

SCENARIOS OF MIGRATION WITHIN THE EAEU IN CONDITIONS OF ENHANCING ECONOMIC INTEGRATION

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ABSTRACT

The article presents two scenarios for the development of the migration situation in the Eurasian Economic Union: extensive and intensive. In the extensive scenario of the development of the migration situation in the EAEU, the prospects for the

geographical expansion of the Eurasian Economic Union are considered, and the impact of expansion on labor migration flows and socioeconomic consequences for the countries entering the Union is estimated. The prospects and effects are evaluated for

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the Republic of Tajikistan joining the EAEU. The authors indicate that further expansion of the Eurasian Economic Union must be based on close cooperation with other countries and integration associations. In the intensive scenario, the prospects for widening the economic integration of the participating countries are considered, as well as the prospects for creating a single labor market for highly skilled specialists in the EAEU on the basis of a unified innovation infrastructure and a single educational environment. The transition of integration projects in the post-Soviet space to its broader forms is limited by national and economic interests of the active and potential members of integration associations. Stabilization of the single labor market of the EAEU can occur, given the increasing quality, rather than quantity, of the workforce, the growth of its professional qualifications, and the increase in the transparency of migration flows. The low

level of professional training not only narrows the job opportunities of labor migrants in external labor markets, but also leads to the aggravation of socioeconomic problems. It is important to create the necessary comfortable conditions for the immigration of highly qualified specialists within the framework of the EAEU.

There is a need to stimulate the development of innovative infrastructure and create a single educational environment, which will result in the formation of a single labor market of highly qualified specialists. The creative economy raises the level of requirements for the qualification of workers in the labor market and, thereby, stimulates the migration of qualified employees. It is important not to allow a "brain drain" from the EAEU member states to third countries. The formation of a knowledge economy in the EAEU is able to solve a number of socioeconomic problems.

KEYWORDS: *labor migration, development scenarios, Eurasian Economic Union (EAEU).*

Introduction

The development of migration scenarios is an important component of managing the migration and demographic processes. The main problems of forecasting are caused by the fact that in any country the growth of a population due to migration is formed as a result of interaction of immigration and emigration, which in turn are caused by various factors. And in the case of integration associations, which the EAEU represents, the forecasting of migration is complicated by the heterogeneity of the socioeconomic and political developments of the states that enter it.

The Russian migration policy has focused more on regulating immigration, as well as on problems, concerning immigrants. Despite the existence of two migration regulatory concepts (2003 and 2012), they do not contain explicit projections of migratory estimates. In the second concept (the Concept of the State Migration Policy of the Russian Federation for the period until 2025), the creation of conditions and incentives for the resettlement of former citizens, residing abroad, emigrants and certain categories of foreign citizens to the Russian Federation, development of differentiated mechanisms for attracting, selecting and using foreign labor, promoting educational migration and supporting academic mobility, etc., are proposed. However, this document contains no specific predictive parameters of the migration inflow of the population. Only in the Concept of the Demographic Policy of the Russian Federation for the period until 2025, which was approved in 2007, it is noted that a migration increase of more than 300 thousand people annually is necessary. The Federal State

Statistics Service (Rosstat), in the demographic projection until 2030, offers three options for forecasting migration growth: low (about 200-230 thousand), medium (300-340 thousand), high (400-500 thousand people).¹

The Republic of Belarus, which is similar to Russia as far as its demographic and migration policy is concerned, also considers migration as a component of demographic development. Kazakhstan also actively accepts immigrants, including the criteria, based on ethnic affinity (the program for the return of ethnic Kazakhs [oralmans]), to maintain the ethnocultural balance, as well as labor migrants, to compensate for the shortage of labor resources. At the same time, Armenia and Kyrgyzstan are more focused on encouraging emigration, developing ties with the diaspora, and attracting its resources for the development of the national economy.

Methods and Materials

“Extensive” scenario for the development of migration processes in the context of the expansion of the EAEU. It seems that competition for labor resources, as well as the development of a single labor market, contribute to the demographic and territorial expansion of international integration associations to achieve sustainable social and economic development. In this regard, the desire of most integration associations to attract members and the adoption of new countries are seen as an absolutely logical and economically justified solution.² The EAEU is not an exception, the accession of new member states can improve the socioeconomic and demographic situation within the Union. This can also lead to the more close interaction among the existing integration associations.

As the President of Russia, Vladimir Putin, has stated: “The Eurasian Economic Union does not seek to unite only the post-Soviet states; the emerging Eurasian space will have wider boundaries. The Eurasian Economic Union becomes the bridge between Europe and the Asia-Pacific Region. The relations between the EAEU and the EU have great prospects for joint development, despite some tension of the last period, and satisfaction of mutual economic interests in the 21st century can lead to the formation of a common economic space from Lisbon to Vladivostok. The EAEU will become a part of both the European and Asian economic space; create a large platform for economic cooperation and a ‘harmonious cooperation of the economies’.”³ Also, the President of the Republic of Belarus, Alexander Lukashenko, introduced the notion of “integration of integrations,”⁴ implying close interaction between the two integration structures—the EU and EAEU.

The EAEU continues to be a real and promising form of integration development within the framework of the former U.S.S.R., despite the financial and economic crisis of 2014-2015, a significant depreciation of the Russian ruble, and some disagreements at the political level. Compared with other examples of integration and regionalism in the post-Soviet space, the advantage of the EAEU is that mutual benefits are consistently observed and the sovereignties of the member states of the Union are respected.

¹ See: S.V. Ryazantsev, I.Ya. Bogdanov, M.N. Khranova, “Prognozirovanie migratsii v kontekste formirovaniya vneshnei migratsionnoi politiki Rossii,” *Nauchnoe obozrenie: ekonomika i pravo*, No. 1, 2017, pp. 12-15.

² See: V.A. Bezverbnii, “Demograficheskie i migratsionnye aspekty regionalnoi integratsii,” in: *Migratsionnye mosty v Evrazii: Materialy VII mezhdunarodnoi nauchno-prakticheskoi konferentsii “Rol trudovoi migratsii v sotsialno-ekonomicheskom i demograficheskom razvitií posylaiushchikh i priniimaiushchikh stran” (Moskva-Stavropol, 13-18 oktiabria 2015 g.)*, ed. by S.V. Ryazantsev, Ekon-Inform, Moscow, 2015, p. 338.

³ V.V. Putin, “Noviy integratsionnyy proekt dlia Evrazii—budushchee, kotoroe rozhdaetsia segodnia,” *Izvestia*, 5 October, 2011, p. 5.

⁴ A.G. Lukashenko, “O sudbakh nashei integratsii,” *Izvestia*, 19 October, 2011, p. 5.

The study shows that many states have shown a desire to integrate with the EAEU to various degrees. For example, in 2015, an agreement was reached to establish a free trade area of EAEU with Vietnam. The leaders of Israel, Egypt, China, India, Iran, Pakistan, Zimbabwe, Tunisia, Syria, Jordan, Mongolia, Albania, etc. have expressed their viewpoints on this subject as well.⁵ About 30 appeals were submitted to the Eurasian Economic Commission. A significant development could be the implementation of agreements between the leaders of Russia and China (May 2015) on the merger of two projects—the EAEU and the New Silk Road. In addition, the most relevant mechanism for creating and developing this form of integration can be a free trade area.

The countries of Central Asia, in particular Tajikistan, are also considering the integration with the EAEU. The President of Tajikistan, Emomali Rahmon, said in 2014 that it is necessary to study the economic base and legal documents of the Eurasian Economic Union “with a view to possibly joining this new integration association.”⁶ One of the reasons for Tajikistan’s accession to the EAEC can be an active and large-scale labor emigration to Russia and Kazakhstan. For Tajikistan, emigration has now become a real mechanism to reduce unemployment and the balance of payments deficit by way of the incoming remittances. The labor migration has become not only a means of survival for the population and an instrument for reducing demographic tension, but also a mechanism for economic integration within the post-Soviet space from its grass roots.⁷ According to the World Bank, labor migration and remittances have been essential to the development of Tajikistan since 2000.⁸

The population of Tajikistan is growing, while the number of jobs in the country is not increasing fast enough. According to the National Agency for Statistics, the population growth in Tajikistan for 2005-2013 amounted to 2 million people: its number increased from 6.1 million to 8.1 million people.⁹ At the same time, agriculture is one of the few sectors of the economy in which there is an increase in the number of jobs. It should be noted that agriculture accumulates about 66% of the employed in Tajikistan. The employment of the population in other sectors of the economy is practically not growing or increasing very slowly. Only about 18% of the population is engaged in the non-material sphere of the national economy. According to the Eurasian Development Bank (EDB), more than 36% of Tajikistan’s working-age population in 2010, were not employed in the economy.¹⁰ According to the World Bank’s Survey of Living Standards in 2007, labor migration is concentrated among members of poor households: in 60% of households, with low levels of consumption, at least one family member works abroad.¹¹ There is a significant difference in the income of labor migrants

⁵ See: “Tunis predlozhit sozdat zonu svobodnoi torgovli s TS i EAES,” *Rossiiskaia gazeta*, 14 January, 2015, available at [<http://rg.ru/2015/01/14/tunis-anons.html>], 18 April, 2017; “Zimbabwe zakhotela zakliuchit soglashenie o zone svobodnoi torgovli s EAES,” Interfax, 17 July, 2015, available at [<http://www.interfax.ru/business/454338>], 19 April, 2017; “Egipet i EAES dogovorilis o sozdani zony svobodnoi torgovli,” *Gazeta.ru*, 10 February, 2015, available at [http://www.gazeta.ru/business/news/2015/02/10/n_6911237.shtml], 26 April, 2017.

⁶ The National Information Agency of Tajikistan “Khovar,” available at [<http://khovar.tj/rus/economic/43089-tadzhikistan-i-evraziyskiy-ekonomicheskii-soyuz.html>], 25 April, 2014.

⁷ See: Z.A. Dadabaeva, “Potentsial i perspektivy vstuplenia Respubliki Tadjikistan v Evraziyskiy ekonomicheskii soiuz,” in: *Ekonomicheskoe vzaimodeistvie stran-chlenov SNG v kontekste Evraziyskogo integratsionnogo proekta: Sbornik nauchnykh statei*, ed. by L.B. Vardomskiy, A.G. Pylin, Institute of Economics, RAS, Moscow, 2015, pp. 253-269.

⁸ See: *Tajikistan: Slowing Growth, Rising Uncertainties*, Latest Issue: Biannual Economic Update, Spring 2015, Official site of the World Bank (see: [<http://www.worldbank.org/en/country/tajikistan/publication/tajikistan-economic-update-spring-2015>], 5 April, 2017).

⁹ See: Official site of the National Agency for Statistics under the President of the Republic of Tajikistan (see: [http://www.stat.tj/ru/img/b417f44e3113e555fff3cd143d5b3fe_1404816557.pdf], 12 April, 2016).

¹⁰ See: *Otsenka ekonomicheskogo efekta prisoedinenia Respubliki Tadjikistan k Tamozhennomu soiuzu i Edinomou ekonomicheskomu prostranstvu*, Official site of the EDB (see: [http://www.eabr.org/tr/research/centre/projectsCII/Tajikistan_CU_SES/], 22 April, 2016).

¹¹ See: *Tajikistan— Living Standards Survey 2007*, The World Bank (see: [<http://microdata.worldbank.org/index.php/catalog/72>], 17 April, 2017).

working in Russia and those working in Tajikistan. According to the EDB estimates, immigrants earn 3.8 times more than the workers in Tajikistan who have similar socioeconomic characteristics. According to a survey of migrants who returned to Tajikistan, conducted by the EDB in 2009, about 98% of respondents named the job search as the main reason for emigrating. More than 60% of migrants were unemployed in Tajikistan. About 27% worked in Tajikistan, but preferred to move to another country in order to find a new job and a more attractive salary.¹²

It is necessary to note the high level of dependence of Tajikistan's national economy on remittances from labor migrants. More than 90% of remittances, coming to the country, come from Russia.

Based on the information of the Central Bank of Russia, in 2014, \$3.83 billion was transferred from Russia to Tajikistan through money transfer systems (Anelik, BLIZKO, Contact, InterExpress, UNISStream, Western Union, Kolibri, LEADER, Russian Post, and Golden Crown).¹³ However, this figure cannot be considered absolutely reliable, since it does not take into account the funds, taken out in cash and transferred through informal channels. According to the National Bank of the Republic of Tajikistan, labor migrants sent about \$4 billion in 2014, which amounts to 45% of the country's GDP,¹⁴ which made Tajikistan the most dependent country on remittances in the world.

Moreover, the larger the share of income from labor migrants in the GDP of the donor country, the more the national economy of the donor country depends on the economic situation in the country employing the labor force. The economic decline in the Russian Federation has revealed a high degree of dependence of the Republic of Tajikistan on emigration. According to the World Bank, as a result of the sharp devaluation of the Russian ruble, the cost of remittances in dollar terms decreased by 8.3% in 2014. In early 2015, the cost of remittances continued to fall: in January-April 2015, individuals transferred 615.6 million dollars, which is 318.6 million (34.1%) less than the same period of the last year.¹⁵

Remittances contribute to poverty reduction in Tajikistan, which declined from 41% in 2012 to 34% in 2014.¹⁶ It must be noted that if there were no remittances from Russia and Kazakhstan, the level of poverty in Tajikistan would increase from 34% to 55%. The poverty level among the households that receive remittances is significantly lower than the national average (19% vs. 34%). Remittances reduce poverty in rural areas.

At present, it is still possible to observe a large-scale labor migration from Tajikistan to Russia. According to the FMS of Russia, in May 2015, there were 990,000 Tajik citizens in the country, including young able-bodied men, aged from 18 to 29 years, who amounted to about 412 thousand people.¹⁷ The actual number of labor immigrants from Tajikistan in Russia could be significantly higher, since the official statistics do not cover all of the immigrants.¹⁸ The economic crisis, falling incomes of immigrants, and the tightening of the Russian migration legislation in 2014-2015, con-

¹² See: *Otsenka ekonomicheskogo effekta prisoedinenia Respubliki Tadjikistan k Tamozhennomu soiuzu I Edinomu ekonomicheskomu prostranstvu.*

¹³ See: *Transgranichnye perevody, osushchestvlenye cherez sistemy denezhnykh perevodov po osnovnym stranam-kontragentam za 2014 god*, Official site of the Central Bank of the Russian Federation (see: [http://www.cbr.ru/statistics/print.aspx?file=CrossBorder/Rem_countries_14.htm], 10 April, 2017).

¹⁴ See: Official site of the National Bank of the Republic of Tajikistan (see: [http://www.nbt.tj/files/monetary_policy_2012_tj.pdf.pdf], 17 April, 2017).

¹⁵ See: *Tadjikistan: zamedl'aiushchiisa rost, rastushchaia neopredelennost. Doklad ob ekonomicheskom razvitiitadjikistana No. 1. Vesna 2015 g.*

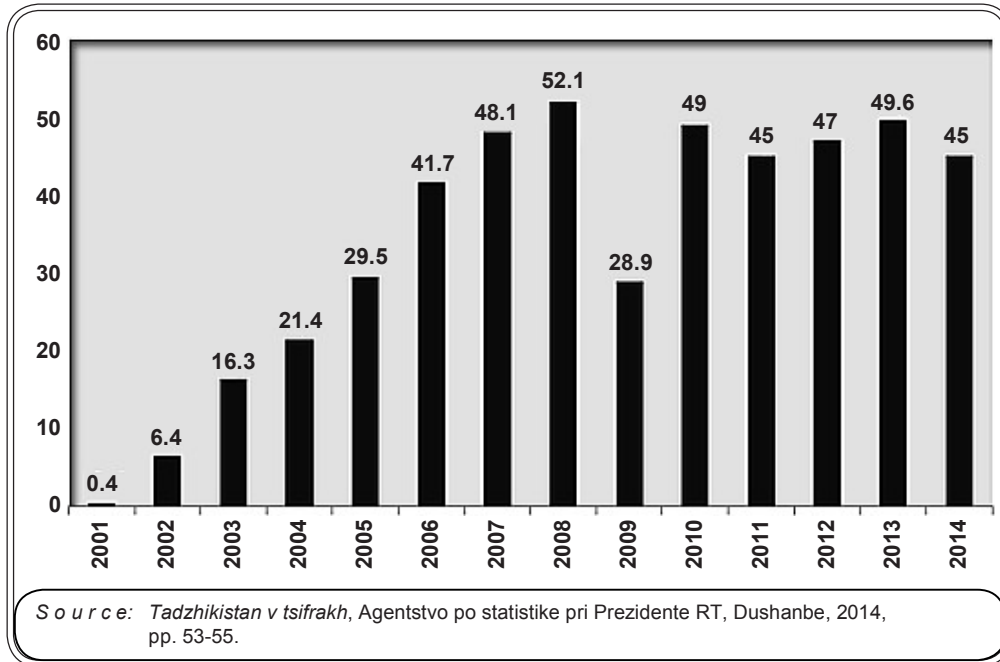
¹⁶ Calculated on the basis of the global poverty line set at \$2.5 a day measured in purchasing power parity.

¹⁷ See: Official site of the Federal Migration Service of the Russian Federation (see: [http://www.fms.gov.ru/document/5832], 3 April, 2016).

¹⁸ See: Ibidem.

Figure 1

Remittances as a Share of GDP of Tajikistan for the Period of 2001-2014, %



tributed to the reduction of the total number of labor migrants from Tajikistan to the Russian Federation.¹⁹

The membership of Tajikistan in the EAEU will allow its citizens to gain access to a single labor market. Moreover, Russia, as the main host of the Tajik labor migrants, is interested not only in increasing its labor resources, but also in legalizing migrants from Tajikistan, and in maintaining and strengthening integrational ties with the republics of the former U.S.S.R. In the case of Tajikistan joining the EAEU, the following effects can be enumerated in the context of labor migration.

For the host countries (Russia and Kazakhstan), the potential benefit will be in the growth of the revenues of the budgets, due to the payment of the income tax by the legalized migrants (the Russian budget experiences a loss of 10-40 billion rubles annually from the non-payment of personal income taxes); optimization of the distribution of labor within the EAEU; reduction of costs to contain undocumented migration (legalization of labor migrants through the mechanism of a single labor market).²⁰

For the Republic of Tajikistan, as the source country, joining a single labor market will lead to a greater degree of legalization of those migrant workers, who work in the EAEU countries without proper documentation, rather than increasing the flow of labor migration from Tajikistan. It may be assumed that after Tajikistan joins the EAEU, its labor migration will increase insignificantly, by

¹⁹ See: S. Ryazantsev, I. Bogdanov, V. Dobrokhleb, A. Lukyanets, "Migration from Central Asian Countries to Russia and Kazakhstan in the Context of Integration Processes in the Eurasian Economic Format," *Central Asia and the Caucasus*, Vol. 18, Issue 1, 2017, pp. 39-42.

²⁰ See: S. Ryazantsev, "The Lingual Integration of Migrants in Russia: Declaration and Realities," *Life Science Journal*, No. 11 (8s), 2014, pp. 139-143.

about 10-15%, given the seasonal nature of labor emigration from Tajikistan. The volume of remittances depends on the number of labor emigrants, the average wage and the share of income that is transferred home. Given the accession of Tajikistan to the single labor market, the level of wages of migrants will approach the national standard; estimates of the growth of remittances will be in the range of 15-25% of the current level, and the share of transfers will reach up to 49-53% of the GDP, if and when the economic situation in Russia improves.

The “intensive” scenario for the development of the migration situation in the EAEU. The transition of integration in the territory of the former U.S.S.R. to its more extensive forms is limited to the national interests of the acting and potential members of integration associations.²¹ “These interests are formed as a result of linking the developmental goals of countries with national, global and regional factors (resources) for their achievement, cultural and historical traditions and the nature of external threats.”²² Therefore, the problems of the development of Eurasian integration projects (CIS and EAEU) are primarily related to the answer of the question, whether these projects have real opportunities for effective development of reciprocal relations. It is about the strategy of economic unification and about geopolitical, military, intellectual, and sociocultural integration. At the center of the agenda are the creation of a stable and predictably developing regional political and economic system in Eurasia, as well as the formation on its basis of a global center for world development and stability.²³

Results

We believe that the stabilization of the single labor market of the EAEU can occur, given not only the growth of the quantity, but also the increase in the quality of the workforce, especially its professional qualification. The low level of professional training significantly reduces the opportunities for migrants of finding employment in external labor markets, and also leads to the aggravation of socioeconomic problems in the host countries. The domination of low-skilled labor in migration reinforces the problems of sociocultural adaptation of migrants in the host countries, and intensifies the situation with medical care, housing, transportation and social infrastructure.

The priority direction for the development of the EAEU is the creation of an innovative economy that requires skilled workers and highly qualified specialists. There exists an objective need to develop an innovative infrastructure and create a single educational environment. In this regard, it seems that it is important to design favorable conditions for stimulating the migration of highly qualified specialists. The goal is establishing a single labor market for highly qualified specialists by evolving mechanisms of innovation and educational infrastructure. At the same time, it is important to prevent the “brain drain” from the EAEU states to third countries.

It is possible to create a Eurasian innovation center and a venture fund that will promote the development of R&D and spread of innovations, as well as the Fund for Support of Export-oriented Production. The activity of these structures will allow increasing the share of the EAEU goods in ~~the world commodity market, and will also promote the export-oriented high technology products.~~ In addition, the development of innovative infrastructure will create many jobs for qualified professionals.

²¹ See: S. Ryazantsev, V. Bozhenko, “New Approaches to Managing Labor Migration under Integration in EurAsEC,” *Asian Social Sciences*, Vol. 10, No. 20, 2014, pp. 195-200.

²² L.B. Vardomskiy, “Voprosy evraziiskoi integratsii,” in: *Vneshneekonomicheskie svyazi postsovetskikh stran v kontekste evraziiskoi integratsii*, ed. by L.B. Vardomskiy, A.G. Pylin, Institute of Economics, RAS, Moscow, 2014, p. 12.

²³ See: Z.A. Dadabaeva, op. cit.

Discussion

The nascent conditions for the formation of innovative economies in the EAEU states are significantly inferior to the economically developed countries. The Global Innovation Index indicates that, according to the French research institute, INSEAD, Russia occupies the 49th position in the list of 143 countries, the Republic of Belarus—58th place, Armenia—65th, Kazakhstan—79th, Kyrgyzstan—112th. The Russian Federation, which possesses all the main elements of innovative infrastructure, can be considered the leader in the field of innovative technologies in the EAEU. However, these elements are poorly coordinated and sometimes ineffective. In Kazakhstan, the innovative infrastructure has a more mature form, but there are problems in the commercialization of scientific developments and the lack of interaction between research and production, which leads to a low level of engineering and technical support. In Belarus, there is a system of information support for the State Innovation Program, as well as a system for monitoring the innovative development of industries and regions. In Armenia, although there has been a trend toward innovative development, the scientific and technical component continues to develop in isolation from the idea of the full use of human capital. There is still no concept for the development of innovative infrastructure. Kyrgyzstan has a number of organizational and legislative problems that create obstacles to the legal provision of innovative development. All the EAAU member countries are characterized by a low level of R&D funding and lack of an institution for financing commercialization. To achieve an effective functioning of the Eurasian innovation system, a coordinated targeted policy of all EAEU member countries is needed, in particular, coherence in the implementation of licensing and patent policy.

Conclusion

The scenarios for the development of the migration situation in the EAEU (“extensive” and “intensive”) can generally correspond to the state of the socioeconomic situation in the post-Soviet space, but may be implemented in various combinations, depending on internal and external factors. But generally, the development of the migration situation in both scenarios will lead to positive consequences for both national economies of the EAEU countries and for the single labor market.

In accordance with the concepts of economic theory, labor migration will not lead to the convergence of the development of the economies of countries, as long as there is a serious differentiation in technological development. In countries with a low level of innovation and technological development, wages will be lower than in the more technologically advanced partner countries. A coordinated innovation and educational policy requires participation of all of the EAEU member countries. It is necessary to create “the drivers” for innovative and educational development (for example, the Eurasian Innovation Center and the Eurasian Peoples’ Friendship University with a network of affiliates), which should be formed using foreign experience in developing similar projects and attracting international scientific and expert cooperation. The foundation of innovative and educational development in the EAEU should also be accompanied by the simultaneous implementation of legislative norms and institutional rules.

Education can be regarded as an important and basic socioeconomic instrument for deepening integration of the EAEU. The single labor market requires common approaches to the training of personnel, but at the moment there is no single educational system in the EAEU. Within the framework of a single labor market, there is a system for the recognition of educational achievements, certifications and diplomas (with the exception of medical, pedagogical and legal education). The formation of a unified economic policy in the EAEU requires the creation of a single educational

environment, taking into account that all the EAEU countries are members of the Bologna Process, with the exception of the Kyrgyz Republic, which will make it possible to use the experience of the European Union in the formation of a single educational environment.

The labor migration of highly qualified specialists is an important factor that will positively affect the national labor markets of all the EAEU states. Graduates of the Network University can work in any country of the EAEU and compete with each other in both national and general labor markets. It is also worth noting the importance of studying the Russian language within the EAEU. In many republics of the former U.S.S.R., the Russian language still plays an important role. The Russian language is the working language of the Eurasian Economic Commission, the CIS, the Shanghai Cooperation Organization and the Collective Security Treaty Organization. In addition, taking into account large flows of labor migrants from Kyrgyzstan, Armenia and Tajikistan to Russia, the study of the Russian language by labor migrants is the key to obtaining a higher-paid level of employment.
