common labor market

Disparities in demographic and economic potential of the CIS countries ‘naturally’ point at interregional migration as an instrument to promote co-development based on mutual complementarity. Properly managed, international migration in the region can balance lacks and surpluses of labor in different countries and industries. Similarities in educational systems, including professional training and higher school, can be a background for interregional migration of skilled labor.

Multi-million flows of irregular migrants at the CIS territory prove huge potential of labor migration in the region. In fact, migrants ‘vote by their feet’ for a single migration space and a common labor market. During 1.5 decades of post-soviet development often complicated by contradictions of interests and lack of understanding, freedom of movement was likely to be staying the strongest link of the chain connecting former soviet republics.

The new approach to regional migration came in the 2000s when the relative economic stability was achieved and benefits of labor migration were understood at the high state level. Presently, facilitating of orderly movement of labor, guaranteeing of social and labor rights of migrant workers is on agenda of regional interstate organizations and bilateral agreements.

Regional interstate cooperation in the field of migration management

Coordinated management of migrations in the Eurasian migration system is an object of activities of a number of regional organizations: Commonwealth of Independent States (CIS), Eurasian Economic Community (EurAsEC) – Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, GUAM (Georgia, Ukraine, Azerbaijan, Moldova), as well as of numerous bilateral agreements.

Major multilateral agreements:

- Agreement between the CIS states on cooperation in labor migration and social guaranties for migrant workers (1994)
- Agreement between the CIS states on cooperation in preventing irregular migration (1998)
- The EurAsEC Agreement on visa-free trips: Belarus, Kazakhstan, Kyrgyzstan, Russian Federation, Tajikistan (2005)
- Participation in the Budapest Process (since 2004)
- Issyk-Kul Dialog of the International conference on migration policies in Central Asian states, Caucasus states, and neighboring countries

- International Agreement on migration management between Uzbekistan, Kazakhstan and Kyrgyzstan (2000)

Bilateral agreements on labor migration:

- Russia – Belarus (within the frames of the Agreement on the Union between Russia and Belarus)
- Russia – Tajikistan (inter-government; inter-ministerial; Representative Office of the Ministry of Labor of Tajikistan in Russia)
- Russia – Kyrgyzstan (inter-government; between Ministries of Interior; attaché on migration issues)
- Kazakhstan – Kyrgyzstan (inter-government, on agricultural workers in border regions)
- Tajikistan – Kyrgyzstan (inter-government)
- Russia – Ukraine (inter-government, inter-ministerial))
- Ukraine – Moldova
- Ukraine – Armenia
- Ukraine - Slovakia
- Uzbekistan – Turkmenistan (on simplified border cross regime for inhabitants of border areas)
- Uzbekistan – South Korea (labor quotas)
- Tajikistan – Turkey (between Ministries of Labor)

Projects in work:

- Elaboration of the CIS Convention on legal status of migrant workers
- Elaboration of the Agreement within the frames of the Eurasian Economic Community on temporary employment of citizens of member states of the EurAsEC on the territories of other member states
- Common Economic Space of Belarus, Kazakhstan, Russia and Ukraine. The purpose is free movement of capitals, goods and labor

Non-government activities:

- Direct agreements on labor exports (organized recruiting) between Russian enterprises and migration services in labor source countries.
- Establishment of “migration bridges” between Central Asian states and the Russian provinces (NGOs: information, consultations, training).
- Collaboration between private recruiting agencies (International Association “Labor Migration”).

Coordination of activities at non-governmental level is a new and very promising alternative to irregular migration, illegal employment, and human trafficking. For example, in 2003 International Association “Labor Migration” (IALM), which is a regional professional association of private labor agencies, including these from Russia, Ukraine, Tajikistan, and Kyrgyzstan, was established. The main purpose of the IALM is to promote legal temporary employment options by means of wide information campaigns for employers and potential labor migrants, collaboration between labor agencies of sending and receiving countries, formation of CIS regional labor demand and supply databases, etc. Working in collaboration with national state bodies engaged in migration management and international organizations, IALM is a

structural element of a newly-shaping international migration infrastructure in the CIS region, and a good example of combination of interests of State and business.

Conclusions

The case of the CIS region demonstrates the full range of pluses and minuses resulting from international migration. Benefits from labor movements and migrants remittances contradict implications related to irregular form of migrations resulting in challenges to national and human security. Mutual interest of the CIS states is focused on proper management of migration flows, both at national and international levels.

To maximize development-related migration benefits and minimize its negative effects, the CIS states are coming to a common understanding of necessary steps:

In the sphere of labor migration management:

- to reduce the scale of irregular migration and illegal employment by tackling shadow sector of economy in receiving countries, labor market regulation, development of official channels of labor migration by combined efforts of state and private labor agencies in both sending and receiving countries.

In the sphere of transit migration:

- to respond the challenges of ‘asymmetric borders’ by improvement of border control facilities and cooperation among the transit CIS states in immigration control; to use international instruments to reduce the risks of ‘extended transit’ and thousands of migrants stuck in transit countries.

In the sphere of brain drain:

- to encourage R&D sector and interstate cooperation in the field of research in order to develop knowledge-based economy and stimulate return migration of intellectuals; to initiate new organizational forms of fundamental science on supra-national level attracting necessary human and financial resources and elaboration of fair access of the countries to innovative technologies.

In the sphere of migrant remittances:

- to encourage migrants to send their remittances via official channels, offer incentives for migrants to invest earned money in business, human capital, local infrastructure, and development projects.

The CIS countries strategy in the field of migration is at the turning point. Both sending and receiving countries of the region are coming to understanding of benefits of international migration for regional development. Cooperation between the countries of the region at the government level and joint efforts of non-government organizations, academics, and media, are aimed at finding consistent tactics to make migration an effective instrument for mutual development of national economies and the region as a whole. For this purpose, the permanent dialogue on coordinated migration management able to reduce its illegal component and encourage orderly movements of labor is of particular relevance.