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Central Asian Migrants in Russia

Edited by
Kazuhiro Kumo

March 2011

INSTITUTE OF ECONOMIC RESEARCH HITOTSUBASHI UNIVERSITY

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*Sociology, Economics and Politics of
Central Asian Migrants in Russia*

Edited by
Kazuhiro Kumo

The Institute of Economic Research
Hitotsubashi University
Tokyo, Japan
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Preface

A long time has already passed since international labor migration first garnered attention. Moreover, a great deal of debate has developed on the impact of foreign remittance from migrant workers on the economies of the countries from which the migrants originate. Both positive and negative effects have been addressed. On the positive side, for example, foreign remittance can boost the income levels of households receiving remittances, while it can have both a positive and negative impact on human capital accumulation in countries supplying migrants. However, foreign remittance to transitional economies has rarely been the chief object of analysis.

Although many transitional economies have small populations and the value of their incoming foreign remittance is not particularly large in absolute terms, it is often high as a proportion of GDP. Tajikistan, for example, in particular, has exhibited the highest percentages in the world in recent years, at more than 30 or 40 percent of GDP, among others. Other Central Asian countries such as Uzbekistan and Kyrgyz also send out their labor into Russia and receive large remittances in comparison with their own GDP scale. Central Asian countries are therefore prime examples of how international labour migration from former Soviet republics (which maintain close connections with Russia), and the foreign remittance that leads to, can affect the economies of countries with small populations.

It is against this background that we organized an international workshop entitled "Labor Migrants in Russia and Central Asia" supported by Center for Economic Institutions, the Institute of Economic Research at Hitotsubashi University on May 20, 2010. This book represents one of outcomes from the collaboration between Russian and Japanese scholars. We hope this volume could be beneficial to the researchers on Russian and the CIS economic studies and make a contribution to the further development of in-depth studies on migration and social transfer.

Kazuhiro KUMO

March 2011

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Central Asian Migrant Workers in Moscow: realities revealed by their own words

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Abstract

Moscow annually attracts a large number of migrant workers. Many pitfalls can cause problems for them to gain legal status in Moscow. Some become illegal workers without realizing it, some consciously become illegal, and some do not understand the legal bureaucratic procedures or find them too much trouble and consequently work illegally. On the other hand, many are fortunate enough to achieve legal status through the kindness of employers or sponsors, or are lucky enough to attain legal status as a result of personal connections. In many cases, the difference between working legally or illegally is determined by the slimmest opportunity or piece of good fortune. We conducted qualitative research interviews with 20 Central Asian migrant workers in Moscow. They revealed what obstacles they face in crossing borders, in their work places, and in their daily lives in Moscow. For people who immigrate to work in Moscow, the most important aspects of their experiences are the problems faced when crossing the border, problems related to work, and problems faced in everyday life. Russian immigration officials at borders and on the streets exploit the vulnerable status of such workers and swarm after their money. Unfortunately, profit can be made by agents who intervene in border control, registration, or work permit application procedures. Among the Central Asian immigrants who took part in our study, many did not know how to apply for and obtain a work permit. Some applied through intermediary agents without determining whether this route was legal. Some wanted to obtain legal papers, but failed to

address the complicated application process because they had not experienced any problems, even though they had been working illegally. These people fall in between the cracks between regular and irregular statuses. This demonstrates the blind spots in Russian border control and foreign labor management. Russia must improve her migration policies and governance and reflect on the voices of the migrant workers who find themselves trapped inside her complex and contradictory systems.

1. Introduction

Russia is the second largest country in the number of immigrant stock. Her capital city, Moscow, annually attracts a large number of migrant workers. Migrants in Moscow face troubles that have their roots in their vulnerable status as foreign workers. Many pitfalls can cause them to have problems gaining legal status. Some become illegal without realizing it, some consciously choose to work illegally, and some fail to understand the legal bureaucratic procedures or find them to be too much trouble and consequently continue to work illegally. On the other hand, some workers are fortunate enough to achieve legal work status through the kindness of employers or sponsors, or are lucky enough to attain legal status as a result of personal connections.

To delineate the features of Central Asian migrant workers, most researchers use official statistics that are often unreliable and select anecdotal stories from the mass media and interviews with experts in Russia. We often read “according to an expert” not only in academic articles but also in newspapers. This is partly because we lack reliable data sets to critically analyze the present dynamics of Central Asian migrant workers, and partly because we have few opportunities to listen to the migrants themselves. Researchers outside Russia and Central Asia therefore quote anecdotal stories from mass media and the comments of Russian scholars, even if such stories and information quoted from scientists, bureaucrats, and newspapers are reproduced and circulated without being confirmed¹.

We conducted our own in-depth interviews with 20 Central Asian migrant

¹ Дятлов (2009, p. 152) described this information circulation without proof as a “pyramid” scheme in migration research.

workers living in Moscow and its suburbs. This is not a new idea in Russian migration studies. For example, Tachiana Ivanova (Иванова2009) conducted life history interviews with two Tajiks in a study that addressed a problem that resembled ours. Maxim Grigoriev and Andrei Osinnikov's (Григорьев et al. 2009) conducted interviews with 102 illegal immigrants from a huge range of different countries, including the Central Asian countries of Uzbekistan, Turkmenistan, Kyrgyzstan, Tajikistan, and Kazakhstan, the Caucasian countries of Georgia, Armenia, and Azerbaijan, such former Soviet Union countries as Ukraine, Belarus, and Moldova, African countries including Ghana and Zambia, and China. Ruget et al. (2008) also attempted qualitative studies that focused on Central Asian immigrants, but with different aims. A huge number of in-depth interviews with migrants in Russia was conducted by Human Rights Watch (2009). This unique survey of 127 migrants working in Russian construction shares some focus points with our research. Note that all these surveys were conducted recently. This shows that researchers on migration issues in Russia refuse to accept the reality shown by quantitative researches. Instead, they are focusing on the reality that quantitative research cannot grasp.

Key differences exist between our study and all of the above research. First, the focus of our study was restricted to Central Asian immigrants. Second, we employed unique methodology and analysis of Central Asian migrant workers. For example, Maxim Grigoriev and Andrei Osinnikov focused on illegal migrants in Moscow and described the reality of their situations. In our study we pursued the reality migrants often face found between the fuzzy status of working illegally and legally. As mentioned above, we expected that migrants could not understand which procedures are necessary to get legal working status and might often ask mediators to complete the procedures for them. How can such workers prove that all the documents issued through mediators are correct? For example, police may destroy migration cards, and border officers may refuse to stamp passports, creating trouble in Russia and at future border situations. We focus on the pitfalls that can cause immigrants to work illegal in Moscow.

In many cases, the difference between working legally or illegally is determined by the slimmest opportunity or piece of good fortune. For immigration policy makers or administrators of migrant workers, what determines whether they are legal has nothing to

do with such arbitrary good fortune; it concerns the question whether correct bureaucratic procedure has been followed and whether the resulting documentation exists. This is why the term “illegal” immigrant is eschewed in migration studies, and the terms “irregular” or “undocumented” immigrant are often used².

2. General features of Central Asian migrants in Russia

Russia’s policy attitude toward immigrant labor is divided into two approaches: “Far abroad” and “Near abroad” countries. The “Near abroad” countries are the CIS countries. The “Far abroad” countries are the rest of countries in the world. This division is crucial for Russia’s perspective to solve a series of tasks, including fulfilling workforce shortages, attacking demographic crises, maintaining national or cultural identity, and so on. Russia’s migration policies and foreign labor management measures are coordinated to fill shortages of unskilled workers in domestic labor markets with CIS workers, who easily adapt to Russian society. Returning ethnic Russians from CIS countries are especially welcomed to maintain their cultural and ethnic identities in Russia. Migrants from CIS countries except Georgia and Turkmenistan are allowed to cross borders without visas and work permits, although such special treatment for CIS workers is often linked to corresponding increases of illegal workers.

The share of CIS workers among all foreign workers registered in Russia continues to increase annually (Figs.1 and 2, and Table 1). In the 1990s, the most major migrants registered in Russia were from China and the Ukraine. One of the reasons why the share of Central Asian workers is increasing is that the number of migrant workers from non-CIS countries has been severely restricted by work permit quotas. Contrary to such caps, migrant workers with visa-free regimes (from most CIS countries) are not regulated when entering Russia to search for jobs and often get more work permits than the number of work permit quotas. In 2007 when the legislative procedures were simplified for migrant workers with visa-free regimes and were simultaneously required to have a plastic work

² Irregular and undocumented immigrants refer to immigrants who have failed to fulfill the various regulated conditions of entry, residency, and economic activity of the host country, as defined by the Programme of Action of the International Conference on Population and Development (Document A/CONFERENCE.171/13 of 18 October 1994. <http://www.un.org/popin/icpd/conference/offeng/poa.html>)

permit card, the number of foreign workers from CIS countries doubled. This means many undocumented foreign workers from CIS countries registered (or received amnesty) in 2007.

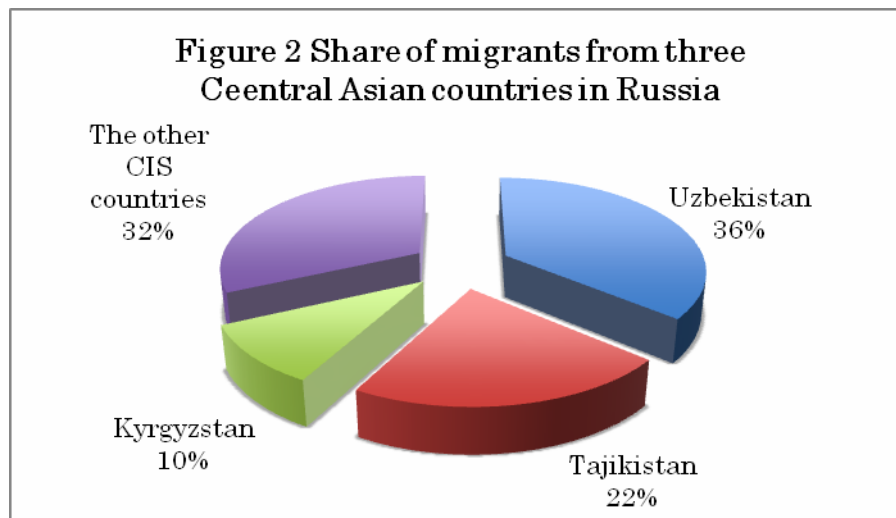


Source: Compiled by authors from data of Росстат, «Труд и занятость в России» (annuals covering the period)

Table 1 Share of CIS workers among registered foreign workers in Russia (in person and %)

	Registered foreign workers	CIS workers	Non-CIS workers	Share of CIS workers (%)
2005	702,500	343,665	358,835	48.9
2006	1,014,013	537,722	476,291	53.0
2007	1,717,137	1,152,786	564,351	67.1
2008	2,425,921	1,779,996	645,925	73.4

Source: Compiled by authors from data of Росстат, «Труд и занятость в России» (annuals covering the period)



Source: Compiled by authors from data of Росстат, «Труд и занятость в России» (2009)

Another reason is that the bottom of the Russian labor market is beginning to depend on cheap labor from Central Asia, especially in the construction industry. In the Russian construction boom during the highly economic development of the past decade, Russia required cheap labor in which Russian citizens have no interest. Chinese workers also work in construction, but they are not so flexible to the labor market demand in construction. With strict legislative procedures for non-CIS workers to get work permits, such Chinese workers cannot be flexibly employed. It is no secret that Russian employers can flexibly hire CIS workers from the streets. Yaroslavl highway (Route M8) in Moscow is a popular labor market for foreign workers from CIS countries.

The allocation of work permit quotas themselves shows that most CIS workers work at the bottom of the labor market. The quota system allocates work permits by occupation. We divided all the quota occupations into three types: managers/technicians, clerical/service workers, and manual laborers. Even in Moscow with its concentration of foreign companies, the allocation for manager/technician work permits does not even come to 20% of all work permit quotas. Rather than suggesting that the quota for managerial technical occupations is limited, this fact shows that it would not be possible to sustain Moscow's economy without the foreign workers who work at the lower end of Russia's labor market. The source of this huge number of foreign manual laborers is the CIS, and in particular, the Central Asian countries.

Table 2 Number of work permit quotas in Moscow by occupation in 2009

Occupation type	Occupation	Number of work permit quotas
A	Legislators, senior officials and managers	67,993
A	Physical, mathematical and engineering science professionals	7,483
A	Physical and engineering science associate professionals	3,442
B	Finance and sales associate professionals	19,848
B	Protective service workers and other personal service workers	10,667
B	Models, salespersons, demonstrators	3,147
C	Skilled agricultural and fishery workers	245
C	Extraction and building trade workers	92,562
C	Metal, machinery and related trades workers	18,234
C	Other craft and related trades workers	7,558
C	Stationary-plant and related operators	2,283
C	Machine operators and assemblers	14,129
C	Drivers and mobile-plant operators	26,348
C	Elementary occupations	96,466
C	Other	21,752
Total		392,157

Note) A: business managers/technicians, B: clerical/service workers, and C: manual laborers

Source: Compiled by authors from order of Ministry of Health and Social Affairs: Приложение № 2 к Приказу Министерства здравоохранения и социального развития Российской Федерации (Минздравсоцразвития России) от 26 декабря 2008 г. N 777н “О распределении по субъектам Российской Федерации утвержденной Правительством Российской Федерации на 2009 год квоты на выдачу иностранным гражданам разрешений на работу.”

The Russian government has several measures to regulate foreign workers: employment permits, work permits, work permit quotas, and resident registration. When the economic crisis hit Russia, President Putin argued in 2009 that the migrant quota should

be slashed by up to 50% of the total number of quotas. The number of quotas in 2010 was decreased to half of the 2009 number as he declared.

Table 3 Number of work permit quotas and issued work permits in Russia

Year	2003	2004	2005	2006	2007	2008	2009	2010
work permit quotas	530,000	213,000	214,000	329,300	6,308,842	1,828,245	3,976,747	1,944,356
quotas for non-visa-free countries	-	-	-	-	308,842	672,304	1,250,769	611,080
quotas for visa-free countries	-	-	-	-	6,000,000	1,155,941	2,725,978	1,333,276
issued work permits	210,486	248,768	225,799	267,200	1,193,959	3,500,000	N.A	N.A
Share of issued work permits (%)	39.7	116.8	105.5	81.1	18.9	191.4	N.A	N.A

Source: Compiled by authors from data of Federal Migration Service

Work permit quotas are considered effective means to reduce foreign workers in Russia, but interestingly the number of work permits issued exceeded quotas in both 2007 and 2008 (Table 3). The number of workers from non-visa-free countries *de facto* cannot exceed their quota because they have to get work permits before they enter Russia. The foreigners who can get work permits after they arrive in Russia are CIS workers with visa-free regimes who can also get work permits before they find jobs. In principle, work permits are issued on a first-come first-serve basis to any CIS workers who apply for them. There is no guarantee that workers receive work permits if the quota in their province has already been filled (Human Rights Watch, 2009, p.25). But, as Table 3 shows, CIS workers

got more work permits than the number of quotas³. This means the quota system does not regulate foreign workers from CIS countries. The chairman of the committee for International Communications and National Policy in Moscow city also claimed that the work permit quota system is useless (Александров, 2008, с.6).

3. Methodology

Our interviews emphasized the life stories of the immigrants. One special feature of our study is how it evokes a picture of many immigrants who live in the neutral space between legal and illegal status.

The interviews were mainly carried out at the immigrants' work places (construction sites, cafés, dacha where they are employed, markets etc.) by the academic staff and graduate students of the Institute of Socio-Political Research, Russian Academy of Science. The interviewers were all researchers on migration studies. 20 immigrants were interviewed over a specified period of time (Jan-Feb 2009).

To match the immigrant dialogues to the aims of our study, we set up a model story and shared it with interviewers before the interviews. The migrants decide while living in their home countries to migrate to Russia. They may have family there and a reason to leave their home countries. They board a bus, a train, or a plane. The journey is underway, but various forms of harassment await them at the border. When they arrive in Moscow, they have to look for a place to live and work. As foreigners, they must deal with various permission and authorization procedures. Once they have found work, as low-paid workers, they probably have to accept very harsh working environments and conditions. Forced labor and unpaid work are also reported. Their living environments are probably far from satisfactory. They have to send money back to their families in their home countries, but they have trouble knowing how to do this and how much to send. As they become used

³ Recently Moscow has begun to regulate the period to reserve work permits for CIS workers without jobs. CIS workers have to get a contract with employers for 15 working days soon after they get work permits. If a worker cannot get a job, his work permit becomes invalid. We don't believe that this regulation would effectively decrease the number of undocumented workers.

to life in Moscow, they often experience unpleasant encounters due to their foreigner status. Police abuse and harassment and xenophobic attacks are often reported in newspapers and academic articles. As their life continues, the most likely unresolved question is how long they intend to stay in Russia. Do they dream of returning to their home countries? Do they intend to live in Russia permanently? Our study sought to draw out the course of their life stories, starting with life in their home country to their current daily life in Russia. The dialogue established with the interviewees included feelings of empathy, indulgence, puzzlement, and antagonism in response to this story. What is important in the process of this research is to discover new, unexpected stories from the real voices of migrants.

In a qualitative study, interviewers must *improvise* (Wenger 2001 p.5), and interaction must exist between the interviewer and interviewee; but because our study was carried out using different interviewers, we standardized the basic question items to a certain extent for the convenience of interviewers and to guarantee interview quality. This means that our interviews sacrificed some improvisation and interaction. The interviewers were instructed not to stop the migrants' stories and to encourage them to talk as much as possible. In actual interviews, some interviewees were reluctant to talk, and some talked much more than we expected. We did not show these basic question items to the migrants. Due to the interactions and improvisation, some migrants could not answer all questions and some items were often skipped or their orders were changed, as demanded by the situations. Before being interviewed, we explained our purpose, but we did not provide them any financial incentive. Some of migrants refused to be interviewed; some were willing. The basic information of the interviewees is shown in the appendix. We are permitted by interviewees to describe their personal information in this paper, but carefully contrived not to identify them for their safety. The standardized basic question items are shown in Table 4.

Of course, interviews from just 20 people don't entail a large-scale interview project. Furthermore, the question remains whether the voices of immigrants in interviews are representative of all Central Asian immigrant residents in Russia. However, whether the views expressed by individuals are representative isn't nearly as important as showing how migrants subjectively evaluate their status, their lives in Moscow, Russian government

Table 4 Basic question items

1	What is your name? How old are you? Are you married? Do you have children? Where does your family live?
2	What is your place of origin? What is your academic background? Nationality?
3	Why did you want to work in Russia? When did you first come to work in Russia? How many times have you come to work here? What work did you do and where?
4	What means of transportation did you use when you came to Russia? Did you have any problems at the border when entering the country? If so, what kind? Have you had any trouble when leaving the country to return home?
5	What kind of job did you do in your home country? What are you currently doing (job title, company name, position)? How did you get a job in Russia? Who helped you? Did you pay that person?
6	Do you have a work permit? Was it difficult to get a permit to work in Russia?
7	Did you receive any assistance from your employer in completing residency registration procedures, obtaining a work permit, or securing accommodation? Aside from these things, did your employer organize anything else for you (accommodation, insurance, meals, work clothes, tools for work etc.)?
8	What is your monthly income?
9	How long is your work day? How many days off do you have a week? Are you able to take time off?
10	How much and how frequently do you send money to your family? Whom you sent money? What is the money you send home used for?
11	When did you come to Russia? How long do you plan to work in Russia? How regularly do you return home?
12	What kind of place do you live in (apartment block, dormitory, temporary housing, etc.)? How much is your rent? What kind of living environment do you reside in? What do you do for meals?
13	Have your working conditions or living environment in Russia ever affected your health?
14	What kind of trouble have you encountered in Russia? Have you ever had money extorted from you? What are you afraid of in Russia (police, fascist gangs, hooligans, etc.)?

procedures, and the attitudes of the people and the authorities with whom migrants must deal. These voices surely include the reality they face. Therefore, through their voices, we can understand the reality of the immigrant experience in Russia in a way that it is not possible through a quantitative study.

The following is the basic background information of the immigrants we

interviewed. We collected the voices of immigrants from Central Asian countries currently residing in Moscow and its suburbs. The only other condition imposed on interviewees was that they must come from Central Asian countries. Of the 20 interviewees, three already had dual-nationality with Russia and their home country, and one was in the process of applying for Russian citizenship. As for the countries of origin, 11 were from Tajikistan, six were from Uzbekistan, and three were from Kyrgyzstan. We excluded migrant workers from Kazakhstan since Kazakhstan itself has already become a host country for immigrants whose numbers are small compared to the numbers of migrant workers from the other Central Asian countries. The number of migrant workers from Turkmenistan is also relatively small, so we also excluded them. Appropriately, the majority of interviewees were from Tajikistan and Uzbekistan, which basically reflects the composition of migrants from each country. The ages ranged from 19 to 49, but the majority were in their 20s to mid 30s. The stories in our interviews cover a wide range of topics. In this paper, we focus on the following topics: mediation between migrants and authorities, bureaucratic barriers, and the uncertainty of migrants' status.

4. Institutionalization of informal mediation

We argue that currently informal mediation in relationships between migrants and immigration authorities is undergoing a process of institutionalization. In this part of our paper we demonstrate that the phenomenon of informal mediation now occupies a stable position in the Central Asian migrant society. The emergence of mediators between migrants and authorities in Russia is well known and has also been emphasized by several literatures⁴. Mediators play their role when and where migrants are too vulnerable to break through bureaucratic barriers or authorities' abuses. They emerge at borders, at workplaces, in labor markets, and on the streets where migrants are discouraged to contact authorities or accomplish legislative procedures.

The essence of institutionalization is in theory the reduction of uncertainty in external environments, making it more predictable for other's actions (Berger and

⁴ For example, see Human Right Watch (2009), and Marat (2009).

Luckmann 1966, p.74). Migrants often face uncertainty at borders, when processing documents, and in daily life on the street. Based on life stories obtained from migrants we consider the institutionalization of informal mediation through border processes and legislative procedures in Russia between migrants and authorities.

1) Mediators on borders

First, informal mediations appear when migrants face uncertainty in legislative procedures at borders. The difficulties experienced when crossing borders are not just related to inefficient customs and immigration procedures. Many immigrants realize their vulnerability when they approaching the border. In our interviews, all immigrants who came to Moscow by plane claimed that they had had no problems during their journey or at the airport. The trouble apparently occurs with border crossings over land. For example, it normally takes four days to travel from Bishkek to Moscow by bus. But one man complained that it took 14 days to reach Moscow because of the bad bus maintenance, inadequate roads, excessive driver breaks, and border inspections. To cross the border easily they had to pay extra money to customs officers. This time-consuming and money-consuming procedure always requires negotiation between migrants and authorities.

The uncertainty of the negotiations between migrants and border authorities created the need for informal mediations between migrants and authorities. In our interviews female migrants did not experience abuse and harassment by officers at borders, but most male migrants crossing land borders had experienced them. A man from Tajikistan told in detail of the trouble he experienced when crossing the border by train. His experience sheds light on the realities faced by migrants at borders:

“When I first came to work in Russia in 2001, I had trouble leaving Tajikistan. I was the right age for military service, so I was held at the border until they checked to see whether I had any military service obligations. In the past I usually came to Russian on the train departing Khuj and bound for Saratov. Customs and immigration at the border between Tajikistan and Uzbekistan generally go smoothly. Conductors charge an extra, unofficial, one-way payment that ranges between 250 and 600 rubles for “security”

and “comfort,” as if they separately buy coal and water. If a passenger had trouble with the customs, border control, or the police, the conductors promised to “settle” the problem. If we didn’t pay the conductors, they threatened us, saying, “We can’t take responsibility for you.” When entering Uzbekistan, the officials often deliberately failed to stamp Tajik passports with entry visas. When we leave the country, if we don’t have an entry stamp in our passport we are arrested and interrogated, and then *they* try to send us on without a departure stamp, too. Generally, this is because they want to get money from Tajiks.

For example, my first time, I didn’t pay the conductors. The official was clamping down on people without departure stamps. So I ended up paying 50 rubles. What’s even more interesting, the more stamps you have in your passport, the more you seem to get harassed with endless questions from border control. I guess if we have lots of stamps it looks like we often work abroad, so they think we have money to pay them. 50 rubles is the going rate. The conductors settle everything. In Kazakhstan we don’t get this kind of trouble with border control and customs. There are also no problems with border control when we enter Russia.

But once we cross the border into Russia and enter Saratov, people in plainclothes board the train, claiming to be officials of some organization or other and waving around their official credentials. But we have no idea what organization they are from. Once they have taken all of the immigrants’ passports, they call the guides into their compartment one by one. To get our passports back, we generally have to pay between 200 and 500 rubles. If we don’t pay, we may even get beaten up. When we got to Saratov station, the leader of OMON (a special police unit) went round to each carriage and collected all Tajik passports. Then an intermediary turns up on the platform. Well, he’s a Tajik. He claimed that with a bit of money, he can sort things out with OMON. Then he collected 300 rubles from each of us. Once the money was paid to the police, we got our passports back. Then another man, who also called himself an intermediary, said he would sort out our train tickets for whatever Russian town we were going to. It is difficult to buy a ticket without going through the intermediary, and we have to wait in line for ages at the station. Some people had been queuing for

almost two days! At the ticket window we were often told that the tickets were sold out, or if any remained, only expensive ones would be left. In my case, I didn't leave Saratov for 10 hours. I had trouble with the police on the train to Moscow and had money taken from me. That kind of thing happens over and over and over" (Furkat, Tajikistan).

2) Mediators for legislative procedures for work permits and residency registration

Migrant workers from Central Asia do not need a visa to work once they have entered Russia. They can first come to Russia and start looking for work. If Central Asian immigrants successfully find a job in Russia but fail to get a work permit after they have started working, they become illegal workers. As we mentioned, the legislative procedures to get work permits and residence registration were simplified in 2007, but among all the interviewees, not one believed that the work permit application process had actually been simplified.

Migrant workers from Central Asia themselves shoulder the primary burden to get work permits when they are looking for jobs in Russia. All the responsibility to complete the procedures is imposed on the foreign workers themselves. The role of employers is not clear to encourage or help foreign migrants to satisfy the application procedures. It seems the employers aren't too concerned whether their migrant workers choose to be illegal or legal.

Contrary to government claims that the application procedures were simplified, migrants still lack knowledge about obtaining work permits. Il'sada is confused by this situation:

"I don't have a work permit. And I don't know how and where to get one. But I have registration. Nobody told me to get a work permit, but I filed my residency registration myself. An acquaintance helped me" (Il'sada, Kyrgyzstan).

Behzod has worked for more than two years in Russia without being registered as a foreign worker. Barno and Sokina also have no idea how to obtain work permits. And

their employers have no interest in whether they have work permits:

“I don’t have a work permit. Nobody asks for it. But I have residency registration, which my brother helped me with. It’s official. I don’t know how and where he got it. That’s all right with me (Behzod, Uzbekistan).

“At present, I don’t have a work permit in Russia, but I’m going to file when I return from Uzbekistan. Now I’m going home to change my passport. As soon as I return to Russia, I intend to file for a permit. I understand that I should work legally, or I might have a lot of problems. I have acquaintances who have gotten into trouble. But I don’t know how to file for a work permit. My employer doesn’t seem interested in it, either” (Barno, Uzbekistan).

“I don’t have a work permit yet. I have worked for four months, but I manage to get along without a work permit. Nobody has checked on me, either. My employer doesn’t ask for it, and I don’t know where to go or what to do. I just know that the procedure is long and expensive.” (Sokina, Tajikistan).

Some people are unsure whether they are working legally, even if they have obtained a work permit. This person paid an intermediary agent 7,000 rubles (about 200 US dollars) to get a work permit:

“I paid 7,000 rubles for a work permit to an intermediary agent at the market who told me this document is necessary and that he will help me apply for it. I don’t know if it’s aboveboard. I just asked how much, paid him, and then a month later the permit arrived. At the market you can get any application done this way” (Jamshet, Tajikistan).

Abdumavlon works at a kiosk in a market. He knows that not all application procedures are legal, but he is also realistic. To obtain a work permit, foreign workers must

submit medical documents that can only be obtained in each province from a few medical facilities designated by the Federal Migration services. All the workers in services and trades should have a “sanitary certification book.” To work in Russia, every step to obtain documents needs mediators. Abdumavlon got it without a medical check, with the help of a mediator:

“I have a work permit. I also have my sanitary book. Well, I haven’t actually had a checkup. I just paid money. In the market there’s a person who can apply for documentation for foreigners. I didn’t have to go anywhere myself. I also have an alien registration card” (Abdumavlon, Tajikistan).

Having arrived in Moscow from Novosibirsk, Javit finally understood the procedures:

“I have a work permit. I applied for it soon after I came to Moscow. I didn’t have one in Novosibirsk. Here in this market, getting a work permit is not difficult at all. If you pay an intermediary agent 7,000 rubles, you can get an official card in about a month” (Javit, Tajikistan).

Most employers are not interested in whether their employees have work permits. Muzafar, who is employed in a private residence, has worked for a long time without a permit, but he is fortunate to have an employer who takes care of him in a number of ways. The owner of the private residence eventually helped him with the work permit application, so he now works legally:

“I have a work permit and an alien registration card. The owner of the house helped me. I worked without a work permit for the first four years, though” (Muzafar, Tajikistan).

Dima and Maksad were also helped by their employers to obtain work permits.

Maksad has a full set of documents, including an residency registration card, medical documents, and a work permit, but he had to pay 7,000 rubles to his employer: the same sum charged by intermediary agents to obtain a work permit:

“I sorted out my residency registration myself after I arrived here through an acquaintance of mine who owns my apartment block. I still don’t have a work permit. It is supposed to arrive in three days. I’ve already sent off all the application documents. My company took care of all the paperwork. I submitted all the necessary documents to my supervisor and paid the 7,000 ruble fee. That’s the cost for alien registration, a physician’s statement, and a work permit, in other words, a complete set of documents. My employer is trying to make sure that all of his employees are working legally” (Maksad, Tajikistan).

The work permit application procedures remain ambiguous and hidden, and without the help of intermediary agents or honest employers, satisfying all of them is hard. Such complexity easily changes Central Asian migrant workers into “illegal workers.” This uncertainty causes mediators to work between migrant workers and authorities. Even if they complete these procedures, migrants cannot verify whether all the documents and permits are completely legal. Mediators are not reliable in any legal sense. From the voices of the migrant workers we found almost no positive contribution from employers to help their workers work legally and conveniently. Employers currently don’t have enough responsibility for their employees.

3) Xenophobia, harassment, and abuse without mediators in daily life

Our model story assumed that migrants from Central Asia would face much trouble with xenophobia in their daily lives. According to the SOVA⁵, people from Central Asia are often killed or injured by racist violence (at least nine killed and 28 injured in the

⁵ The SOV is a Moscow-based Russian nonprofit organization that was founded in October 2002, working on such topics as nationalism and racism..

first half of 2010)⁶. These figures are deflated because of the decrease of migrants due to Russia's economic crisis. In 2009, 29 people from Central Asia were killed and 68 people were injured by xenophobic attacks. Of course, Central Asians are not the only targets. People from Caucasus are also victims (11 killed, 47 injured). SOVA warned that almost anyone might be a target⁷. Therefore we were prepared to hear such horror stories from our interviewees.

Fortunately, our expectations were betrayed. Of course, this does not mean that xenophobia is not a serious problem for Central Asian migrants, and we are not going to downplay the critical situation of migrants who face xenophobic attacks. For example, based on her experience in her early days in Moscow, this female interviewee is always afraid of such attacks:

I feel very vulnerable and afraid of everything and everywhere. I became especially afraid when a drug addict attacked me with a knife and said that if I cried for help he would cut me. I didn't have any money because I had just come to Moscow and didn't have a job yet... When he threatened to kill me, I asked him why. He answered because I wasn't Russian. After that I also started to fear skinheads too. Before arriving Moscow I didn't even know what a skinhead was (Iroda, Uzbekistan).

Even though we encouraged our interviewees to talk about xenophobia, they soon turned their stories to abuse by police on the streets of Moscow, suggesting greater concern over police harassment and abuse than xenophobia:

I was harassed by hooligan some time at night. They threatened me but I got away. I'm more worried about the police. They often stop me and check my documents. Sometimes they let me go, and sometimes they openly extort money. And sometimes migration officers check work permits. But it's easier with them if you have all the

⁶ See the SOVA report: <http://www.sova-center.ru/en/xenophobia/reports-analyses/2010/07/d19436/>

⁷ See the SOVA report: <http://www.sova-center.ru/en/xenophobia/reports-analyses/2010/03/d18151/>

necessary documents. My documents are in order. (Abdumavlon, Tajikistan).

Xenophobic attacks may occur unexpectedly for migrants, but police harassments and abuses are routine on the streets. Contrary to the situation on borders, harassments and abuses on the streets do not allow mediators between migrants and authorities. Migrants have to face authorities directly on the streets in Moscow, and they are vulnerable from such harassment and abuse, especially from police.

The best way for migrants to protect themselves from police harassment and abuse is by staying in their work places and decreasing their opportunities to face the police on the streets. Migrants often work with other migrants and rarely face Russian citizens. For employers it is convenient to keep migrant workers away from incidents on the streets. Their living and working spaces in Moscow are separate from the space occupied by Russian citizens. This man's boss seems to care for him, and he rarely walks outside his construction site:

There are no problems with police. Our boss keeps an eye on everything, and nobody touches us. But we don't leave the area, and only sometimes we go to the bank or the grocery store, but everything is near here (Anatolii, Kyrgyzstan).

Makhmadgun works as a loader in a market. The marketplace is also a closed space, and he also spends his life in Moscow in the market place without going out:

I try not to leave the area of the market, nobody touches us here, and if you leave, police may catch you. Then you'll have to pay them. They don't look at work documents, they just take money, everything I have. There are no special problems if I don't go to town. It's difficult to work here, but I have to work someplace (Makhmadgun, Tajikistan).

There is no mediation between migrant workers and police and between migrants and xenophobic citizens. Migrant workers unexpectedly encounter xenophobic attacks and

police abuse and harassment. They have little choice but to remain in the market or the construction site where they live and work. This uncertainty can be reduced by the Russian government reactions to guarantee migrants' security.

5. Realities revealed by their own words for better government

In this paper we described the uncertainties arising from routine abuse and harassment on borders and streets, bureaucratic barriers in legislative procedures to obtain residency registration and work permits, and migrant workers' lack of knowledge to complete all the procedures. The uncertainties faced by migrants are often mediated by legal or illegal mediators, who reduce the uncertainty between migrants and immigration authorities, although their price is expensive. And there is no guarantee that such mediators themselves are legal. Mediators continue to increase as many migrants remain skeptical about contacting the authorities. The active contribution of mediators reduces migrant doubts and reflects that Russia's legislative procedures are not pro-migrant.

The following facts are not just morally reprehensible but also demonstrate the blind spots where migrants face doubt and slip into illegal status: immigration officials exploit migrant workers' vulnerable status at the borders and swarm after their money; a business has grown around mediating between migrants with officials in border control; and migrants face police abuse and harassment.

Russia's Federal Migration Service must be exposed to the plight of migrant workers to improve their governance. The realities revealed by their voices fail to describe conditions where migrant workers can securely work and live. The skepticism of mediation businesses was fanned by the consequences of the institutional cracks that arose from the present migration and labor policies. This does not simply mean that Russia should restrain such businesses. Without establishing pro-migrant workers, such restrictions often push migrant workers into uncertainty without any help. Migrant workers currently themselves cope with all the responsibility and costs for legislative procedures. We recommend that employers be responsible for all the procedures to guarantee that foreign workers are working legally. As a third party institution to the Federal Migration Service, Russia should create a new government agency that investigates the abuses and harassments faced by

migrant workers. Without listening to the voices of migrant workers and without perceiving their reality, the host country cannot improve migration governance.

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APPENDIX: BASIC INFORMATION OF INTERVIEWEES

NO	Name	Age	Year of border crossing	Family	Place of origin/ nationality	Academic background	Job	Job in home country
1	Furkat	27	2001	Married, one child, working away from family	Tajikistan/dual nationality (2008)	University graduate	Printing factory worker	University student
2	Barno	27	2008	Married, husband and wife both migrant workers	Uzbekistan	Completed primary education	Assistant chef	Unemployed
3	Kabul	30	2000	Common law marriage	Uzbekistan	University graduate	Chef	University academic (economist)
4	Il'sada	32	2008	Single, three children, working away from family	Kirgizstan	Technical college graduate	Dishwasher	Seamstress/waitress
5	Iroda	26	2005	Married, one child, all living together	Uzbekistan/dual nationality	University graduate	Until recently a waitress, now a housewife/university student	Market trader
6	Sokina	19	2008	Single, left father behind, living with mother and sister	Tajikistan	High school graduate	Maid in a private home	Domestic helper
7	Bahzot	30	2005	Married, working away from family	Tajikistan	University graduate	Merchandiser, sales	University lecturer
8	Behzod	22	2006	Single	Uzbekistan	No answer	Printing factory worker	Goods handler in milling factory
9	Muzafar	33	2000	Married, three children, all living together	Tajikistan	No answer	Security guard/gardener	Unemployed
10	Naimdgon	26	1999	Married, living with wife	Tajikistan (applying for	High school graduate	Warehouse worker	Unemployed

11	Dima	27	2000	Married, initially alone, later joined by wife	Tajikistan	High school graduate	Cleaner at accommodation agency	Domestic helper
12	Maksad	22	2003	Single, living with parents	Tajikistan	University graduate (correspondence course)	Cleaner	No answer
13	Jamshet	21	2007	Single	Tajikistan	High school graduate	Taxi driver	Private freight company
14	Abdumavlon	23	2004	Single	Tajikistan	High school graduate	Market shawarma (doner kebab) stall	Domestic helper
15	Tsherbek	24	2009	Single	Uzbekistan	High school graduate	Odd job worker	Market trader/goods handler
16	Olga	25	2005	Single	Kirgizstan/dual nationality (2008)	High school graduate	Shop assistant	Shop assistant
17	Kunysh	18	2008	Single	Uzbekistan	High school graduate	Shop sales assistant	Became migrant worker straight after graduation
18	Makhmadgun	31	1998	Divorced	Tajikistan	Dropped out of university	Goods handler at market	Part-time market/construction site worker
19	Javit	23	2005	Single	Tajikistan	High school graduate	Owner of a market clothing stall	Student
20	Anatoly	49	2006	Married, five children, working away from family	Kirgizstan	Dropped out of university	Construction site foreman	Forest monitor in forestry industry

Tajik Labour Migrants and their Remittances: Is Tajik Migration Pro-Poor?*

Kazuhiro Kumo⁺

[Abstract]

For the four years since 2006, Tajikistan, a former Soviet republic, has led the world in the receipt of foreign remittance as a proportion of GDP. Needless to say, key reasons for this are the low income levels in Tajikistan and the country's special relationship with Russia, which is enjoying rapid economic growth. Yet while interest in the relationship between migration and foreign remittance has existed for a long time, not many studies have looked at this region. This paper used household survey forms from two points in time to profile households in Tajikistan and international labour migration by Tajiks, and examined the relationship between household income levels in Tajikistan, the poorest of the former Soviet republics, and foreign remittance being received from international labour migrants and the likelihood of migrants being supplied. It found no correlation between household income levels and amounts of money received from abroad, which suggests that altruistic models of the relationship between migration and remittance do not apply. Moreover, it also found that households with high incomes are more likely to supply migrants, indicating that international labour migration from Tajikistan may not be conducive to reducing poverty in that country.

JEL Classification Numbers: O15, P46, R23

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1. Introduction

The objectives of this paper are to use micro data from surveys of living standards conducted in Tajikistan in the late 2000s to profile households in that country and international labour migration by Tajiks, as well as to explore the relationships between household income levels in Tajikistan, the poorest of the former Soviet republics, and the supply of international labour migrants and the amounts of foreign remittance received.

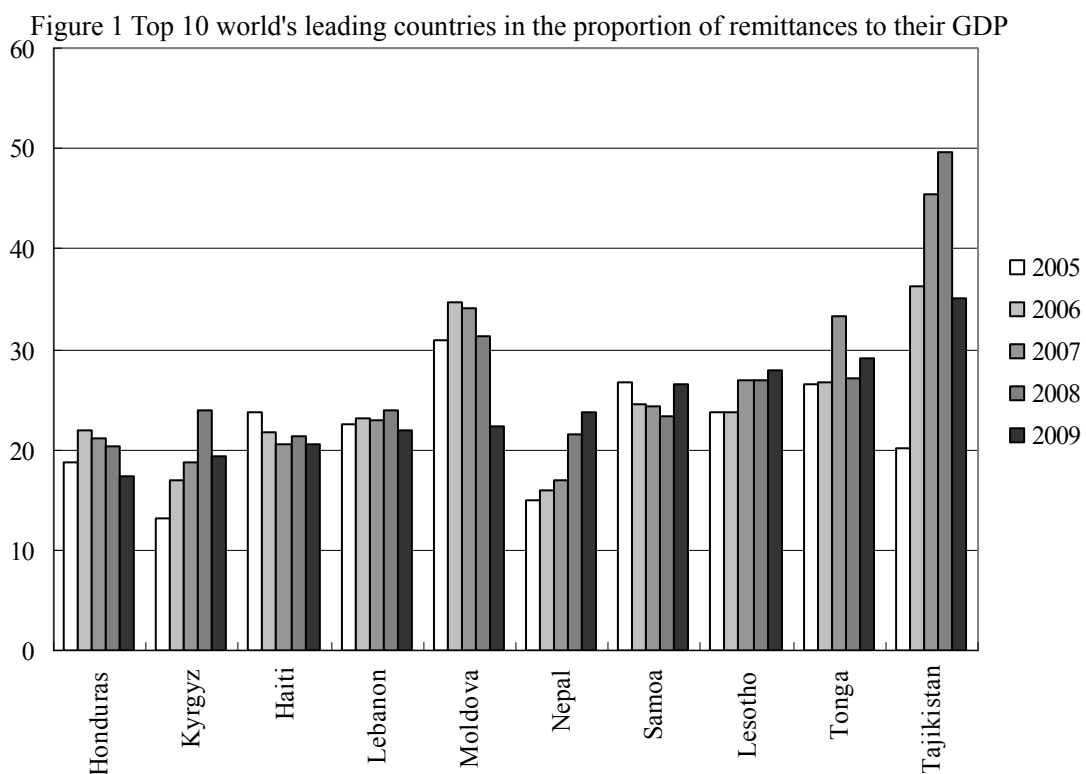
A long time has already passed since international labour migration first garnered attention. Moreover, a great deal of debate has developed on the impact of foreign remittance from migrant workers on the economies of the countries from which the migrants originate. Both positive and negative effects have been addressed. On the positive side, for example, foreign remittance can boost the income levels of households receiving remittances, while it can have both a positive and negative impact on human capital accumulation in countries supplying migrants (Sharma, 2009). However, foreign remittance to transitional economies has rarely been the chief object of analysis.

Although many transitional economies have small populations and the value of their incoming foreign remittance is not particularly large in absolute terms, it is often high as a proportion of GDP. Tajikistan, in particular, has exhibited the highest percentages in the world in recent years, at more than 30 or 40 percent of GDP (Figure 1). Tajikistan is therefore a prime example of how international labour migration from former Soviet republics (which maintain close connections with Russia), and the foreign remittance that leads to, can affect the economies of countries with small populations.

Incomes in Tajikistan are the lowest of all the former Soviet republics. As a result, a key issue for the country is whether the supply of migrants and the receipt of foreign remittance can contribute to reducing its poverty. The main task of this paper will therefore be to examine the relationship between international labour migration from Tajikistan, and the foreign remittance it leads to, and household incomes there.

This paper is organised as follows. First, The author will use macro data from Tajikistan to gauge the scale of foreign remittance, and then use internal data from the Ministry of Internal Affairs of the Russian Federation, the primary destination of labour

migrants from Tajikistan, to gain an overview of trends in the numbers of such migrants. The author will then conduct a review of previous research relating to remittances by migrants and household income levels in the countries supplying the workers and previous research relating to Tajik labour migration, most of the latter of which has been performed by international organizations. The data used in this paper is from the Living Standards Measurement Survey conducted by the World Bank. Later, after employing micro data to profile Tajik households and labour migrants, the author will analyse the relationship between income levels and foreign remittance at the household level, as well as the relationship between income levels and the supply of migrants. Finally, the author will put together the findings and present the paper's conclusions.



Source: Prepared by the author from the World Bank Web site, <http://data.worldbank.org/indicator>.

2. Tajik Migrants and their Remittances as Seen through Macro Data

Problems with using international balance of payments sheets to gauge foreign remittance are widely known (Satake and Hassine, 2005), yet it is also clear that no

alternative indicators exist. According to the international balance of payments sheets produced by the International Monetary Fund (IMF), foreign remittance to Tajikistan is as shown in Table 1¹. From this table, one can see that remittances into Tajikistan have expanded sharply since 2005. This situation can be viewed as follows: Although Russia began recording strong economic growth in 2002 as oil prices climbed, there was obviously a time lag during which decisions were made and information was obtained. After this, however, labour migration from Tajikistan to Russia increased, and with it foreign remittance to Tajikistan also climbed.

As Table 1 shows, foreign remittance to Tajikistan is not all that large². What is interesting is its high level as a proportion of GDP (gross domestic product). As Figure 1, which was presented earlier, shows, in 2007 it stood at more than 40 percent of GDP, and in 2008 had climbed to almost 50 percent. Between 2002 and 2008, total remittances from abroad grew far more rapidly than GDP, soaring by between 50 percent (2007–2008) and 118 percent (2005–2006) year on year. Foreign remittance is therefore likely to have made an increasingly important contribution to the Tajik economy.

Table 1 Received Amount of International Remittances by Tajikistan

viewed through *Balance of Payment Statistics*

Credit (million USD)	2002	2003	2004	2005	2006	2007	2008
Total Amount	78.5	146	252	466.6	1018.9	1690.7	2544.1
Income account							
Compensation of Employee	0.1	-	-	1.4	3.9	5.3	7.1
Current transfers account							
Workers' remittances	78.4	146	252	465.2	1015	1685.4	2537

Source: Prepared by the author from IMF, *Balance of Payments Statistics Yearbook Part 1*, 2009.

However, it is difficult to obtain figures on the numbers of labour migrants.

¹ Figures for remittances by workers and compensation for employee were drawn from balance of payments sheets from the World Bank to make estimates of foreign remittance.

² In 2008, Tajikistan was 28th in the world for the receipt of foreign remittance, and received less than a fifth of the amount sent to the Philippines, which came fourth behind India, Mexico, and Nigeria. See *World Development Indicators 2009*, World Bank.

Most published statistics in CIS states on receiving migrants only include migrants who have registered as permanent residents, and these are not the kind of short-term international labour migrants that are the focus of this paper³. Table 2 therefore shows figures for labour migrants from Tajikistan to Russia compiled by the Russian Federation Migration Service (Federal'naya migratsionnaya sluzhba, FMS). The figures represent total numbers of migrants who have obtained work permits and are working legally.

Table 2 Labor Migrants into Russia (person)

Labor Migrants into Russia				
	2005	2006	2007	2008
Total	702,500	1,014,013	1,717,137	2,425,921
of them from CIS	343,665	537,722	1,152,786	1,779,996
of them from Tajikistan	52,602	98,736	250,190	391,438

Source: Prepared by the author by internal documents obtained from FMS.

Until 2005–2006, Russia had fewer than 100,000 labour migrants from Tajikistan. However, the number suddenly jumped in 2007. In that year the figure climbed to 250,000, and reached just under 400,000 in 2008. Tajikistan has a population of just over 7 million (7,374 thousand at the beginning of 2008), of which less than a third are economically active⁴, so these numbers indicate that more than 5 percent of its total population and over 16 percent of its economically active population have moved to Russia alone as international labour migrants.

Tajikistan has therefore started supplying large numbers of international labour migrants and receiving large amounts of foreign remittance, and this change is due partly to the impact of Russia's policy on the acceptance of such migrants. As Table 2

³ In 2007 there were only 17,300 Tajiks who had entered Russia and given their permanent residence as Russia (see SNGSAT, 2008), so the difference between this data and the figures in Table 2 is worthy of attention. In addition, it is quite possible that destination registered upon departure will differ from the final destination country where residence is actually registered. As a result, a migration matrix based on the country of departure will differ from one based on the country of entry. The United Nations (1998) performed a detailed study of the problems with emigration and immigration statistics.

⁴ Also see CISSTAT (2010).

shows, between 2006 and 2007 the total number of foreign workers with work permits issued by the Ministry of Internal Affairs of the Russian Federation increased by almost 1.7 times. For almost 20 years after the collapse of the Soviet Union, Russia experienced a rapid and continuous decline in its population, which left it with a serious shortage of labour (Kumo, 2010). Against this backdrop, in 2006 it began easing restrictions on the admission of foreign workers. This change in direction was most visible in the establishment in July 2006 of new rules concerning the registration of foreign or stateless migrants in the Russian Federation⁵.

Tajikistan, meanwhile, does not, at least as far as the author can make out, have a clear policy on the export of international labour migrants⁶. And although in 2004 the Russian Federation and Tajikistan concluded a bilateral treaty concerning labour migration⁷, it contained provisions that were completely at odds with what was actually happening. For example, it called for overall migrant numbers to be limited. Obviously, the increase in the flow of labour migrants from Tajikistan to Russia after 2004, which can be seen in Table 2, may indicate that the bilateral treaty had a positive effect on migrant numbers. Nevertheless, when thinking about the reasons for the massive flow of labour migrants from Tajikistan to Russia, it is probably better to focus on factors

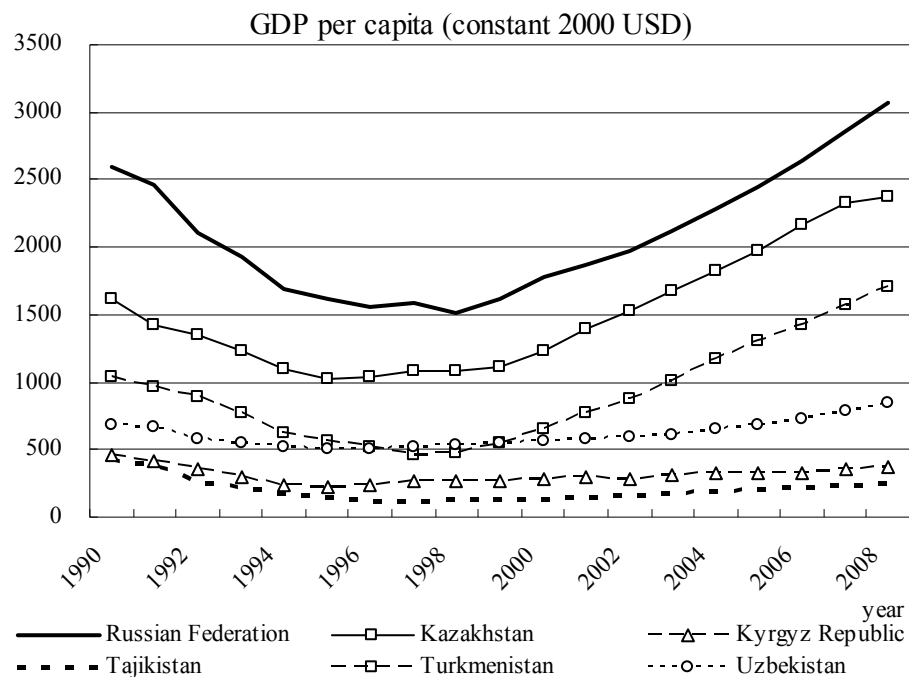
⁵ Federal'nyi zakon ot 18 iyulya 2006 g. N 109-FZ "O migratsionnom uchete inostrannykh grazhdan i lits bez grazhdanstva v Rossiiskoi Federatsii" (in Russian) <<http://base.garant.ru/12148419/>>. Residence for immigrants without visas (which include Tajiks) no longer required a permit, only registration. In addition, employers became able to hire any foreigner with a work permit. They no longer needed to hold a licence to hire foreigners themselves.

⁶ Not long after the collapse of the Soviet Union, regulations making it easier for Tajiks living abroad to return home were introduced, a treaty with the aim of elevating the status of expatriate Tajiks in the countries in which they were living was concluded, and so on. However, a review of government releases from the Republic of Tajikistan and the Russian Federation as well as the GARANT legal database did not turn up any laws and regulations that would really encourage migration. On 18 August 2010, a Mr. Kuggusov, head of analysis at Tajikistan's Ministry of Labour and Social Security told the author that his government does not actually have a policy concerning labour migrants. On the same day, Mr. Sanginov, the first deputy minister at the ministry, said that Tajikistan does not compile statistics on the departure and entry of its citizens. He told the author that the government does not have any figures for international migrants at the national level, and that they do not have the ability to manage them even if they did. Even so, there are reports that the Tajikistan prime minister asked his Russian counterpart for a quota of 800,000 migrants (*RIA Novosti*, 2007.01.23, in Russian).

⁷ Soglasenie mezhdru Pravitel'stvom Rossiiskoi Federatsii i Pravitel'stvom Respubliki Tadzhikistan o trudovoi deyatel'nosti i zashchite prav grazhdan Rossiiskoi Federatsii i v Respublike tadzhikistan i grazhdan Respubliki tadzhikistan v Rossiiskoi Federatsii (Dushanbe, 16 Oktyabrya 2004 g.) (in Russian) <<http://mirpal.org/files/files/согл%20тп%20мг%20Ф%20Т.doc>>. For more details, see Ryazantsev, Horie and Kumo (2010).

such as the special relationship Tajikistan had with Russia under the old Soviet regime (Ryazantsev, 2007) and the rapid growth of the Russian economy and the resultant widening of income disparities between the two countries (Figure 2)⁸.

Figure 2 Per Capita GDP of Russia and Central Asia



Source: *World Development Indicators 2009*, the World Bank, 2010.

A great deal of debate has focused on foreign remittance to developing countries and whether it helps to cut poverty among households in the countries supplying the workers. Given Tajikistan's low levels of income⁹ and high levels of foreign remittance received, an interesting question is whether foreign remittance is indeed having a positive impact on reducing poverty, or whether instead it is resulting in

⁸ During the Soviet era a unified wage structure existed throughout the Soviet Union, and income disparities were far smaller than the differences in regional per-capita GDP shown in Figure 3. In 1980, the average wages of all employees and workers provided in official tables for the Soviet Union were only 1.22 times higher in the Russian republic than in the Tajik republic, and by 1990, at the end of the Soviet era, the multiple had only climbed to 1.43. See TsSU SSSR, *Narodnoe Khozyaystvo SSSR 1990*, 1991, p.38 (in Russian).

⁹ In 2008, per-capita gross domestic income (shown in the Purchasing Power Parity table for that year) in Tajikistan was \$1,860, around the same level as Nigeria, Sudan, Cambodia, and Senegal. See *World Development Indicators 2009*, World Bank.

wider income disparities and having no effect on cutting poverty. If one assumes that migrants are supplied by households with low incomes, and that these low-income households receive larger amounts of remittance from overseas, then foreign remittance could probably be pro-poor. Reports from the World Bank (2009) and other organizations have focused on the relationship between foreign remittances to Tajikistan and reducing poverty there. However, it is difficult to say that they succeeded in overcoming the problems inherent in the use of a cross-sectional analysis of single-year data.

This paper will therefore use data from household surveys conducted in Tajikistan to profile the poverty dynamics of Tajik households and international labour migrants from Tajikistan in 2007 and 2009, and then analyze the relationships between (1) household income levels in and foreign remittance to Tajikistan and (2) household income levels and the supply of migrants.

3. Previous Research

A wealth of research has been conducted in the broad area of migration and remittance (Mansoor and Quillin, 2006; Sharma, 2009). It is well known that the traditional Becker (1974) altruistic model of the relationship between remittance and the incomes of households receiving remittances suggests that increases in the utility levels of the people remaining in the household are linked directly to increases in the utility levels of the people sending the remittances, and that the lower the income levels of households receiving remittances, the larger the remittances they will receive. This indicates that there will always be a negative correlation between household income levels and the amount of foreign remittance received in countries that supply migrants. On the other hand, the exchange model of Lucas and Stark (1985), Cox (1987), Cox *et al.* (1998), and others holds that remittance from migrants living overseas occurs because the migrants expect to be provided with services by the members of the household in the future. This indicates that positive correlations or no correlations exist between (1) the amounts of remittance and the incomes of households receiving the remittance and (2) the existence of remittance and the incomes of households receiving

remittance. This is because if the incomes of households remaining in the countries that supply migrants increase, the prices of the services provided by the members of the households will rise, resulting in a positive correlation between household incomes and amounts of remittance. They also performed an empirical analysis, and found that the data did not support the notion of a purely altruistic model.

Relying on macro data, Adams and Page (2005), Gupta *et al.* (2009), and Adams (2009) argued that remittance serves to reduce levels and degrees of poverty, while Aydas *et al.* (2005) used data from Turkey to show that the lower the levels of income in the home country, the greater remittances would be. With regard to research based on household surveys, however, Semyonov and Gorodzeisky (2005, 2008), who analyzed the relationship between household income levels and amounts of remittance received in the Philippines, obtained a significant, positive coefficient between household income levels and the amounts of remittance received. Meanwhile, Dustmann and Mestres (2010), in an analysis of a sample of foreign workers living in Germany, and Du *et al.* (2005), in a study of rural areas in China, obtained similar results, which suggests that the exchange model is applicable. In other words, this being the case, households with relatively low incomes will receive only small amounts of remittance, which may not be pro-poor.

Labour migration and remittance in Tajikistan has also been dealt with in reports published by bodies such as the International Organization for Migration (IOM) and the Asian Development Bank (ADB). Moreover, the bulk of these studies have been based on household survey data¹⁰. While studies of international labour migration that employ micro data are by no means scarce, few of them include quantitative analyses. Justino and Shemyakina (2009) used data from one year (2007) of the Tajikistan Living Standards Measurement Survey, which the author will discuss later, to show that the more foreign remittance a household receives, the less labour it will supply. Meanwhile,

¹⁰ Olimova and Bosc (2003) used an IOM-led survey of 4,000 individuals conducted in 2002–2003. Mughal (2007) also used an IOM survey, but this time it was one targeting only 712 households in Khatlon Province that was performed in 2005. Brown, Olimova and Boboev (2008) relied on survey with a sample of 3,300 households that was conducted in 2007 by the ADB. The IOM also carried out a survey of 500 households in 2008, and Khakimov and Mahmadbekov (2009) based their paper on this.

Brown, Olimova and Boboev (2008) demonstrated that households receiving a lot of remittance spend more on education or invest more in small businesses, and that their children have low rates of absence from primary school. In addition, Ogawa and Nakamuro (2010) found that the receipt of remittance from migrants has a positive impact on children's school attendance.

Nevertheless, no analysis seems to have been conducted on the relationship between household income levels and foreign remittance/migration in Tajikistan. Brown, Olimova and Boboev (2008), World Bank (2009), and Khakimov and Mahmadbekov (2009), either descriptively or using t-tests of means, all showed that households with relatively low incomes were more likely to supply migrants. However, households were divided into only two income classes, so this finding cannot really be said to be robust. All the papers used cross-sectional data to describe the relationship between household incomes (excluding remittances) and the amounts of remittance, and the authors of these reports themselves mentioned the possibility that income might be endogenous.

Previous research has also produced a variety of profiles of international labour migrants from Tajikistan. All the previous research referred to in this paper mentions, albeit to different degrees, the concentration of Tajik migrants in Russia or Moscow. The picture drawn is that 80–90 percent of migrants have gone to Russia and around 50 percent to Moscow. While predictable, it is still worth noting that more than 80 percent of migrants are of working age, and also that over 80 percent of them are men, which are both extremely high figures. Regarding the education levels of migrants, findings are divided. While Olimova and Bosc (2003) concluded that they are higher than the national average, Khakimov and Mahmadbekov (2009) drew the opposite conclusion. This difference can probably be explained by the fact that Khakimov and Mahmadbekov (2009) used a small sample and their survey focused on rural residents.

4. Data

This paper employs forms completed for the Tajikistan Living Standards Measurement Survey (TLSS), a household survey conducted in Tajikistan by the World Bank, in order to find out whether Tajik households with relatively low incomes receive

larger remittances and whether low-income households supply more migrants, or whether the reverse is true. Although the Living Standards Measurement Survey (LSMS) performed by the World Bank is well known¹¹, the one conducted in Tajikistan, which is used in this paper, needs a brief description¹².

A TLSS was performed in 1999, 2003, 2007, and 2009. Although the sample of households used for the TLSS is representative of the country as a whole, the data for 1999–2007, like most of the other LSMSs, is repeated cross-sectional data, and is not panel data. On the other hand, the survey for 2009, while employing a smaller sample about one third the size of those used for the 2003 and 2007 rounds, forms a panel with the data for 2007.

As the author has already seen, foreign remittance to Tajikistan did not expand at a steady pace. Rather, it increased rapidly between 2004 and 2005. However, the surveys during this period featured no or only a few questions about foreign remittance and migration, making it extremely difficult to compare the data with that from later surveys¹³. The author will therefore not employ the TLSS from 1999 and 2003. Instead, the author will focus his analysis on the two rounds of data from 2007 onwards, which can be expected to offer a strong insight into the impact of foreign remittance. The 2007 survey (TLSS2007) was carried out between September and November 2007. The 2009 survey (TLSS2009), meanwhile, was performed between September and November 2009. In addition, the households that formed the panel sample were visited in the same month they were for the 2007 survey. For TLSS2007, the sample comprised 4,860 households and 30,139 individuals, while for TLSS2009, it contained 1,503 households and 10,069 individuals. Of the 1,503 households used for the 2009 survey, 1,435 form panels with the sample for the 2007 survey, and the complete panel sample was 1,414

¹¹ See “Living Standards Measurement Survey” on the World Bank website <<http://iresearch.worldbank.org/lsmssurveyFinder.htm>> for more details.

¹² See such documents as *Basic Information Document: Tajikistan Living Standards Measurement Survey 2007*, July 2008 and *Tajikistan Living Standards Survey 2009: Notes for Users*, May 2010 for more details about the TLSS. Both these documents can be downloaded from the website mentioned in Note 11.

¹³ The surveys before 2003 (TLSS2003) do not provide various types of information, e.g. income earned abroad, remittances from members of the household living abroad, names of the overseas cities where family members lived/are living, whether the family members living abroad have/had work permits, and the type of work they engaged/are engaged in, and so on.

households. However, before moving on to the analysis, let the author first profile the households and migrants.

4.1 Profiles of Tajik Households and International Migrants: Descriptive Statistics

Table 2 shows that according to internal FMS data from the Ministry of Internal Affairs of the Russian Federation, the number of labour migrants from Tajikistan was over 250,000 in 2007 and 390,000 in 2008. Looking at the TLSS data, 4.19 percent of all the individuals in the 2007 sample had travelled abroad during that year, and in 2009 this figure had climbed to 7.42 percent of the sample. There is also no great difference between the estimate of the total number of overseas travellers in the country as a whole, as calculated based on the ratio of the sample size to the total population of Tajikistan according to CISSTAT (2010), and the number of Tajik workers in Russia according to the FMS internal data from Russia (Table 3). In 2007, the year for which both sets of data exist, the estimate for the total number of Tajik migrants abroad as calculated from the micro data (302 thousand) is a little higher than that for the number of migrant workers from Tajikistan as calculated from the FMS data (250 thousand), which may strengthen the reliability of the data used in this paper.

Table 3 The size of foreign passengers from TLSS samples:

Comparison of Macro- and Micro-data		
	2007	2009
All the sample	30,139	10,069
Among them who went abroad (in the households at the time of the survey)	328	501
Among them who are abroad (absent at the time of the survey)	934	246
The number of population who went abroad during the year	4.19%	7.42%
Population of Tajikistan:	7.216 million	7.545 million
Percentage share of foreign passengers in the sample:	×4.19%	×7.42%
Estimated number of migrants from samples and national population:	=302 thousand	=560 thousand
Tajik labor immigrants to Russia based on FMS data: 250 thousand 391 thousand (in 2008)		

Source: Estimated from CISSTAT (2010), TLSS2007, TLSS2009.

Table 4 Poverty Profile (Panel samples) in 2007 and 2009

(Based on per capita expenditure)

TLSS2007	All Data	Extreme Poor	Poor	Non-Poor
Number of Household	1,414 (100.0)	196 (13.9%)	424 (30.0%)	794 (56.1%)
Average monthly expenditure per capita in Tajikistan somoni in 2007)	178.2	70.7	114.8	238.5
Average monthly income per household (in Tajikistan somoni in 2007)	681.2	482.7	633.9	755.5
Wage	380.4	307.7	366.4	405.7
Income Transfer	14.2	10.2	11.7	16.6
Social Security	22.5	21.0	24.6	21.7
Scholarship	0.3	0.1	0.3	0.4
Self-consumption of agricultural goods	112.7	82.6	114.1	119.5
Others	20.3	4.2	15.4	27.0
Remittances received from abroad	130.8	56.9	101.4	164.7
Average number of children (in person)	2.11	2.85	2.39	1.78
Average number of elder persons (in person)	0.3	0.36	0.38	0.25
Average number of household members (in person)	6.23	7.52	6.8	5.6
Average number of international migrants (in person)	0.33	0.32	0.34	0.33
Average age of the household head (age)	51.7	52.19	52.5	50.5
Household head is an employee (in percent)	62.4%	55.1%	59.4%	65.9%
Female household head (in percent)	19.6%	23.98%	16.3%	20.0%

TLSS2009	All Data	Extreme Poor	Poor	Non-Poor
Number of Household	1,414 (100.0)	195 (13.8%)	375 (26.5%)	844 (59.7%)
Average monthly expenditure per capita in Tajikistan somoni in 2007)	170.8	62.9	100.4	227
Average monthly income per household (in Tajikistan somoni in 2007)	784.1	620.3	689.7	863.9
Wage	453.5	374.1	397.2	496.8
Income Transfer	21.2	13.0	8.9	28.5
Social Security	39.0	42.3	45.0	35.6
Scholarship	0.5	0.1	0.1	0.7
Self-consumption of agricultural goods	94.1	64.9	97.6	99.3
Others	68.0	29.3	46.2	86.6
Remittances received from abroad	107.9	96.5	94.8	116.4
Average number of children (in person)	2.22	3.07	2.66	1.82
Average number of elder persons (in person)	0.29	0.34	0.35	0.25
Average number of household members (in person)	6.78	8.33	7.63	6.04
Average number of international migrants (in person)	0.45	0.48	0.47	0.44
Average age of the household head (age)	52.8	54.5	53.8	52
Household head is an employee (in percent)	60.0%	49.7%	56.3%	63.7%
Female household head (in percent)	17.4%	20.5%	15.2%	17.7%

Source: Author's calculation from TLSS2007 and TLSS2009.

Poverty line: 4.50 somoni in 2007 prices per capita per day; Extreme poverty line: 2.92 somoni in 2007 prices per capita per day.

4. 2 Households

Some of the descriptive statistics from the data comprised of complete panel samples from TLSS2007 and TLSS2009 are shown in Table 4. The poverty line is based on per-person expenditure, and for 2007 the base is 4.46 Tajikistan somoni, which, based on an assessment of purchasing power parity, is equivalent to 2.15 U.S. dollars was 2003. For 2009, the figure was adjusted using regional price indexes.

According to Table 4, wages account for over 50 percent of income. Using averages for all the households in the panel sample, foreign remittance represented 19.2 percent (TLSS2007) and 13.2 percent (TLSS2009) of household income. However, if only those households receiving foreign remittance are included, such remittance accounts for more than 60 percent of their total income¹⁴.

A negative correlation is seen between per-person levels of consumption and the number of children in the household. The table also shows that in both rounds the average household size was more than six persons. However, as the World Bank (2005) has shown based on the 2003 TLSS, which produced similar findings, having a woman as head of the household does not seem to significantly increase the risk of the household falling into poverty. Moreover, this was even truer in 2009 than in 2007. The biggest change between TLSS2007 and TLSS2009 was probably the jump in the number of international migrants per household. Although the poverty rate was slightly lower in 2009 than 2007, it is impossible to say here whether this was due to migration and remittance.

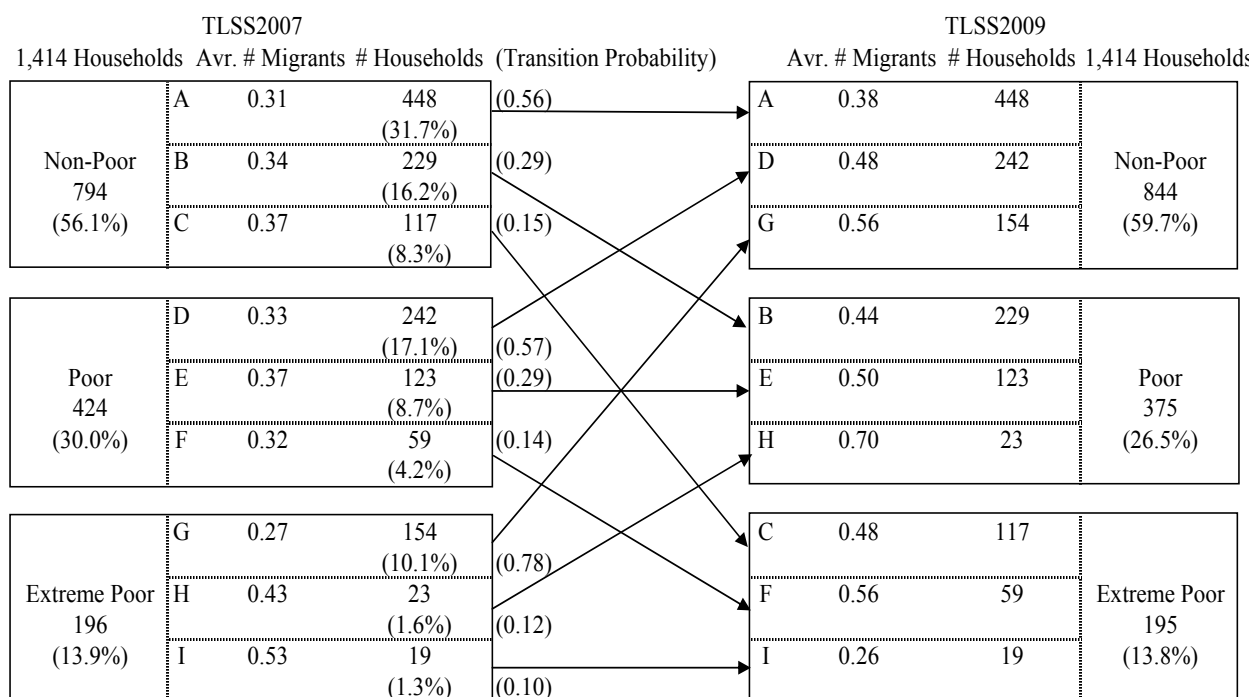
Figure 3 shows poverty dynamics for the panel households. With the aforementioned poverty line as the cut-off point, 52.5 percent of the panel households were in poverty temporarily during the period examined, while 15.8 percent of all the panel households in the sample were in permanent poverty. In addition, with 2.92 Tajikistan somoni, which was equivalent to 1.15 U.S. dollars in 2003, denoting the

¹⁴ In both years, consumption was a lot higher than income (in TLSS2007 consumption was 63.0 percent higher and in TLSS2009 it was 47.7 percent higher), and this trends was especially apparent for high-income groups. Although it is possible that information on income was inadequately gathered, this pattern was seen in both years so the overall trend is unchanged. The author will therefore proceed under the assumption that information on income was inadequately gathered from all households.

extreme poverty line in terms of per-person expenditure, Figure 3 shows the relationship between poverty dynamics and the supply of international migrants.

Figure 3 Poverty Dynamics of Households and the Number of Migrants per Household in Tajikistan

(The Number of Complete Panel Household Samples: 1,414)



Source: Prepared by the author from TLSS2007 and TLSS2009.

Figure 3 does not enable one to make judgements about the relationship between the supply of migrants and poverty levels. What the figure reinforces is that all types of household except those under the permanent extreme poverty line (group I) were supplying more international migrants in 2009 than they were in 2007. Neither the relationship between poverty/income levels and foreign remittance shown in Table 4 nor that between the supply of migrants and household consumption shown in Figure 3 indicates that as household incomes fall, the amount of foreign remittance received increases.

Table 5 Profile of Tajik Migrants

Profile of Tajik Migrants through TLSS2007

	All migrants	Migrants, who live within households at the time of survey	Migrants, who are away from the household at the time of survey
All the data	1262	328	934
Female	89 (7.1%)	26 (7.9%)	63 (6.7%)
Average age*	29.7	34	28.2
Completed elementary school	147 (11.7%)+	33 (10.1%)@	114 (12.2%)#
Completed secondary school	970 (77.0%)+	252 (77.1%)@	718 (77.0%)#
Completed tertiary school	142 (11.3%)+	42 (12.8%)@	100 (10.7%)#
Went into Russia	1191 (94.4%)	303 (92.4%)	888
Went into Moscow	706 (55.9%)	177 (54.0%)	529
Aim of visit "to work/to look for	—	310 (94.5%)	—
Average wage (USD per month)	320 (of 1131)	309 (of 262)	323 (of 869)
Median of wage (USD per month)	300 (of 1131)	300 (of 262)	300 (of 869)
Average amount remitted (USD per	—	—	2836 (of 754)
Median of the amount remitted (USD per year)	—	—	1720 (of 754)

Profile of Tajik Migrants through TLSS2009

	All migrants	Migrants, who live within households at the time of survey	Migrants, who are away from the household at the time of survey
All the data	747	501	246
Female	69 (9.2%)	37 (7.4%)	32 (13.1%)
Average age*	30.4	31.7	27.8
Completed elementary school	90 (12.1%)+	61 (12.2%)+	29 (11.8%)
Completed secondary school	565 (75.9%)+	378 (75.9%)+	187 (76.0%)
Completed tertiary school	89 (12.0%)+	59 (11.2%)+	30 (12.2%)
Went into Russia	737 (98.7%)	497 (99.2%)	240 (97.6%)
Went into Moscow	476 (63.7%)	325 (64.9%)	151 (61.4%)
Aim of visit "to work/to look for	—	491 (98.0%)	—
Average wage (USD per month)	390 (of 583)	375 (of 399)	420 (of 194)
Median of wage (USD per month)	350 (of 583)	300 (of 399)	400 (of 194)
Average amount remitted (USD per	—	—	2754 (of 199)
Median of the amount remitted (USD per year)	—	—	2400 (of 199)

—: No such question; ;: lacking for three persons; @: lacking one person; #: lacking two persons;
 *: aged 19-49=93.2%; **: 19-49=91.8%.

Source: Calculated by the author from TLSS2007 and TLSS2009

4. 3 International Migrants

Table 5 presents some of the data on international migrants from all the

samples used in TLSS2007 and TLSS2009. Although previous research had already pointed it out, people of working age, and particularly males, make up the overwhelming majority of Tajik international migrants. Around 95 percent of those who had travelled overseas during the year and already returned when the survey was conducted had made their journeys for work purposes. On the other hand, more than 80 percent of those living abroad at the time of the survey were sending money home. Note that per-capita GDP in Tajikistan in 2008 was 400 U.S. dollars¹⁵. Given this situation, it is striking that the average amount of foreign remittance per remitter was over 2,500 U.S. dollars. The concentration of migrants in Russia is also clear from the data. Ninety-nine percent of Tajik migrants are literate, and they clearly have higher levels of education than that of the sample as a whole, a finding that is in line with most previous research as well as Olimova and Bosc (2003).

Between 2007 and 2009, a clear change can be observed in the composition of international migrants. Semyonov and Gorodzeisky (2005) described how labour migrants from the Philippines were overwhelmingly men to begin with, but that with the passage of time the ratio of males to females has come to be more or less equal. A similar phenomenon has also been seen with other developing countries. In the case of Tajikistan, while there was no change in the fact that the vast majority of migrants are men, a significant increase occurred in the proportion of women¹⁶. As the chain migration theory of population migration would predict, the concentration of Tajik migrants in Russia, and especially Moscow, is striking. Furthermore, while the data used in this paper does not allow a comparison to be made between the number of

¹⁵ See *World Development Indicators 2009*, World Bank.

¹⁶ The increase of the percentage was significant at one percent level. Tajikistan is an Islamic country, and some research has emphasised the weak position of women and their lack of freedom. Examples of such studies are Mal'tseva (2007) and Glenn (2009), the latter of which was a social science study. However, it is unclear whether such observations are really accurate. On 18 August 2010, Mr. Sanginov, the first deputy minister at the Republic of Tajikistan's Ministry of Labour and Social Security, speaking to the author at his office, said that while the Russian police treat Tajik men extremely harshly, they are kinder to women, and that this has resulted in women more frequently moving to Russia to work. He also told the author that while work in places like restaurants is available all year round, work typically done by men such as street cleaning and construction can only be performed at certain times of the year in Russia.

international migrants in 2008 and 2009¹⁷, the increase in Tajik labour migrants to the Russian Federation between 2007 and 2008, as shown in Table 3, was, at 154 percent, smaller than the increase in international migrants at the national level estimated from TLSS2007 and TLSS2009, which was 185 percent. This suggests that the number of migrants continued to expand during 2009.

5. Remittance Received, Migrants Supplied, and the Income of Levels of Tajik Households

As the author has stated repeatedly, the main objectives of this paper are to examine the relationship between household income levels and the amount of remittance they receive, and the relationship between income levels and the supply of migrants. In other words, if the amount of remittance received is relatively large for households with low incomes, the altruistic model expounded by Becker (1974) of the relationship between remittance and household income will apply, and a pro-poor situation may emerge. On the other hand, if household income and remittance are positively correlated or uncorrelated, the explanation provided by the exchange model described by researchers such as Lucas and Clark (1985) may be more appropriate. Furthermore, if migrants tend to be supplied by relatively poor households, and these households develop the potential to receive remittance, this should be pro-poor. Conversely, if migrants come from wealthy households, migration may not contribute to raising the income levels of the poor.

5.1 Analysis

Here the author will investigate the effect of household income levels on amounts of remittance and the likelihood of migrants being supplied. A list of the variables used in the analysis along with their definitions is provided in Table 6.

¹⁷ The TLSS for both years used the expression “in the last time” to ask respondents about travel to foreign countries in that year or that month. This means that even if, for example, someone had spent several months working abroad in 2008, come home, and then gone abroad again in 2009, only the most recent stay would be recorded. As a result, the more people with experience of overseas migration in recent years, the smaller the figures of migration in preceding years will be than the actual figures.

Table 6 Variables introduced

Variables introduced in the analysis	TLSS2007		TLSS2009	
	Average	Std. Deviation	Average	Std. Deviation
Explained Variables				
Remittance Received Per Household Per Month (Tajikistan somoni in 2007)	130.77	786.68	107.948	440.984
Sent Migrants (Unity for households with overseas migrants in respective year, zero for others)	0.241	0.428	0.331	0.471
Explaining Variables				
(1) Location				
Dushanbe (Unity for households in Dushanbe, zero for others)	0.17	0.376	0.17	0.376
Urban (Unity for households in Cities, zero for others)	0.347	0.476	0.347	0.476
(2) Household Characteristics				
Number of Household Members (in person)	6.226	2.88	6.779	3.038
Employee (Unity if the household head is an employee, zero for others)	0.624	0.484	0.598	0.49
Sex of household head (Unity for the households with male head, zero for others)	0.804	0.397	0.826	0.379
Age of the household head (in age)	51.69	13.97	52.8	13.11
(3) Education attainment (Reference category: completed elementary school or less)				
Completed secondary education (Unity for households with the head completing secondary education, zero for others)	0.586	0.493	0.587	0.493
Completed tertiary education (Unity for households with the head completing tertiary education, zero for others)	0.191	0.393	0.19	0.393
(4) Income				
Real monthly income of the household <u>without international remittances</u> (1,000 Tajikistan somoni in 2007)	0.55	0.77	0.68	0.70
Logarithm of real monthly income of the household above (Treated as missing data if income is zero; The number of cases in 2007 is 120, that in 2009 is 34.)	5.9	1.0	6.1	1.0
Real monthly wage income of the household (1,000 Tajikistan somoni in 2007)	0.38	0.67	0.58	0.76

Note: For complete panel household sample of 1,414.

Source: Calculated by the author from TLSS2007 and TLSS2009

Only the amounts of foreign remittance received from people who were abroad at the time of the survey will be used in the analysis. Regarding those people who were back in Tajikistan at the time of the survey yet had been overseas previously and earned income there, the TLSS2007 and TLSS2009 data sets assume that they sent home 70 percent of the income they earned abroad. Although this is useful for making macro-level estimates of the total amount of remittance, responses concerning household income and expenditure basically relate to only the month or week before the survey, therefore for this analysis in this paper it would be more appropriate to use the amounts of remittance received immediately before the survey was conducted. The supply of migrants, meanwhile, is measured using a dummy variable, with unity being assigned if a member of the household had spent a month or more overseas during 2007

for TLSS2007 and 2009 for TLSS2009.

With regard to the location of households, Olimova and Bosc (2003) point out that the number of migrants from the Tajik capital, Dushanbe, is relatively small, and that urban areas offer a lot of opportunities to earn money and therefore supply fewer migrants than rural areas, so the author will examine this conjecture. Next, as for the explanatory variable concerning household characteristics, the author will employ the number of people in the household, as the larger a household is the easier it may be to supply migrants. A question whether having a woman as head of the household affects the amount of remittance will be also investigated. The author will also employ a dummy variable to examine whether the head of the household being in full-time employment raises the likelihood of outside information being obtained and thereby encourages the households to supply migrants. The education level of the head of the household may also have an effect on the gathering of information on foreign countries. On the other hand, the older the head of the household is, the more likely it may be that the household hesitates about supplying migrants.

Regarding household incomes, to examine the relationship between the incomes of households left behind in the mother country and the scale of foreign remittance and the supply of migrants, this paper employs monthly household income excluding foreign remittance. The author will also use logarithmic values of household income as a substitute for income and an alternative means of defining the stochastic formula. Furthermore, in light of the fact that household income includes social security benefits, grants, etc., which may distort the figures, the paper will attempt to ensure the analysis is rigorous by making real wages alone the explanatory variable¹⁸.

¹⁸ Note that while TLSS2007 includes detailed data on land, livestock, and agriculture-related assets, TLSS2009 does not. Data on assets was therefore not employed. However, with regard to 40 types of consumer durable, including cars, motorcycles, trucks, computers, air conditioners, and refrigerators, both TLSS2007 and TLSS2009 asked respondents whether they owned such items as well as the subjective question of how much they thought they could sell it for if they were sell it now. These estimates are usable, so the author compiled them and attempted to use them in preliminary analysis. However, the estimation did not obtain a significant coefficient.

Table 7 Determinants of the volume of international remittances received by the households.
1. Pooled OLS

Explaining variables		1A-1		1A-2		1A-3		2B-1Fixed e.		2B-2 Random e.		2C-1Fixed e.		2C-2 Randome.		2D-1Fixed e.		2D-2 Random e.	
Location																			
Dushanbe		-39.17 (41.12)		-43.06 (43.57)		-37.71 (41.11)		— (41.76)		-39.26 (41.76)		— (43.57)		-43.06 (43.57)		— (41.75)		-37.79 (41.75)	
Urban		-67.81 (33.03)*		-73.88 (34.96)*		-66.07 (33.04)*		— (33.53)*		-68.14 (33.53)*		— (34.96)*		-73.88 (34.96)*		— (33.54)*		-66.38 (33.54)*	
Household characteristics																			
Number of household members		-5.75 (4.43)		-4.98 (4.74)		-4.76 (43.42)		-20.43 (8.23)*		-6.00 (4.46)		-20.87 (9.22)*		-4.98 (4.74)		-19.48 (8.25)*		-5.02 (4.45)	
Household head-employee		-48.12 (29.41)		-42.59 (32.09)		-42.39 (29.59)		-55.97 (44.07)		-48.18 (29.46)		-49.48 (50.74)		-42.59 (32.09)		-51.44 (44.22)		-42.47 (29.63)	
Male household head		-54.69 (33.58)		-61.43 (35.61)+		-55.48 (33.57)+		-12.93 (54.47)		-53.60 (33.70)		4.73 (62.44)		-61.43 (35.61)		-12.89 (54.44)		-54.37 (33.69)	
Age of the household head		0.85 (1.08)		0.82 (1.16)		0.86 (1.08)		-1.23 (1.84)		0.80 (1.09)		-0.94 (2.07)		0.82 (1.16)		-1.22 (1.83)		0.82 (1.08)	
Education attainment of the household head																			
Secondary ecudation		-3.10 (32.95)		-6.82 (34.86)		-3.18 (32.91)		-61.41 (50.33)		-4.77 (33.02)		-78.75 (56.18)		-6.82 (34.86)		-61.89 (50.29)		-4.88 (32.98)	
Tertiary education		13.07 (41.58)		11.88 (44.05)		15.11 (41.48)		-46.56 (67.58)		11.53 (41.74)		-47.89 (75.97)		11.88 (44.05)		-45.74 (67.47)		13.53 (41.64)	
Household income																			
Income without remittances		-10.36 (17.05)		— (17.07)		— (17.07)		-17.70 (23.88)		-10.61 (17.07)		— (17.07)		— (17.07)		— (17.07)		— (17.07)	
Logarithm of income without remittances		— (17.05)		-16.89 (13.75)		— (13.75)		— (13.75)		— (13.75)		-24.79 (20.64)		-16.89 (13.75)		— (13.75)		— (13.75)	
Wage income		— (17.39)		— (17.39)		-28.00 (17.39)		— (17.39)		— (17.39)		— (17.39)		— (17.39)		-31.23 (24.36)		-28.15 (17.88)	
Constant		222.26 (80.71)**		325.42 (103.97)**		217.99 (80.65)**		417.03 (131.63)**		227.05 (81.10)**		540.47 (168.05)**		325.42 (103.97)**		411.81 (131.58)**		222.76 (81.05)**	
Observation		2828		2674		2828		2828		2828		2674		2674		2828		2828	
R-sq.		0.0052		0.0063		0.006		0.0012		0.0084		0.0016		0.0096		0.0018		0.0092	
F		2.65**		2.88**		2.90**		1.71		—		1.84+		—		1.86+		—	
								Wald chi-2		Wald chi-2		Wald chi-2		Wald chi-2		Wald chi-2		Wald chi-2	
								23.40**		23.40**		25.96**		25.96**		25.66**		25.66**	
								Hausman test		Hausman test		Hausman test		Hausman test		Hausman test		Hausman test	
								Chi2(7)=10.18, Prob>Chi2=0.179		Chi2(7)=10.179		Chi2(7)=10.76, Prob>Chi2=0.149		Chi2(7)=10.149		Chi2(7)=9.86, Prob>Chi2=0.197		Chi2(7)=9.86, Prob>Chi2=0.197	

Note: **: significant at 1% level; *: at 5% level; +: at 10% level. Standard deviation is shown in the parenthesis)

Source: The authors estimation from TLSS2007 and TLSS2009.

5. 2 Results and their Interpretation

The results of the analysis on amounts of foreign remittance received are shown in Table 7, and the results of the analysis on the determinants of whether migrants will be supplied are shown in Table 8. In handling the panel data, a pooled OLS or pooling logit model was not employed with an F test and Breusch-Pagan test for the former and a Hausman test and logarithmic likelihood test for the latter. In addition, for the panel analysis, a random-effects model with a Hausman test was selected. As the table shows, it was confirmed that results were qualitatively the same when household income was used as the explanatory variable and when its logarithm or wages alone were used. Therefore, for both Table 7 and Table 8, the paper will use the results from column 2B-2 as the author proceeds with the discussion.

As Table 7 shows, the level of household income does not have a significant effect on the amount of foreign remittance received. In other words, the situation predicted by a purely altruistic model, i.e. where the lower the level of household income the greater the amount of remittance received, is not seen here. In the case of Tajikistan, households with relatively low incomes do not receive more foreign remittance than others, so it must be concluded that it is possible that such remittance may not serve to reduce the degree of poverty of the poor.

When considering the relationship between income levels and remittance, the endogeneity of income needs to be taken into account. For example, if they expect to receive money from abroad, households that have supplied migrants may reduce their supply of labour, making their incomes before foreign remittance lower than before. Alternatively, if the household members with relatively high earning power become international labour migrants, the income level of the household left behind may fall. In both these cases, however, the income level of household can be expected to take a negative coefficient, which is inconsistent with the results shown in Table 7. Nevertheless, endogeneity may exist between remittance and income in the sense that foreign remittance received in the past may have been invested in the education of members of the household and led to higher household income now. Having said that, foreign remittance to Tajikistan only began to increase rapidly in 2006, so it is hard to

imagine that such an effect would already have become apparent in 2007 or 2009, the years to which the data used here relates¹⁹.

In column 2B-2 on Table 7, a significant coefficient was obtained only for whether the household was located in an urban area. As suggested by Olimova and Bosc (2003), this means that rural households receive more remittance from migrants than urban ones do²⁰. The fact that all the other variables were insignificant may be because foreign remittance to Tajikistan is spread among a wide variety of households.

Next the author will examine Table 8 (2B-2), which shows the results of the analysis on whether households will supply migrants. Household income exerts a strongly significant positive impact on the supply of migrants. This means that households with higher incomes are more likely to dispatch migrants. Therefore, just as the Table 7 results did not show that the amount of remittance is higher, it hints at the possibility that the supply of international migrants from Tajikistan is not pro-poor.

Insignificant coefficients were obtained for both whether the household was located in the capital, Dushanbe, or in another urban area, which makes it clear that households in such locations do not supply many migrants. The number of people in the household, however, obviously has a positive effect on whether migrants are supplied. The fact that the age of the head of the household yields a significant negative coefficient may mean that, as expected, older heads of household may adopt a negative attitude towards the very notion of migration itself. The education level of the head of household is also insignificant, which indicates that in Tajikistan migrants are being supplied from all types of household in this aspect. Alternatively, the effect of the

¹⁹ Even when the explanatory variable was set to the 2007 value for each household, the explained variable was set to the amount of remittance received by each household in 2009 (or whether the household had supplied migrants in 2009) and a cross-sectional analysis using panel data for households for the two years, the results were qualitatively the same as those in Table 7 and Table 8. In analysing the determinants of the amount of monthly foreign remittance received by households, the author also introduced individual characteristics of migrants along with all the household factors used here. For individual characteristics, the author used (1) the gender of the migrant, (2) the age of the migrant, (3) the education level of the migrant, and (4) the monthly salary earned in the foreign location by the migrant. However, only monthly salary was significant. If the endogeneity described in this paper exists, education level can be expected to obtain a significant positive coefficient.

²⁰ The author also introduced eight dummy variables for the rural and urban regions within the four provinces comprising Tajikistan, but did not obtain any clear results. The same was true for preliminary analysis on whether migrants are supplied.

Table 8 Determinants of Migrants Sending

1. Pooling logit				2. Panel logit					
Explaining variables	1A-1	1A-2	1A-3	2B-1Fixed e.	2B-2 Random e.	2C-1Fixed e.	2C-2 Random e.	2D-1Fixed e.	2D-2 Random e.
Location									
Dushanbe	-0.63 (0.18)**	-0.53 (0.13)**	-0.56 (0.12)**	—	-0.74 (0.22)**	—	-0.64 (0.16)**	—	-0.69 (0.16)**
Urban	-0.54 (0.12)**	-0.82 (0.19)**	-0.64 (0.18)**	—	-0.66 (0.16)**	—	-0.95 (0.23)**	—	-0.76 (0.23)**
Household characteristics									
Number of household members	0.04 (0.02)**	0.05 (0.016)**	0.04 (0.015)*	0.08 (0.035)*	0.06 (0.020)**	0.06 (0.036)	0.06 (0.02)**	0.07 (0.035)*	0.05 (0.019)*
Household head-employee	-0.68 (0.10)**	-0.57 (0.11)**	-0.73 (0.11)**	-0.71 (0.18)**	-0.83 (0.13)**	-0.61 (0.19)**	-0.69 (0.14)**	-0.77 (0.18)**	0.89 (0.13)**
Male household head	-0.04 (0.12)	-0.06 (0.13)	-0.03 (0.12)	-0.23 (0.23)	-0.07 (0.15)	-0.22 (0.25)	-0.09 (0.16)	-0.22 (0.24)	-0.06 (0.15)
Age of the household head	-0.01 (0.004)**	-0.01 (0.0042)*	-0.01 (0.0039)**	-0.02 (0.008)*	-0.02 (0.0050)**	-0.02 (0.0089)+	-0.01 (0.0051)**	-0.02 (0.0084)*	-0.02 (0.0049)**
Education attainment of the household head									
Secondary ecudation	0.08 (0.12)	0.07 (0.12)	0.09 (0.12)	-0.10 (0.20)	0.06 (0.14)	-0.17 (0.21)	0.04 (0.15)	-0.10 (0.201)	0.07 (0.14)
Tertiary education	-0.20 (0.15)	-0.18 (0.16)	-0.20 (0.15)	-0.46 (0.28)	-0.28 (0.19)	-0.39 (0.31)	-0.25 (0.19)	-0.46 (0.28)	-0.29 (0.19)
Household income									
Income without remittances	0.21 (0.059)**	—	—	0.16 (0.09)+	0.25 (0.07)**	—	—	—	—
Logarithm of income without remittances	—	0.12 (0.048)**	—	—	—	0.21 (0.081)*	0.16 (0.058)**	—	—
Wage income	—	—	0.30 (0.06)**	—	—	—	—	0.29 (0.09)**	0.37 (0.08)**
Constant	-0.013 (0.28)	-0.82 (0.37)*	0.0062 (0.28)	—	0.004 (0.35)	—	-0.075 (0.36)	—	0.036 (0.36)
Observations	2828	2674	2828	898	2828	800	2674	898	2828
Pseudo R-square	0.0052	0.053	0.056	—	—	—	—	—	—
Log-likelihood	-1604.41	-1506.06	-1598.06	-294.33	-1579.7	264.73	1485.48	-290.93	-1572.97
chi-2	176.83**	168.93**	189.53**	33.79**	Wald chi2: 128.55**	25.07**	Wald chi2: 122.85**	40.58**	Wald chi2: 136.91**
					Log likelihood		Log likelihood		Log likelihood
					chibar2(01)=49.42**		chibar2(01)=41.16**		chibar2(01)=50.17**
					Hausman test		Hausman test		Hausman test
					Chi2(7)=5.29, Prob>Chi2=0.624		Chi2(7)=3.44, Prob>Chi2=0.841		Chi2(7)=4.53, Prob>Chi2=0.717

Note: **: significant at 1% level; *: at 5% level; +: at 10% level. Standard deviation is shown in the parenthesis

Source: The authors estimation from TLSS2007 and TLSS2009.

education level of the head of the household is probably manifesting itself in higher household income levels. The finding that the gender of the head of household does not exert a significant impact can be said to be more or less in line with that obtained from the author's examination of the descriptive statistics on Table 5 concerning the profile of households.

The results of this analysis show that households with low levels of income do not receive larger amounts of foreign remittance, and also that households that supply migrants tend to have relatively high income levels. In other words, it is difficult to argue that with respect to Tajik labour migration, a purely altruistic model is applicable to migration/remittance and household income. Regarding both amounts of remittance and the supply of migrants, households with relatively low incomes are not in a more advantageous position than other households. In Tajikistan, therefore, both the receipt of foreign remittance and the supply of migrants may not be pro-poor.

Admittedly, as Table 4 and Figure 3 show, the overall level of poverty (poverty headcount) declined by more than three percent between 2007 and 2009 (from 43.9 percent to 40.3 percent). Nevertheless, it would be rash to conclude that this was the result of the supply of migrants and the remittance of money by them. Although the number of migrants has certainly been increasing, since 2007 the country's GDP has also been growing at 3–7 percent²¹ per year, so the factors behind the drop in poverty would need to be investigated separately.

6. Conclusions

With respect to Tajik migration, which increased noticeably during the late 2000s, this paper used household survey forms to provide outline profiles of poverty in Tajik households and Tajik migrants. It then explored the relationship between the

²¹ National Bank of Tajikistan Website, "Macro Economic Indicators" <http://nbt.tj/files/docs/statistics/macro_en.xls>, accessed on December 28, 2010. However, according to United Nations Statistics Division <<http://unstats.un.org/unsd/snaama/Introduction.asp>> (accessed on January 18, 2011), while household consumption and overseas remittance declined by around 10 percent between 2008 and 2009, gross national income (GNI) increased. These findings are not inconsistent with those of this paper (Table 6), which found, using household survey data from 2009, that income increased and remittance declined compared with the same survey conducted in 2007.

income levels of Tajik households and the amount of remittance they receive and their supply of migrants, with the aim of finding out if migration could be pro-poor.

Compared with the data up to 2007, in 2009 a change in the composition of migrants was seen, with the number of migrants rising, the proportion of migrants heading to Russia increasing, and the proportion of female migrants climbing. However, this change can be surmised as being basically the extension of a trend that had already begun earlier²². Although the migration of Tajiks has continued to increase, with regard to amounts of remittance and the supply of migrants itself, this paper found that households with relatively low incomes are not receiving larger amounts of foreign remittance, even though they are dispatching more migrants. In other words, it is not the case that the receipt of foreign remittance and the supply of migrants in Tajikistan follow the pattern predicted by altruistic models relating to household income and remittance, which is that households with lower incomes receive larger amounts of remittance. It was therefore shown that it is difficult to say that foreign remittance and migration are pro-poor in Tajikistan.

Migrants are supplied by a wide variety of Tajik households. Looking at the data for household that form complete panels, the paper find that in January – November 2009 (TLSS2009), 468 (33.1 percent) of the 1,414 households in the sample had at least one member who had spent a month or longer overseas. In January – November 2007 (TLSS2007), however, the figure was only 341 households (24.1 percent). These figures illustrate the expansion in migration.

As the economy as a whole bottoms out, information flows increase, and more acquaintances begin living in the target destinations, it will probably become easier even for relatively low-income households to supply migrants. In fact, the household poverty dynamics shown in Figure 3 reveal that migration expanded across the board, even from extremely poor households. At the same time, however, the analysis revealed

²² Previous research has noted that since the early 2000s, Tajik migration has been on an upward trend, and increasingly concentrated in Russia. The contention of Danzer and Ivaschenko (2010) that the increase in migration, the growing concentration of migrants in Russia, and the rise in the proportion of female migrants represents a response by households to the financial crisis of 2008 would therefore seem to be an overstatement.

a positive correlation between income levels and whether migrants will be supplied, which may mean that if migration continues to increase in the future, it cannot be said that there is zero likelihood that the poverty of poor households will be cemented. Figure 3 also shows that although the supply of migrants increased overall, the poverty rate did not decline between 2009 and 2007 critically. In addition, the more than 30 percent of households in the top band for consumption continued to stay out of poverty. These findings may mean that income classes have already been solidified. Of course, further investigation of this will require that the situation be observed for a far longer period than the author has done in this paper.

What has been abstracted in this paper in its approach to Tajik labour migration is the relationship between the characteristics of individuals and decision-making²³. This paper has focused on household income levels, amounts of foreign remittance, and whether migrants are supplied. However, the gauging of future trends in labour migration will require the investigation to return to a focus on what kind of people become migrants and what kind of households they come from.

Furthermore, as was mentioned in section 2 of this paper, the relationship with the Russian Federation may be having a major impact on the supply of labour migrants from Tajikistan. Russia is facing a declining population and its policy on the admission of foreign migrants is inconsistent and hard to make predictions about. Even as it accepts large numbers of foreign workers, there are frequent reports of growing xenophobia²⁴. As a result, it is quite possible that the policy of accepting foreign workers will be affected by policymakers giving greater consideration to the domestic situation. Decisions made by individuals and households are not the only thing that makes international migration possible. To predict the future, it will therefore be essential to keep an even closer eye on government policy.

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²³ As already stated in Note 21, the author carried out a preliminary analysis using individual characteristics of migrants but it did not yield any results worthy of note.

²⁴ *RIA Novosti*, 2010.12.27. (in Russian)

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MIGRANT WORKERS FROM CENTRAL ASIA INTO THE RUSSIAN FEDERATION¹

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Introduction

According to the pessimistic population forecast in “the Concept of Demographic Development of the Russian Federation,” the number of population over the age of 60 will be more than 8.3 million in 2025. Also, from 2010 to 2014, it is estimated that the annual decrease in able-bodied citizens will be 1.3 million, which may cause a serious concern for labour shortage². Part of the labour shortage may be compensated by the development of high technologies in the economy leading to the growth of manufacturing productivity. But it would probably become unavoidable for the country

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Also in the given paper are used some material received by Sergei V. Ryazantsev in the process of the research “Migrant workers from Central Asia in the housing and utilities sector of Moscow” under the project “Towards Sustainable Partnerships for the Effective Governance of Labour Migration in the Russian Federation, the Caucasus and Central Asia” financed by the European Union (EU) (2007-2010), are used.

² Broom on asphalt // Arguments and Facts. - #1-2, 2008. – P.23

to accept workers from abroad.

Central Asia consists of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan, formed after the disintegration of USSR. In 2008, Russia accepted more than 1.2 million workers from these countries. Presently, natives of Uzbekistan, Tajikistan, and Kyrgyzstan comprise half of the foreign workers in Russia. They work in the economic branches of construction, housing and communal services, transportation, trade, service industry, and many other areas. The number of foreign workers will amount to an even larger figure if we consider the existence of undocumented labour migrants (who may have no registration for residency, no work permits, or other necessary documents). Migrant workers from Central Asia often take the severe jobs that people are usually unwilling to take, and bear low standards of living in many cases. In the given article, we examine the tendencies of labour migration from Central Asia, the basic problems of migrant workers, and relationship between migration and remittances, and present various suggestions which may improve the regulations on labour migration in Russia.

General tendencies and regulations on international labour migration in Russia

Labour migration from abroad has been forming a considerable part of migratory flow into the Russian Federation. According to the data shown by Federal Migration Service (FMS) of Russia, the number of temporary labour migrants in Russia is increasing significantly. While the figure was approximately 380,000 in 2003, it became more than 702,000 in 2005, 1,014,000 in 2006, and 1,717,000 in 2007. Although 2.4 million foreign workers worked in Russia in 2008 (Figure 1), its share in the total Russian workforce still remained only 3.4%. However, in some areas of the economy, the share was higher - it reached almost 19% in construction.

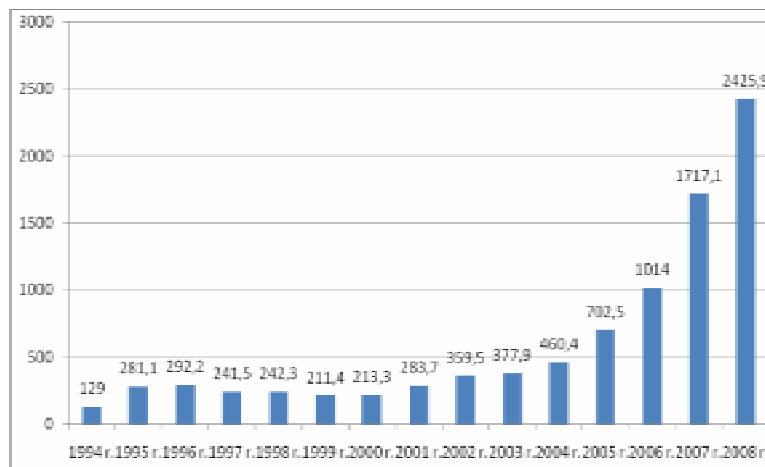


Figure 1. Number of foreign citizens working in the territory of Russia in 1994-2008 (Thousand persons)

In recent years, foreign workers arrive in Russia from more than 140 countries. The following three countries of Central Asia were the largest supplier of foreign workers in 2008: Uzbekistan (643,000), Tajikistan (391,000), and Kyrgyzstan (185,000). From the CIS countries, a significant number of workers are exported from Ukraine (245,000), Moldova (122,000), Armenia (100,000), and Azerbaijan (76,000). After the registration procedure to receive a work permit in Russia was simplified in January 2007 for the citizens of the CIS countries, their share grew, and in 2008, the figure accounted for more than 73% of the total number of foreign workers. China, exporting 282,000 workers to Russia, comes third on the list, followed by countries such as Turkey (131,000), Vietnam (95,000), and Democratic People's Republic of Korea (35,000) (Figure 2).

Foreign workers who are legally accepted dominate the foreign workforce. Structurally, foreign workers work mainly in the economic branches of construction, agriculture, transportation, housing, communication services, trade, and service industry. There is a tendency that workers from a certain country work in specific areas of the Russian labour market. Tajik migrants work primarily in construction, housing, and communal services. Migrants from Uzbekistan work in construction, agriculture, trade, housing, and communal services. Kyrgyzstan migrants occupy jobs in housing, communal services, transportation, trade, and other services. Construction, repair work,

factory work, and transportation industry attracts many Ukrainian migrants. Moldavian migrants mainly become drivers, or work in construction. Chinese and Vietnamese dominate trade, agriculture, and light industry. Turkish workers mainly work in construction. Foreigners occupying top management of banks, insurance companies, and commerce originate from countries of “Far Abroad” (USA, Japan, and European states). It may be stated that foreign workers tend to find jobs in the Russian labour market depending on their country of origin.

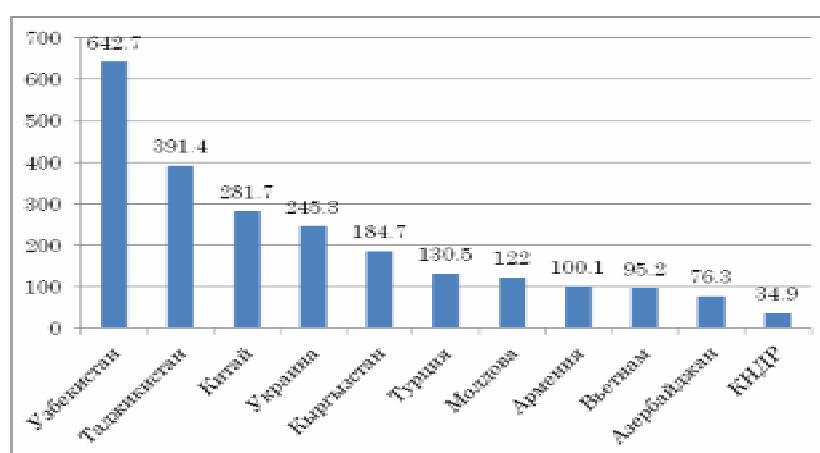


Figure 2. Ten largest countries exporting migrant workers into Russia in 2008 (Thousand persons)

Private-sector firms used to hire irregular migrants primarily, based on oral agreements. However, the size of foreign labour force, employed by smaller private businesses, has lately been increasing by approximately 5% per year. Sex and age composition of foreign workers have been quite stable for many years - about 90% are male workers. Up to 80% of the total male workforce and 90% of female workers are from ages 18 to 39. Within the total foreign workforce, about 40% are from ages 30 to 39.

There is a considerable difference between the official figures and the actual number of labour migrants in Russia. Though the actual number is unknown, it is estimated that the number of irregular labour migrants are several times more than that of the registered. The representatives of the Ministry of Internal Affairs of Russia reported the

number of irregular labour migrants to be approximately 10 million, while some politicians claimed the figure to be 15 million. We estimated the data is probably from the population census of 2002. Through the research, there were still about 2 million labourers not accounted for the current data, who may be assumed as temporary workers. Some of the researchers estimate such figure to be 5 million. Approximately 70% of the irregular labour migrants in Russia are citizens from the CIS countries. Although they have arrived legally from countries where they may enter into Russia without visas, they have not been able to register nor receive work permits in Russia. Such situation has been the cause of the growth of illegal labour markets in big cities.

In the beginning of 2007, Russia adopted a number of new laws to solve problems concerning temporary labour migrants. For example, registration for residency has been simplified, and fines have been increased for employing irregular migrants, which made it much easier for labour migrants to be registered. However, since the problem of employers' hiring migrant workers with unjustly low wages has not been totally eliminated, it is necessary for the country to develop a network to supervise the working conditions of migrants, and also enter into an agreement with each country concerning labour migration.

Serious problems have also appeared in the immigration policy of Russia regarding regulations on labour migration. Foreign labour force is accepted within the limits of special quotas determined annually by the Government of the Russian Federation. Upon the issuance of work permits based on the quota, the Ministry of Health and Social Development locates the foreign citizens into various professional groups and to the regions of Russia. Since 2007, the quota has been set separately for countries depending on whether visas are required or not. The size of the quota for the countries admitted free entry is several times larger than the rest of the countries.

Assigning quotas for accepting foreign labour force has caused serious problems in Russia. For example, in 2003 and 2007, the scale of a quota was too large, and as a result, only 40% and 20% was implemented for the respective years (Table 1), due to the fact that there has been no clear method to evaluate the actual demand for foreign labour force. Not all employers are able to plan out their demand for migrant workers

precisely, and some of them simply cannot apply in time.

Table 1. Quotas on attraction of foreign workers to the Russian Federation in 2003-2010 (Thousand persons)

	2003	2004	2005	2006	2007	2008	2009	2010
Total (planned number)	530,0	213,0	214,0	329,3	6.308,8	1.828,3	5.227,6	2.555,5
For the countries with a visa regime	-	-	-	-	308,8	672,3	1.250,8	611,1
For the countries with a visa-free regime	-	-	-	-	6.000,0	1.155,9	3.976,8	1.944,4
actually issued permissions	210,5	248,8	225,8	267,2	1.194,0	3.500,0
Quota performance, %	39,7	116,8	105,5	81,1	18,9	191,4

Applications for the use of quota are frequently disarranged especially in the regional area. There are often situations when a quota applied by one employer has actually been used already by another employer. In mid-year 2008, the authorities were forced to increase the quota urgently, since it had met the limit already by June. By the end of the year, 3.4 million work permits were issued for foreign citizens, which was almost a double of the initially planned quota.

In 2009, the Government of Russia first set the quota in the size of 4 million. However, the world economic crisis prevented further development in some of the economic sectors, and instead, resulted in an increase of unemployment which forced the Russian authorities to reduce the size of quota for labour migrants. In the same year, many foreign workers lost jobs and earnings, particularly at the time when Prime Minister V. V. Putin declared to reduce the quota of foreign labour force to half the initial size. He explained that the reduction of the quota was due to the impact of economic crisis: "We must first provide job opportunities for Russians. Otherwise, foreign workers will be taking over the jobs which should first be taken by the citizens of Russia." As a result, in 2010, the quota was reduced to almost half the size of the previous year, and only 2.6 million work permits were planned to be issued.

Regional characteristics of labour migrations from Central Asia

Foreign labour migrants are dispersed unevenly in the Russian territory. Although foreign labour migrants practically work in all regions, Central Russia obviously holds the largest number of foreign workers which accounts for over 40% of the total regular foreign labour force. Within Central Russia, 1/3 of the total labour migrants in the country are concentrated in Moscow, where foreign workers account for 6% of the total workforce. Moscow, now with more job opportunities due to the diversification of the territory, has been attracting temporary labour migrants from various territories of Russia, CIS states, and the states “Far Abroad.”

The second largest region, where every sixth of labour migrants work in, is Ural Federal Okrug. Oil industries of Yamal and Nenets Autonomous Okrug, and Khanty-Mansi Autonomous Okrug have been the major source of job opportunities, and marks second and third place in the country for the number of foreign workers employed. Labour migrants (in the region) work primarily in oil mining industry, and construction. Far East Okrug is the third largest region attracting foreign workers which accounts for 10% of the total foreign workforce. Labourers, primarily from China, Peoples Democratic Republic of Korea, and Vietnam work in construction, agriculture, and forestry of Primorsky, Khabarovsk, and Amur territories of the region. Siberia, North, West, Volga, and Southern Federal Okrug follow by the number of foreign workers (Figure 3).

At present, Moscow obviously holds the largest number of foreign workers among all Russian regions. According to the 2007 data, there were almost 1/3(29%) of the total foreign labour force in Moscow. FMS and its territorial departments have issued approximately 650,000 work permits for foreign citizens to work in Moscow, including 532,000(or 82%) for workers who are admitted free entry into Russia. However, according to other official figures, 483,000 migrant workers were working in Moscow in the same year, including 244,000 workers who entered Russia through the visa-free regime. The differences may be explained by the fact that work permits are issued in various terms of length, some for less than one year. Therefore, it is possible for one

person to acquire several work permits in the same year. In 2007, FMS and the Federal State Service of Employment of Population received 209,000 documents from employers stating that they have hired foreign citizens who do not need visas on entry. The actual figure is unknown even to the state agencies – they have official information on only 39% of the labour migrants with work permits in Moscow.

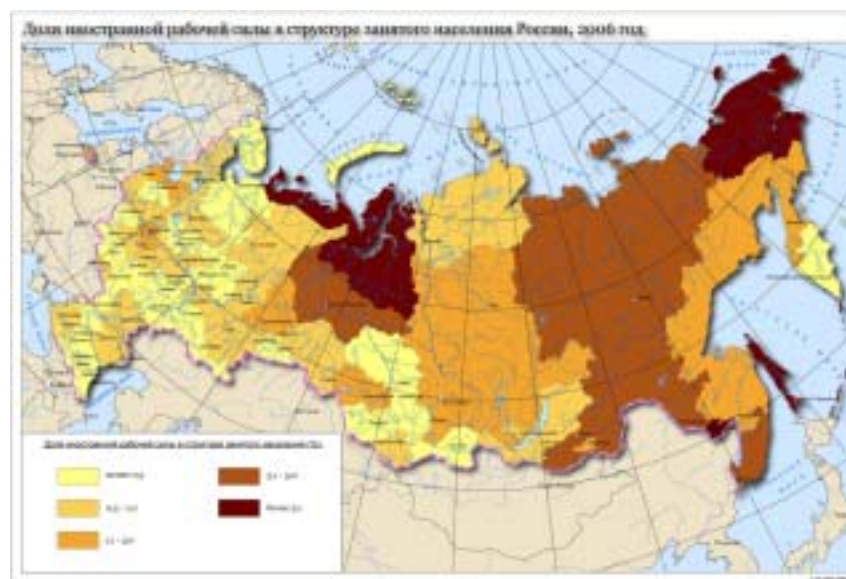


Figure 3. Share of the number of foreign labour migrants in the regions of the Russian Federation

The number of permits issued, and the figure of migrant workers from Central Asia working in Moscow during 2007, also differs significantly for the same reason. FMS has not been able to show an exact data on the number of foreign migrant workers living in the territory. The number of foreign migrant workers in Moscow has been increasing every year. Its growth in 2007 was especially notable since new rules for migration and new procedures for issuing permits had been implemented. The size of foreign workers increased by 24%, and distinctly, the percentage share of workers from Central Asian countries in total foreign labour migrants increased by 70% to 90%. They became the leading group of foreign workers occupying various economic sectors of Moscow. For example, Uzbekistan, which was the seventh country on the list in 2006, became first in 2008. Tajikistan, which was sixth, became second, and Kyrgyzstan

moved up to sixth from ninth.

Since the demand for human resources do not actually grow so rapidly in a year, such increase was the effect of changes in the rules of legislation for foreign migrants. Ones who were working irregularly or those who did not have an opportunity to acquire work permits and not being able to register for residency were excluded from the number of foreign migrants under the previous severe rules. And, the number of foreign workers from countries of “Far Abroad” has not increased since 2007. The sudden increase in the number of workers from Central Asia indicates that the procedures for obtaining work permits and registering for residency were simplified only for citizens from states allowed to enter Russia without visas (mainly CIS countries).

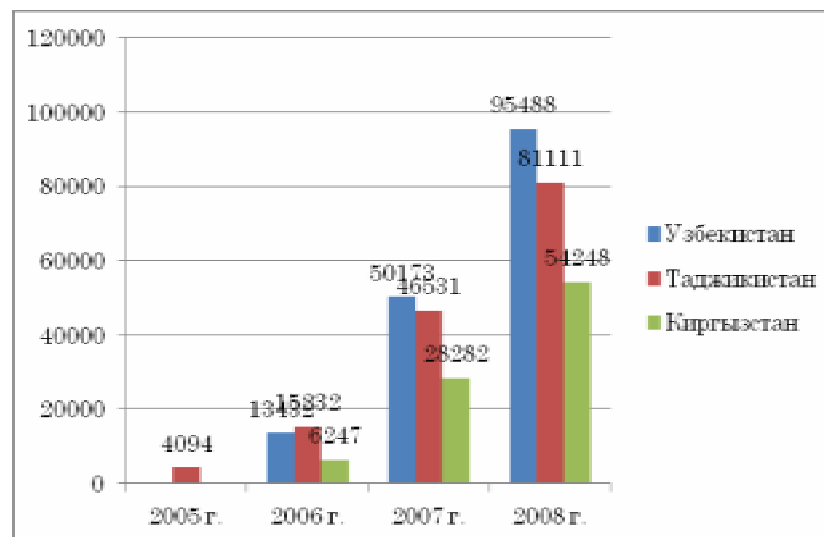


Figure 4. Number of migrant workers from Central Asia to Moscow in 2005-2008 (Persons) (Data of FMS of Moscow. 2008 data includes data from January to September)

The official figures of foreign labour migrants from Central Asia seriously differ from unofficial estimates. For example, by FMS data of 2006, 99,000 citizens of Tajikistan and 33,000 citizens of Kyrgyzstan worked in Russia, whereas according to the information of human rights NGO, “Narodnaya Liga Tajiki,” there were actually no less than 1.5 million migrant workers from Tajikistan. Another example is that, although 270,000 worked in Moscow, the official data of FMS of Moscow shows a smaller size

(Figure 4). According to the State Committee of Migration and Employment of Kyrgyzstan, there are 253,000 labour migrants in Russia, including 171,000 registered migrants. But other estimates show that there are no less than 500,000 workers from Kyrgyzstan.

Foreign workers in Moscow tend to work only in particular branches of the economy. In Moscow, they account for a large share in trade, service, transportation, housing, and communal service industries. On the contrary, the percentage is low in construction, agriculture, forestry, and manufacturing industry compared to the industrial structure of the Russian economy as a whole. According to the 2007 data of FMS of Moscow, main economic branches where foreign labour was used were wholesale and retail trade (32%), construction (26%), housing and communal services, and social services (5%).

Employers of trade and catering business hire the most number of foreign migrant workers. Despite the fact that the Russian authorities banned trading in markets by foreign citizens, many of them are still involved in wholesale and retail trade, and also service sectors such as restaurant businesses, repair works, etc. Owners kept renaming markets in trade complexes so that they could continue to use foreign migrant workers. Although only 110,000 permits for jobs in this branch were said to have been issued to foreign citizens in 2007, the FMS estimates show that there were actually 156,000 persons working during the same year. Countries of Central Asia were the largest suppliers of labour in trade and service sector: 66,000 from Tajikistan; 65,000 from Uzbekistan; and 42,000 from Kyrgyzstan. More than half of the employees in the trade and service sector were foreign workers.

Construction is the second branch of the economy attractive to migrant workers. They are the major labour force in construction projects of Moscow. In 2007, FMS issued approximately 230,000 work permits to foreign citizens to work in construction firms. According to the official figures, foreign labour migrants numbered 124,000 or 82% of the construction labour force of Moscow, including 115,000 workers from Uzbekistan, 104,000 from Tajikistan, and 53,000 from Kyrgyzstan. Ukraine and Moldova, followed by Central Asian countries, are also large exporters of labour in the

construction sector of Moscow. Many labour migrants who do not desire permanent residency prefer to work as irregular employees - some even work at night for relatively low wages.

Transportation is also one of the economic branches where foreign labour has been used actively. Approximately 10% of the labour force in transportation accounts for foreign workers. Migrants from CIS states mainly work as drivers of trolleybuses, minibuses, and other kinds of buses in Moscow. Experts estimate, 76% drivers of buses in town, 73% of trolleybuses, and 41% of trams in the capital are made up of foreigners. In 2007, FMS issued approximately 29,000 permits for foreigners to work in transportation in Moscow, and a total of around 30,000 labourers were working during the same year. Ukraine was the single largest exporter of migrant workers (145,000) in the sector, followed by Central Asian countries: 65,000 from Uzbekistan ; 51,000 from Tajikistan; and 11,000 from Kyrgyzstan. Although rather a large number of foreigners are employed as drivers in the transportation industry, traffic accidents occur frequently due to their insufficient knowledge and experience in driving. This has led V.I. Matvienko, the governor of Saint-Petersburg city, to adopt a compulsory exam for drivers from CIS countries to test their knowledge on Russian traffic rules.

Housing and communal service is the fourth largest industry where foreign labour migrants work in. In 2007, approximately 24,000 permits were issued to foreign citizens to work in housing and communal service enterprises in Moscow and about the same number of foreign labour migrants was working in the same year. Specific jobs in housing and communal service industry are gardeners, sanitary engineers, electricians, concierges, etc. Official figures show that foreigners account for approximately 13% of the total work force in the housing and communal industry, and within the figure, 60% to 90%³ of gardeners working in various districts of Moscow are foreigners.

In general, labour market in the capital city depends heavily on foreign labour force. Accounts show that more than 15% of the total work force in Moscow is consisted of foreign migrant workers, and in some branches such as construction, and trade, they are the majority. In fact, there are economic sectors in Moscow which totally depend on migrant workers.

On February 1st, 2009, the authorities of Moscow implemented new regulations concerning registration of foreign citizens and residents from other regions of Russia. In order to register for residency, it is now necessary to present documents which confirm that a residential lease agreement has actually been signed. The authorities decided to take control over the rental market for residencies, since, as experts estimate, though 125,000 flats are being rented, only 55,000 owners are paying official taxes. The city has been losing from 80 million to 2 billion rubles annually for such reason. Registration for residential lease agreements is entrusted to Unitarian Enterprise of the City “Moscow City Centre of Leasing Houses.” Migrants are provided with a copy of documents for registration of residential lease agreements within five days³ from entry. The document costs them 382 rubles. Taking into account that foreign citizens must register in Russia within three working days from the date of entry into Russia, such change in regulation may cause confusion among labour migrants for them to obtain official registration in Moscow.

Currently, labour shortage in Moscow has been compensated by migrant workers who work on low wages. The major problem is that there is a mechanism in the country which allows employers to ignore the poor working and living conditions of the migrant workers. The situation does not ameliorate since migrant workers come from countries where working and living conditions are even worse, and employers in Russia are taking advantage of the fact that migrant workers will still work in poor conditions.

Savings and remittances of migrant workers from Central Asian countries

Labour migration has many socio-economic effects in Russia and Central Asian countries. Migrant workers make up for various “non-prestigious niche” job markets with severe working conditions, which residents of Russia are unwilling to take. All branches of the economy have developed for the sake of foreign migrants. Construction

³ Registration by employment // Vzglyad. – 23 January 2009. – P. 1-2

⁴ Data of the Central Bank of Russia

industry in large cities, for a good example, has grown partly due to the use of cheap labour force from abroad. Labour migration became not only the means of survival for a significant part of CIS workers, but also an essential part of economic development in the region.

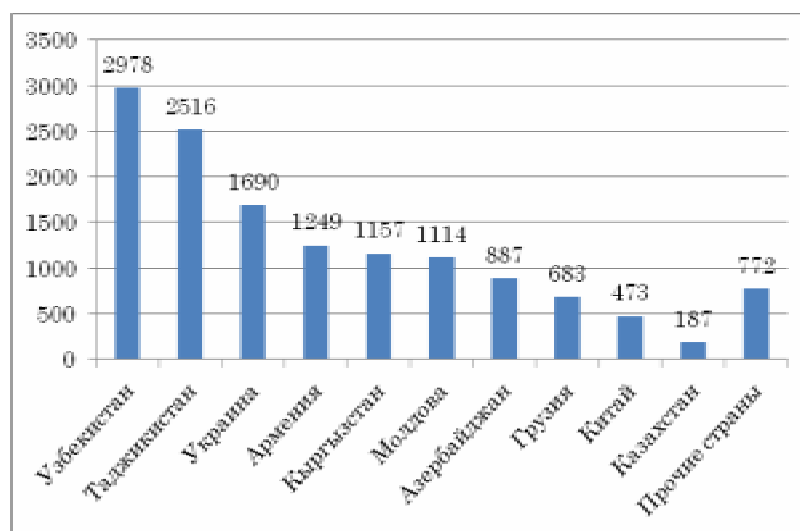


Figure 5. Volume of remittances from Russia to CIS countries in 2008 through systems of remittances and Post of Russia⁴ (mil.USD)

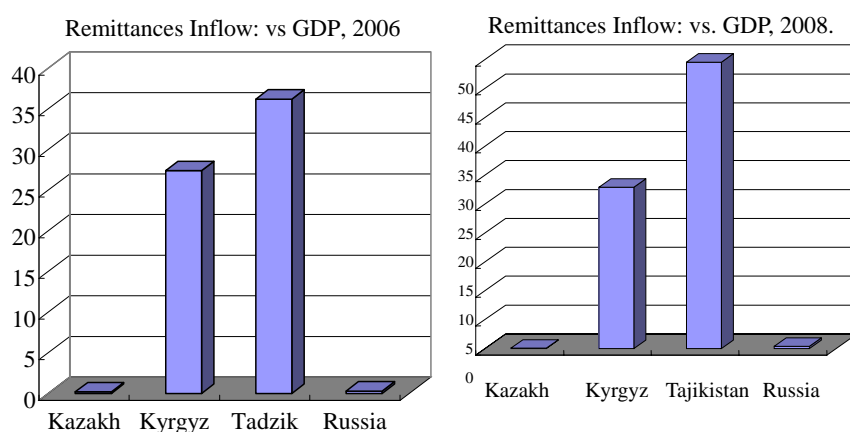
Labour migration from CIS countries increased the remittances from Russia to the countries where the labour migrants originated from. Money passes both through official (banks, and postal services) and informal (intermediaries, train conductor, and relatives) channels. Inflow of savings and remittances of labour migrants have direct economic effects on their countries of origin. They apply their earnings to pay debts, and provide their families with necessities. According to the 2007 data of Central Bank of Russia, the sum of remittances from Russia to CIS countries added up to approximately 8.6 billion USD, Tajikistan, Kyrgyzstan, and Uzbekistan accounting for 47% of the total amount. Uzbekistan received the highest amount of 1.7 billion USD, followed by 1.6 billion USD of Tajikistan. The average amount of one remittance to Uzbekistan was 699 USD, 623 USD for Tajikistan, and 474 USD for Kyrgyzstan.

By some data, labour migrants transfer about 15 billion USD from Russia annually.

If there is enough transparency in the transactions, the country should be able to collect 4.5 billion USD worth tax (if the income tax rate for non-residents, 30%, were applied.), without taking social insurance into account. However, many migrants work irregularly and earn wages without paying taxes and social insurances.

BOX: Migration and Remittances in Tajikistan

The scale of remittances in Central Asia is huge as described in the main text. In this box we would like to offer brief information from an examination on migration and remittances in Tajikistan by using macro- and micro-data.



Source: *Migration and Remittances Factbook*, World Bank, 2008; The latest remittance data by the World Bank, <[http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1110315015165/RemittancesData_Nov09\(Public\).xls](http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1110315015165/RemittancesData_Nov09(Public).xls)>

According to the World Bank data, which relies on IMF Balance of Payment statistics, remittances as a portion of GDP in Tajikistan and Kyrgyz in 2006 are 35% and 26%, respectively (IMF Balance of Payments Statistics). As for Tajikistan, this figure is said to amount up to 50% or so in 2008 (World Bank, 2010).

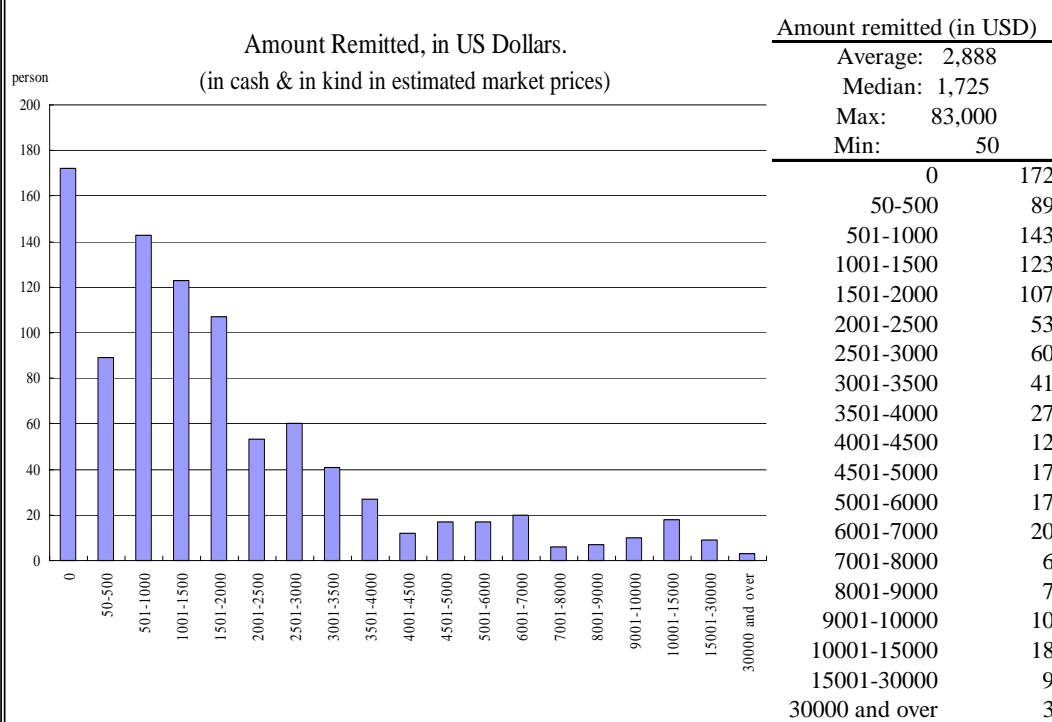
These figures taken from macro-level statistics may be astonishing for readers, but examination on micro-data set also confirms the huge scale of remittances.

We used forms returned from Tajikistan Living Standards Survey (TLSS) conducted by the World Bank and UNICEF. The data consist of representative sample on the level of:

(1) Tajikistan as a whole, (2) total urban and total rural areas, (3) the five main administrative regions (oblasts) of the country. The size of sample is 4,860 households or 30,139 individuals.

Among family members currently living away from the household in 2007 (the number of sample was 934), more than 80% of out-migrants remit in cash or in kind. The median of the amount remitted was 1,725 USD and the average of that was 2,888 USD in 2007. We should note that per capita gross domestic product of Tajikistan in 2006 was 426 USD.

Tajik Migrants, by the Size of Remittances in 2007

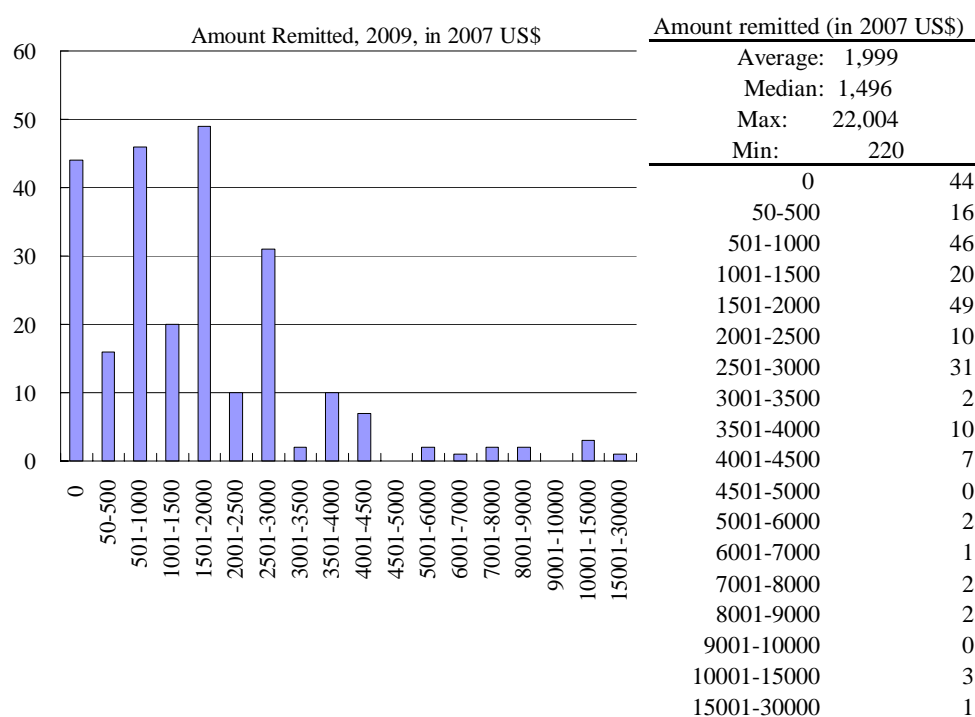


Source: Calculated by the author from TLSS2007

The situation did not change much in 2009 from that in 2007. We utilized TLSS2009, Tajikistan Living Standards Survey in 2009, conducted by the World Bank in November 2009. At this time the aim of the survey was to capture the effects of economic crisis and the sample size was comparatively small. They consist of 1,503 households or 10,069 individuals, which means that the sample size was one-third of the former survey conducted in 2007.

By TLSS2009 we could point out that the scale of remittances by migrants shrunk to two-third of the amount in 2007. This figure corresponds to the scale of shrinkage in remittances in macro or national level statistics, therefore the macro data also can be regarded as a reliable one. Irrespective to the shrinkage in remittances in 2009, the impact of migrants' remittances on Tajikistan economy must be quite huge if we take into account the small size of gross domestic products of Tajikistan.

Tajik Migrants, by the Size of Remittances in 2009



Source: Calculated by the author from TLSS2009

Main problems faced by labour migrants from Central Asia states in Russia

The main reasons for labour migration from Central Asian states arise from the rapid population growth in the region, the high levels of unemployment, decrease in manufacturing productivity, and stagnation in the economy. Since the governments of the states of Central Asia are not undertaking serious actions to promote employment, there is no other way for the people than to search for job opportunities abroad. Russia,

which has rather a high capacity and diversity in the labour market, together with the convenience of visa-free regime, has been quite attractive for labour migrants from Central Asia. Main exporters of labour migrants in recent years are such countries as former states of USSR.

By the State Committee data on Migration and Employment of Kyrgyzstan, the current number of persons unemployed is 271,000. Although it is a tradition for Kyrgyz people to hold big ceremonies on occasions such as weddings, jubilees, funerals etc., it is impossible for them to save for such money without working abroad. In Moscow, migrant workers may earn 800-1000 USD a month, whereas they may only earn 300-400 USD a month in their country of origin. Towns, rural areas, and border districts of Tajikistan, which suffered from civil war, have exported the most number of labour migrants. These towns such as Isfarinsky, Kanibadamsky, Ashtsky, Ininsky, Pendgikentsky, Shakhristansky in Sogdyiskaya oblast, are mainly on the border districts of Uzbekistan. Also, territories such as Bokhtarsky, Vakhshsky, Farhorsky are in Khatlonskaya oblast. Workers who leave their country for earnings are mostly men⁵. Attractive factors of the labour market in Russia, especially the higher wages, have been prompting a great inflow of migration into the Russian regions.

The research has allowed us to find out several problems faced by labour migrants from Central Asia. Temporary or seasonal migration has become more common among workers. A majority of labour migrants leave their country in spring and summer, and return in autumn. They search for jobs by themselves or with the aid of relatives and acquaintances, otherwise through intermediary persons who, with no appropriate license, privately search jobs for migrants. The lack of fully developed policy for labour migration has created room for intermediary persons to cheat on the migrants' money by recruiting them to fill in the niche markets.

There also exist illegal labour markets used personally or by firms. The most "famous" market, "labour stock," is on the corner of Little Circle Automobile Road and Yaroslavl roadway, always overwhelmed by labour migrants from Central Asian states

⁵ Olimova S., Bosk I. Labor migration from Tajikistan. – Dushanbe: IOM, 2003. – P.31.

⁶ The Russian Federation and some CIS countries accept dual citizenship.

hoping to find work. When some of the employers fired workers due to economic crisis, even more people looking for jobs came to the “labour stock.” Since many workers coming to the illegal labour market do not have work permits, they have no choice but to bear low wages and live in poor conditions. Employees say that representatives of legal offices exploit them by making them work in construction and repairing of firms, private dachas, houses, etc., without pay.

Many migrant workers work under harsh conditions and environments, always at the risk of injuries and infectious diseases. The Labour Codex does not define guidelines on the management of labour conditions of the workers. Migrant workers work more than eight hours daily in many cases, without weekends or holidays. Migrants say that employers who are unwilling to pay for “holidays,” return them once to their home countries, and have them come back to work again. Most migrants are unable to claim their rights for holidays.

What is making the situation more difficult is that many labour migrants do not have signed official labour contracts. It is rather seldom for migrants to sign labour contracts with private firms than with public offices. All of our attempts to see even one signed contract have failed. It means that although contracts are signed, they are not given to the migrants. Therefore, even when the migrant workers get into conflicts with the employers, having no signed contracts makes it difficult for the migrants to seek legal assistance and assert their rights in court.

Research shows that foreign workers are paid less than Russian citizens for doing the same work. Even if the immigrant workers have Russian citizenship⁶, some are not guaranteed to be paid the same wages as Russians. Employers often continue to recognize them as immigrants and pay them less.

Poor living conditions are also one of the serious problems faced by migrant workers in Russia. Many of them live where they work, often in places not suitable for living. These places may be attics, basements, unfinished buildings or ones to be demolished, garbage carts, trailers, bathrooms, etc. Needless to say, such places are often unsanitary, and have no essential facilities for water, heating, or light. They easily become ill by living under such conditions. But still, many migrants usually continue to

live and work in the same place. There once was a situation when a woman gardener from Tajikistan gave birth to a child in a basement where she lived in⁷. It revealed the difficulties of migrant workers to integrate into the Russian society, and also brought out into open that such low standard of living has led to a creation of “parallel societies” separating the migrants as the “second sort.” Such situation may lead to social conflicts.

Whether to include migrants into the medical insurance system or not is another acute problem. Migrants may be divided into groups depending on the level of risks for spreading infectious diseases or the seriousness of injuries. According to the data of Department of Healthcare of Moscow, 105,000 foreign citizens received medical treatment in 2007. 705 cases of tuberculosis, 219 cases of HIV/AIDS, and 908 cases of syphilis have been reported⁸. The arrangements necessary for receiving medical treatment have changed since 2008.

Under the pressure of Federal Antimonopoly Service, private medical organizations acquired permits so that they may make arrangements for the migrant workers to receive medical treatment. Experts say that although the number of cases of diseases being discovered among migrants has reduced, (from January to November 2008, only 195 cases of tuberculosis, 61 cases of HIV/AIDS, and 283 cases of syphilis were discovered), the acuteness of the problem has not changed. Many labour migrants are still in unhealthful conditions, increasing the risk of spreading infectious diseases among the population. Only several migrants interviewed had medical insurance.

As stated above, living conditions of migrant workers from Central Asia still remain poor. Signing labour contracts would not solve all problems for migrant workers. As long as no one regulates exploitation of migrant workers by employers who hire them with unjustly low wages, and have no intentions to raise their pay or improve their working conditions, the situation will not become better.

⁷ Broom on asphalt // Arguments and Facts. - #1-2, 2008. – P.23

⁸ Data of Department of Health of Moscow

Regulations on labour migration from Central Asia to Russia

The basic arrangements necessary for migrant workers from Central Asia to enter into Russia do not differ from that of the labour migrants from other countries. Federal Law from 25 July, 2002 #115-FL regarding “legal status of foreign citizens in the Russian Federation,” which states the order of arrangements for foreign workers who do not need visas, is applied to them.

On the other hand, there are several differences in the regulation among the citizens of Tajikistan, Kyrgyzstan and CIS states. These differences are recognized in the mutual intergovernmental agreement concerning regulations on labour migration from Tajikistan and Kyrgyzstan. The agreement signed in Dushanbe on October 16th, 2004 among the Government of the Russian Federation, the Government of the Republic of Tajikistan, and the citizens of the Republic of Tajikistan in the Russian Federation, is currently valid. The agreement made it significantly easier for the two countries to regulate the process of labour migration from Tajikistan to the Russian Federation. Migrant workers are guaranteed for their social protection and medical aid. They are also prevented from double taxation, allowed import and export of necessities including financial resources, and given the rights to receive educational services.

However, issues involved in the agreement totally opposed some of the Russian legislations. The Collegiate of Chamber of Accounts, checking the Agreement in parallel with the Agency of State Financial Control, and Combating with Corruption of the Republic of Tajikistan, pointed out serious insufficiencies in the Agreement in order to put it into practice. They stated that it is incompatible to define the needs to attract foreign workers on one hand, and to set quotas on the other. Since the number of labour migrants to be accepted officially is limited by quotas, the number of residency which may be provided is limited as well. Growing tension among foreign workers under such circumstance has been the cause of increase in crimes committed both by foreign citizens and to them, aggravating the risk of corruption in the foreign workers' society.

There are also juridical inadequacies concerning the extension of work permits. For example, in point 2 of article 4, the Agreement allows an extension of work permit up to

another year depending on the employer's request. However, there are no clear criteria on how the inspectors of the migration service should admit the employer's request.

This situation gave rise to confusion among employers using foreign workers. Terms of work permits may be extended upon request of the employers or customers of services who are legally admitted the use of foreign workers. Additionally, point 9 of article 13.1 of Federal law of "legal status of foreign citizens in Russian Federation" enables that employers without official permit for the use of foreign workers may accept foreign citizens from countries which does not require visas on entry.

According to article 6 of the Agreement, customers of services must issue documents specifying the occupation and wages of the worker, and certify them with seals. However, the Agreement was written without knowing the fact that customers of services do not own any seals to actually certify the documents. Article 10 requires migrant workers from Tajikistan to present copies of a health certificate, with proof of immunization, and the result of a medical checkup proving the worker to be qualified for work in terms of health condition. Meanwhile, migrants from other countries need only to submit proof for not being infected to certain diseases listed by the Government of Russia. Regulations on migrant workers from Tajikistan are stricter for the sake of article 10 of the Agreement.

Recently the representatives of Mayor's Office in Moscow declared their willingness to accept 200,000 workers from Tajikistan annually in the form of organized migration. The Government of the Republic of Tajikistan and the authorities of Moscow came into an agreement to carry out such project to control labour activity and to protect migrant workers socially. FMS of Russia has approved of the project as well. The project is assumed to determine the annual size of organized migrant workers to be attracted, in this case from Tajikistan, depending on the number of occupations available in Moscow. If the project is carried out in full-scale, it may realize the implementation of intergovernmental agreement concerning labour migration between Russia and Tajikistan.

Compared to Tajikistan workers, experts estimate that migrant workers from Kyrgyzstan are in a more favorable situation. First of all, there exists an agreement

between Russia and Kyrgyzstan for obtaining citizenship in a simple procedure. The agreement allows citizens of Kyrgyzstan to obtain Russian citizenship in rather a short term without acquiring work permits in Russia. Moreover, in 1996, an agreement was signed between the Government of the Russian Federation and the Government of the Republic of Kyrgyzstan to maintain good working conditions of the migrant workers and to protect them socially. In the agreement, for example, the migrants may work for two years, and may extend another year if desired.

An intergovernmental Protocol, signed in 2005, between the Russian Federation and Kyrgyzstan in order to make changes in the above-mentioned agreement of 1996, improved their conditions furthermore. The changes in the Protocol freed employers or customers of services from preliminary payment which was paid to the migrants as money necessary for the Kyrgyzstan migrants to return to their country upon expiration of their labour term based on the Federal Law “of legal status of foreign citizens in the Russian Federation.”

In addition, the Protocol agreed that independent entrepreneurs, who prefer to do business without creating an entity of a juridical person, may still register on the territory despite their length of stay.

However, the changes in the 2005 Protocol were inconsistent with the Russian legislation in some aspects. For example, the Protocol obliges that the established order of attraction for labour migrants does not apply to foreign workers who are employees of juridical persons. At the same time, according to point 4, article 13 of the Federal Law of “legal status of foreign citizens,” such foreign workers do not belong to categories of citizens which the established order is not applied.

The Protocol also regulates that state registration of independent entrepreneurs, who intend to host foreign workers for labour activity, must be processed despite the terms of their stay on the territory of the host state. However, such rule is not in accordance with point 1, article 22.1 of the Federal Law “of state registration of juridical persons and independent entrepreneurs.” The Federal Law states that independent entrepreneurs may be registered as foreign citizens living on the territory of the Russian Federation temporarily or permanently.

Pilot project on organized labour migration has been carried out in interregional level between Moscow and Kyrgyzstan.

The authorities of Moscow have at last started making effort in structuring an organized recruitment of migrant workers from Central Asia which matches with the demand in the Russian economy. The plan for recruitment is as follows:

Employers must first submit an application to the Committee of interregional links and national policy of the Government of Moscow for the use of foreign specialists. Number of workers necessary, amount of pay, guarantees of residency and medical care will be specified in the application. Applications will be accepted by the Department of Employment Services and directed to the agencies of labour of the countries which may provide the desired human resources.

Next, the agencies of the countries, where the candidate workers originate from, organize their medical checkups. After that, the Russian employers will receive a notification that the group of candidates is ready to leave the country. A representative of the employer then visits the country to determine whether the workers will match the declared needs. If so, the representative confirms the workers' departure.

In the third stage, the representative of the employer, the Committee of Employment of the country which sends out the workers, and the group of migrants meet together in Moscow. Migrant workers are provided with "economy class" accommodation. They must submit documents to the Moscow Migration Bureau and go through all necessary procedures according to the Russian regulations. The proposed structure was studied by the Federal Migration Service of Moscow, and also examined by researchers. In 2008, "Migration Bureau" was established by authorities of Moscow on the territory "ZIL". It is the first "labour stock" for migrant workers where they may get information of their rights, obtain documents, and find accommodation at inexpensive rates.

Authorities are making progress in constructing special settlements for labour migrants to live in. The regulations of the Government of Moscow "on measures of attraction of foreign workers to enterprises in Moscow city" officially approved of a project to construct temporary settlements equipped with living rooms, kitchen, shower etc. Such equipment may induce foreign migrant workers to register themselves at

migration offices. Construction of settlements for migrants will be a project conducted by public and private partnership⁹. Department of Architectural policy, and Development and Reconstruction of Moscow collected applications by 2009 from organizations which wish to acquire lands to construct such settlements. For example, in Southern and Western Administration Okrug, four towns will become settlements for foreign migrant workers and migrants currently working in the field of housing and communication services in Lefortovo, Maryino, and Vyhino. The settlements will probably be constructed in the streets of Aviamotornaya, Nizhnie Polya, Ferganskaya, and Marynsky Park.¹⁰ It is planned to begin in autumn in 2010.¹¹

Turkish construction firm “Enka” has carried out a similar project in the capital which has been successful for a long time. 135,000 workers work in the construction projects of this firm in Moscow, and Moscow oblast. Now the company has three settlements for labour migrants. Settlement in the district of Taganka accounts for 1800 units of residences. Workers share one unit by four persons, and engineers share by two. Every unit is equipped with a refrigerator, TV set, and a bathroom. The settlements have medical clinics, training rooms, coin operated laundry, and a cafeteria. Workers live in the units on the account of the company, and given rides to and from work by bus.¹²

The Government of Moscow also suggests introducing identification cards for migrant workers which include information from FMS, health care offices, tax services, security services, and other organizations. In relation to the plan, the Government of Moscow and the Administration of FMS in Moscow began a project of “IC cards for migrants”.

Meanwhile, there are difficulties in regulating labour migration on the regional level. Although regional regulations must be approved by the federal authorities to be in accordance with federal policies, federal regulations are not flexible enough to react to the needs of various territories of Russia.

⁹ Reservations for guest workers // Arguments and facts. - #31, 2008. – P.5

¹⁰ Moscow will care of migrants // Vzglyad. – 23 July 2008. – P.1

¹¹ Capital will settle guest workers in temporary settlements // www.izvestia.ru

¹² Hotel “By guest worker” // Rosyiskay gazeta. – 9 September 2008. – P.1

Recommended amendments concerning regulations on labour migration from Central Asia into Russia

This research shows that irregular migrant workers from Central Asian states are widely spread in various sectors of the economy in Russia. Although the official figures of foreign workers are not so high, they work practically everywhere; Russian workers on the list of employees are actually foreigners in many cases. Since the latter cost much cheaper, the owners attempt to make profit from those differences. In fact, many industries using migrant workers are becoming part of the shadow economy.

There are also problems involving social or human rights issues. Migrant workers live in bad conditions, are paid low wages, and are exploited by employers. We may say that forced labour has been taking place in some areas of the Russian economy. While Russian workers became unwilling to take jobs in certain areas, more employers began to hire foreign workers who are willing to work even for unjustly low wages. In order to ameliorate such situation, next measures are suggested for amendment in the regulations on labour migration:

- 1) to have the Russian regions and countries of Central Asia come into an agreement to control the number of organized migration for temporary labour;
- 2) to develop an infrastructure for employing labour migrants from the countries of Central Asia to work in Russian enterprises including licensed private employment agencies;
- 3) to clarify regulations on licensing agencies, and to create a list of private employment agencies;
- 4) to strengthen control on the use of labour migrants by employers, and also to inflict a harsher punishment for exploiting irregular migrant workers;
- 5) to make an amendment to the Criminal Code and to introduce criminal punishment for falsification and sale of registration documents, migration cards, etc;
- 6) to introduce criminal punishment for organizers and owners of firms making false documents deceiving labour migrants;

- 7) to extend the limit of days for registration from three to six days counting from the day of entry, and to extend the term of stay of labour migrants from Central Asian countries to three years without annual deportation (if they are employed at the time);
- 8) to fix a quota for each employer (enterprise, organization, firm, or independent entrepreneur) based on a proof of the number of employees necessary before the three-sided meeting;
- 9) to admit private employment of foreign labour migrants by natural persons and independent entrepreneurs legally if all necessary requirements and conditions for work permits are fulfilled;
- 10) to oblige employers to offer work for Russian workers, including those from other territories;
- 11) to reduce the income tax rate from 30% to 13% and allow foreign citizens from CIS countries to withdraw from the “shadow” economy;
- 12) to oblige employers to provide their migrant workers with health insurance, and temporary residence equipped with minimal facilities (i.e. build settlements for temporary stay);
- 13) to organize a system to observe working conditions, security, and living conditions of migrant workers, together with the lawfulness of the employment itself;
- 14) to urge employers, who register migrant workers legally, to provide their employees with health insurance, adequate residence, and security for labour by reducing charges for social security from employers;
- 15) Trade unions should let themselves known among migrants actively, and support them in their everyday problems;
- 16) to legalize irregular labour migrants from Central Asia into the territory of Russia by charging penalty (in minimum size, if there is a specific employer, and in maximum if there is no one);
- 17) to examine whether the registration procedure for temporary stay, residency, and citizenship may be simplified depending on which category in Central Asia the workers belong to (based on the interstate agreement between Kyrgyzstan,

Kazakhstan, and Belorussia and the Russian Federation, respectively);

- 18) to introduce a policy to regulate illegal removal of documents from foreign citizens by law enforcement agencies, employers, and officials;
- 19) to create public learning centers which offer labour migrants from Central Asia programs including Russian language and basic legislation matters in Russia. It may be practical to create such centers in the temporary settlements of labour migrants.

It is necessary to develop a registration system to keep records of labour migrants – especially the information on the existence of their work permit, and places of work. The system should also be able to provide up-to-date information on the number and distribution of foreign labour migrants. Central Database on Account of Foreign Citizens, which the FMS has been developing over the past several years, could become the basis for the creation of such registration system.