

The demographic development of the Russian Far East

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Abstract

The article deals with current demographic challenges and threats faced by the Far East. Components of the change in population of the Far East are studied in detail. The role of each component and of each factor that has an impact on population is distinguished. The processes of migration and migration throughout the Far East are studied rather detailed, their direction is found and the effect of each component of the migration flow on the formation of the demographic situation is determined. The economic situation in the region is described in brief. In conclusion, possible ways to overcome the effects of the current demographic situation the article were suggested on the basis on the generalization of the results of research.¹

Keywords: Demography, migration, migration policy, the impact of migration, socio-economic processes.

1. Current geopolitical challenges and threats of reduction of population of east regions of Russia

The Far East is the most important region of Russia from the point of view of geopolitics and economics. Geographical location, the presence of the border with the most populous country in the world - China, led to the specific development of the entire region. Today, as it was a hundred years ago, the Far East is a strategic, especially from an economic point of view, region of the country, concentrating up to 100% of diamonds produced in Russia, more than 60% of non-ferrous metals, 90% of uranium reserves, more than 80% coal, 75% of domestic hydropower resources. The tourist potential of the Far East is not less important for the economic development of the region, with its unique flora and fauna. Coastal areas of the Far East, providing access to the Pacific Ocean, are the defining element of geopolitical stability in the region. The Pacific Fleet of surface ships and submarines is the guarantor of the security of the eastern borders of Russia. All these factors make the Far East a strategic region of Russia, demanding decent attention from the government and operational troubleshooting.

The problem of adaptation and development of the eastern regions of Russia is not new, but over the decades. It hasn't lost value, but, on the contrary, has acquired a special urgency. For several centuries, with different political systems and different forms of management, the topic of the Far East has always been in the first place, speaking about the geopolitical and economic importance. In the early twentieth century, a prominent Russian activist Petr Stolypin gave crucial migration movement of the peasants in the eastern regions. In this movement he saw that the solution was required not only for a question of shortage of land in the center and the south of Russia. He, as the head of the government, also understood the importance of the development of large Eastern areas of the country.

One of the current threats, not only for Russia, but also for a number of countries, is the growing economic and military power of China. The global expansion of China is primarily manifested in the export of capital, goods, and its population. In recent years, Chinese economy is growing rapidly, incomes are rising and standards of life are increasing. China is now

experiencing another wave of urbanization, cities are growing, and an urban lifestyle is going to villages. New natural resources are necessary to sustain economic growth and welfare growth. There are no problems in China with an investment, and the demographic potential can fully meet the demand for cheap labor. The only thing that China does not have is access to untapped natural resources of its neighbors on the border.

For China, the problem of overcrowding is not new, and the attempts to solve the problem are different, up to the relocation of the population to other areas. Chinese leaders do not conceal this. Being highly dependent on imports of raw materials, the Chinese economy requires more and more resources and space for their growth and development. It does not stop at anything. One of the main conditions for China's expansion is export of labor. China has the strongest labor force potential, which, combined with massive flow of Chinese investment, will be the main instrument of penetration and further fixation of China's ethnic groups in Russia. The global financial crisis has made China one of the main potential "saviors" for the economies of the EU and other developed countries. It's no secret that Chinese investments occupy primary importance to the U.S., whose national debt is growing at the expense of government bonds, as well as several other countries. The lack of liquidity has pushed a number of European countries to make concessions to China to liberalize its laws regarding foreign investment in a number of previously closed economic sectors.

Russia, as a dynamic power, desperately needs an influx of capital and inexpensive labor. Thus we, unwittingly, more and more become addicted to certain countries, such as China and the countries of Central Asia.

We have to admit that, despite the authorities' attention to the problems of the Far East, the number of urgent tasks for immediate action is growing every year. Partly because of it the Ministry of the Russian Federation for the development of the Far East was created.

Basic and fundamental condition to maintain stability in the region and the subsequent gradual development is to get a critical mass of the population in all regions of the Far East, particularly at the border. The Head of the Ministry of Development of the Far East Victor Ishayev called the decision of the problem of fixing and increasing of the Far East population as a primary task of the established Ministry.²

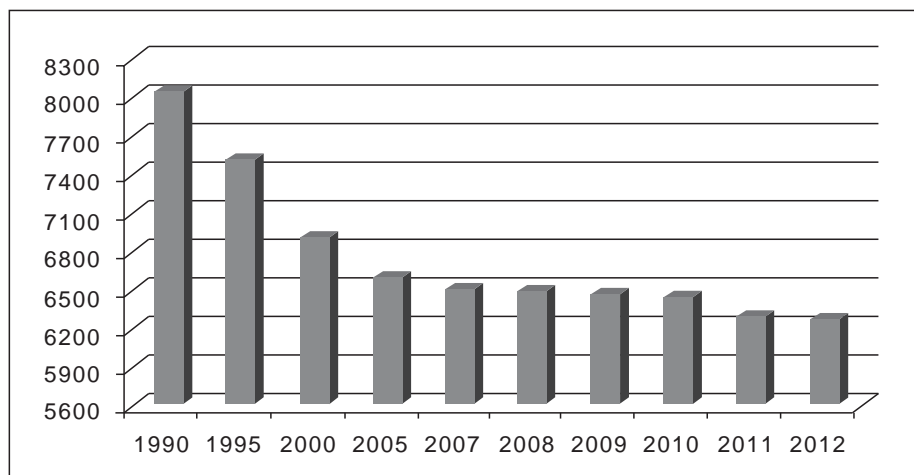
2. Modern demographic situation in Siberia and in the Far East

Russia has long been in a deep demographic crisis. Only recently, due to ongoing population policy, there have been positive trends in fertility and mortality levels in the whole country. At the same time it is too early to speak about the radical change in the demographic situation. Large area, which Russia has, and, as a consequence, significant differentiation of Russian regions in terms of the climatic and socio-economic conditions, could not help but reflect on the differences in the demographic development. The Far East has suffered the greatest loss of population beginning from the end of the twentieth century up to the present day.

The total area of the Far East is 6.2 million square kilometers or 34.6% of the whole Russia, making it the largest district in the country. At the same time, the population of the Far East cannot be compared with the size of its territory. Thus, according to the Federal State Statistics Service, as of January 1, 2012, the population is 6.266 million people, that is 4.4% of the entire Russian population.³ Despite the positive trends in the birth rate, the population of the Far East continues to decline. Last year the population reduced by 19 thousand people. Total population of

the Far East has decreased by about 1.8 million since 1990.

Figure 1. Dynamics of population of the Far East on the 1st of January (Thousands)



As seen on the presented picture, the greatest reduction was observed in the 1990's, which rates were slowed down in the beginning XXI century. As you know, the population is a moment indicator which is influenced by the two time-continuous components: natural and migratory movement of the population. More details are presented in table 1.

Table 1. Components of the Far East population change in 2004 - 2011

Year	Natural Increase	Migratory Increase	The result of	
			Internal migration	International Migration
2004	-20472	-22609	-22041	-568
2005	-24890	-21599	-22278	679
2006	-16350	-22369	-23542	1173
2007	-7466	-15915	-23570	7655
2008	-6569	-19199	-26210	7011
2009	-1790	-17919	-22971	5052
2010	-3686	-27444	-30439	2995
2011	-1332	-17766	-32380	14614
In total	-82555	-164820	-203431	38611

Source: Federal State Statistics Service

With the disintegration of the USSR and the subsequent political and economic reforms, which have led to sharp falling of a standard of life of the population, Russia plunged into the deep demographic crisis connected first of all with the sharp reduction of birth rate of the population and the increased mortality (first of all from the external reasons).

Table 2. Indicators of the natural movements in the Far East regions in 2010 -2011

	Fertility, for 1000 people		Mortality, for 1000 people		Natural Increase, for 1000 people	
	2010	2011	2010	2011	2010	2011
Russian Federation	12,5	12,6	14,2	13,5	-1,7	-0,9
Far East	13,2	13,2	13,8	13,5	-0,6	-0,3
Respublika Sakha/Yakutiya	16,8	17,1	9,8	9,4	7,0	7,7
Kamchatskiy Kray	12,1	12,5	12,6	12,1	-0,5	0,4
Primorskiy Kray	11,8	12,0	14,3	14,1	-2,5	-2,1
Khabarovskiy Kray	12,9	12,9	14,6	14,5	-1,7	-1,6
Amurskaya Oblast'	13,8	13,6	15,3	14,8	-1,5	-1,2
Magadanskaya Oblast'	11,5	11,6	13,0	13,0	-1,5	-1,4
Sakhalinskaya Oblast'	12,1	11,8	14,9	14,2	-2,8	-2,4
Jewish Autonomous Oblast'	13,6	14,2	15,5	15,5	-1,9	-1,3
Chukchi Autonomous Okrug	14,7	13,6	13,8	11,1	0,9	2,5

Source: Federal State Statistics Service

The presented table visually shows the current situation. The natural increase is still negative, although the gap between the number of born and died was considerably reduced in recent years in comparison with 2004. It is a consequence of several reasons. The first reason is the demographic policy carried out by the government which stimulates birth (the parent capital⁴ given at the birth of the second child, the land – for the birth of the third child). The second reason is that according to the majority of scientists-demographers the increase in number of births was a consequence of boom in birth rate in the 1980's when this generation came into an active phase. Also a number of scientists considers that the small surge in birth rate, observed during the last 3 years, is a consequence of the birth of the so-called "postponed" children, whose parents planned the birth of children during later periods, but the measures of demographic policy served as the certain catalyst which accelerated implementation of plans on the birth of children.

In 2011 the majority of federal subjects in the Far East Federal District had a negative natural increase. Only in three out of the nine subjects fertility exceeded mortality. The greatest reduction rates were observed in Sakhalin region and Primorsky Krai.

Natural movement is the most important component of change of population. As results of the research carried out by us showed, however, the migratory movement of the population plays the defining role.

Migration is the difficult and ambiguous phenomenon relating all major social and economic aspects of life of the region. In the analysis of migration influence on population, it is necessary to divide the general migratory stream into its two components: internal and external or international. For research of impacts of migration to the considered territories the structural analysis of a migratory stream is crucial since influence vectors of the internal and external migration are opposite.

As a whole, population shift is a defining factor of population reduction in the Far East subjects. At the same time, as it was noted, Russian and international movements have different directions. The international migration in recent years is a compensating factor of population reduction caused by internal migration. At the same time intensity of migration in the Far East subjects is unequal.

Table 3. Migratory dynamics in 2010-2011

	2011			2010		
	Total Migratory Increase	Divided into		Total Migratory Increase	Divided into	
		Internal Russian	International		Internal Russian	International
Far East	-17 766	-32 380	14 614	-27 444	-30 439	2 995
Respublika Sakha/Yakutiya	-9 809	-10 493	684	-7 126	-7 607	481
Kamchatskiy Kray	-1 631	-4 019	2 388	-481	-1 934	1 453
Primorskiy Kray	1 083	-5 404	6 487	-7 031	-7 486	455
Khabarovskiy Kray	1 842	-62	1 904	-2 644	-2 971	327
Amurskaya Oblast'	-6 087	-6 246	159	-3 681	-3 647	-34
Magadanskaya Oblast'	-1 835	-2 214	379	-1 889	-1 991	102
Sakhalinskaya Oblast'	-180	-2 482	2 302	-3 124	-3 255	131
Jewish Autonomous Oblast'	-1 664	-1 735	71	-615	-651	36
Chukchi Autonomous Okrug	515	275	240	-853	-897	44

Source: Federal State Statistics Service

Almost all the Far East subjects, except Chukotka, had negative balance of migration in internal Russian movements.

The international migration in 2011 compensated more than 45 % of the internal migratory decrease, while the compensation was only 9.8 % in 2010. At the same time, the Far East has negative balance with all federal districts of Russia.

Since 2011 the group of scientists of the Center of a social demography and economic sociology of Institute of Social and Political Studies, Russian Academy of Sciences with the support of the Russian Foundation for Basic Research conducted a study to identify the factors of a negative demographic situation in regions of Siberia and the Far East⁵. The carried-out research and presented data allow drawing a conclusion that migration throughout the whole studied period is the main component of population decrease. The main tendency of a modern migratory situation in Russia is an expansion of a zone of outflow of the population, reduction of a zone of its inflow and gradual strengthening of polarization of the national territory (the central territory draw population from the eastern territory of the country).

The main problem in Russia, however, is not only in low migratory mobility, but also in negative consequences to which internal migration leads. Internal migration leads to enormous shifts in population placement – to the deformation of structure of moving that was built over the long period of time.

On the whole, internal migration is characterized by the following tendencies. On the

one hand, there are “centripetal” movements of the population, on the other hand - there is depopulation of the Far East and some regions of Siberia.

3. Main trends of the demographic policy of Russia.

Overcoming the negative tendencies of the demographic situation should become a task number one in the comprehensive development program of Russia’s eastern regions. The state program of population resettlement and its further fixing in new territories can become one of mechanisms.

In pre-revolutionary and in Soviet period the question of development and settling of east lands was one of the prime strategic tasks. During pre-revolutionary time since Ermak’s campaigns to Siberia, the state tried to fix people on new lands. Although it wasn’t expressed in a uniform state program, the main objective was to keep the attached territories, rather than to develop them. Only on a joint of XXI and XX centuries Russia approached this question. In the conditions of shortage of lands in the central Russia, Petr Stolypin, being a person with sharp mind and far-sighted strategist, paid attention on the east territory. The offered reform couldn’t do without additional lands which were required be transferred to peasants.

Petr Stolypin’s resettlement program was the first state target program on development and settling of low-populated territories. The railway wagons for transportation of people and property were specially developed for it. On the whole, according to some information, as a result of reform about 3 million people were moved.

In the 30’s of the XX century special value was given to agricultural resettlement of the population to eastern and northern areas. It became the mass and high-organized process. To motivate the population to resettlement, and also to solve the problems of establishment of new settlers, the large-scale state programs directed to development of less populated eastern territories of the country were created and accepted. For the management of these migratory streams at Council of ministers of the USSR the Head Resettlement Department was created in 1953. Throughout all Soviet era some purposeful programs of complex settling of eastern territories were in force.

Disintegration of the Soviet Union, independence of all former federal republics negatively affected demographic tendencies of Russia on the whole, and in even larger degree in its eastern part.

According to demographic forecasts, at preservation of current trends, population of the Far East will continue to reduce, aggravating the difficult situation. Today the only real tool is accurately thought over migratory policy which would be equitable also to interests of eastern regions and the whole country.

Provision of the Far East with considerable stocks of natural resources should be the base of the comprehensive federal program on development of eastern territories. The stored Soviet experience showed and proved all importance of economic tools of migratory policy. At the same time for their effective use, it is necessary to create the corresponding conditions in accepting territories by joint efforts of the state and big business.

The summit of APEC carried out in 2012 in Vladivostok promoted an inflow of investments not only directly to the city, but also to the region. Also lately all main economic indicators of regions of the Far East have positive dynamics. On development of economy and the social sphere of the Far East Federal District it was involved 1013.9 billion rubles (32.7 billion dollars)

of investments into fixed capital in 2011 which was more than the amount for the corresponding period of previous year.

Foreign trade turnover in January-September 2011 was characterized by positive trading balance – 12.0 billion US dollars (export – 19.1 billion US dollars, import – 7.1 billion US dollars) and made 4.8 % of the Russian foreign trade turnover.

The volume of investments into the district amounts to 9.4 % of all investments of Russia. Specific weight of investments at the expense of own funds makes 22.4 %, the attracted funds – 77.6 %, including 15.5 % - at the expense of the federal budget funds.

Total amount of the foreign investments which have directed to non-financial sector of economy of the district in January-September 2011 was 8.7 billion US dollars. The foreign direct investments accounted for 27.9 % of the total foreign investments which have arrived in the Far East for expired period.

Welfare of the population is defined, first of all, by the per capita monetary income of the population, which was 22897.0 rubles (about 738 dollars) a month in the Far East Federal District (as a whole across Russia – 20702.7 rubles (about 668 dollars) a month).

The nominal monthly average salary was 29421 rubles (950 dollars) in 2011, which was increased in comparison with 2010 for 13.2 %, and the real wage - for 5.1 %.⁶

Thus, represented data testify to rather favorable economic situation as a whole in the district. It's necessary, however, not to forget about considerable regional differentiation of the Far East subjects speaking of level of social and economic development.

On the basis of the received results of research, it is possible to draw a conclusion that it is necessary for government of Russia to pay special attention to development of the migratory policy containing mechanisms, directed to fixing of resident population in the Far East and involvement of constant migrants to areas of new development. In this regard it is necessary to develop the mechanism of moving of internal Russian migrants and external immigrants. The main instrument of realization of the developed mechanism, from our point of view, is implementation of the large investment projects of development of transport infrastructure. Foreign experiences show that transport projects are the strong impulse of increase in employment. It is fair not only in construction of objects, but also in the subsequent service that demands a considerable manpower. The USSR also had experience of implementation of large transport projects. Construction of BAM confirmed the importance of such projects. It gave development to a number of branches and territories of the East of the country.⁷ In the XXI century Russia is still in great need of the new transport arteries, meeting modern economic realities and capable to satisfy accrual demand from national economy. Backwardness of transport infrastructure is still a significant constraining factor of sustainable development of eastern territories, and one of the factors pushing out settled population of the Far East.

In this regard the important moment is the state subsidizing of trips of inhabitants of the Far East to the European part of Russia. It is necessary to make every effort, in order that all inhabitants of Russia, irrespective of the place of residence, felt free and protected, knowing that they live in one big country and recognizing that they are a part of it and the integral element of Russian society and Russia as a whole. Since 2009 the program of subsidizing transportations has been functioning. The essence of this program is to provide a discount on the ticket for certain groups in the period from April 1 to October 31 of the year. Citizens of the Russian Federation aged less than 23 years, the aged people of over 55 years for women and over 60 years for men, and also disabled people of the I group of any age and disabled children with one accompanying

person have the right to get tickets at discount prices. The difference between the real ticket price and the price paid by the passenger to airlines is compensated by the state. Within the program, the state subsidized transportations in 33 directions from Moscow, St. Petersburg and Sochi to the cities of the Far East region and back. According to airlines they realized about 400 thousand preferential air tickets in 2012, whereas in 2011 - 372 thousand tickets, in 2010 — 327 thousand, in 2009 — 163 thousand. Due to the subsidizing program the volume of the transported passengers on regional airlines in Yakutia is increased by 28 %, and in the Far East region as a whole for 12 %. Today the government discusses a question of cancellation of age restrictions.

Thus, today, the government began to pay special attention to questions of social and economic development of the Far East. It is especially necessary to note a task of stabilization of population and its subsequent growth. Creation of the special federal ministry (Ministry of Development of the Far East), subsidizing of air transportation of inhabitants of the Far East to the central part and to the south of Russia, the family capital and a number of regional measures have positive impact on demographic and social and economic situations in the Russian Far East. Also the program on payment of a monthly allowance of about \$200 at the birth of the third child is very important. The program starts on the 1st of January, 2013. Though it does not affect all the regions of Russia, it includes most regions of the Far East.

At the same time, despite all taken measures, a range of unresolved tasks is still very high. They include poor infrastructure in the majority of settlements remote from an administrative center, large proportion of shabby housing, low wages and others.

Implementation of large projects should be carried out together with measures of the social and economic character, directed to support of the population, and those who is going to move to the permanent residence. In the field of housing policy the state help is offered as subsidies on housing acquisition, and for some territories, like frontier, as granting houses with the subsequent registration of the property right to it after 10 years of continuous accommodation in this territory. In this regard it is necessary:

- to increase speed of construction of houses at the expense of the federal budget and large corporations, at the same time reducing its cost. Today the paradoxical situation is observed; the construction cost doesn't exceed 30-40% of the total housing price, and construction and real estate companies receive excess profits at the expense of ordinary citizens;

- to create at regional level the program allowing young specialists to buy a house on an installment plan at the minimum interest rates, which assumes that the government of the country should pay the interest, whereas the borrower will pay a principal debt;

- to develop mechanisms of realization an entirely new channel for Russian immigration - business immigration. Business immigration or special immigration programs for the investors, ready to invest in economy of its host countries, is not a new phenomenon for the majority of the developed countries. Russia is an exception.

- it is necessary to develop the full register of experts who are vital for the country, for the purpose of the maximum simplification of procedure of naturalization (for constant immigrants) and procedures of obtaining the work permit (for temporary labor immigrants). Now the Russian legislation provides the simplified mode of obtaining nationality for persons with outstanding abilities, however there are no accurate criteria of reference of foreign experts to the specified category;

- to increase period of validity of visas to scientists and persons with outstanding abilities at least for two years (now, term is limited to one year);

- to develop a complex of the regulations providing immigrants, having a scientific degree, the right to receive the Russian nationality;

- to develop programs for temporary labor immigration of the youth, similar to the American programs “Work and Travel” and “Camp America”. Benefit from introduction of such programs is obvious and is shown in the following moments: level of payment of such workers is lower; such immigrants spend the most part of the earned money in the country accepting them, thereby creating additional demand for goods and services; in the period of their stay in Russia they get acquainted with culture and way of life, thus forming certain attitudes about subsequent immigration for permanent residency.

This is not the whole list of tasks to be solved by the efforts of the Russian government. In our opinion, however, realization of at least these actions will allow to reduce negative impact of the demographic crisis that in turn becomes an additional impulse to intensify development of the Far East.

Thus, only the comprehensive approach to problems of the Far East can solve the collected social and economic and demographic problems. Capacity of the region is enormous, and together with the thought-over policy, necessary volume of investments (which certainly will be returned with profits) and the human capital, it will be possible to make this region the economic and financial locomotive of all of eastern part of Russia. Intensive development of regions of the Far East will promote also to strengthening of trade and economic, political and cultural ties with the neighbor countries, and first of all with the leading countries of this area - Japan and China.

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¹ The study was conducted within the project of RFBR № 11-06-00498-a

² Official Website of the Ministry of the Russian Federation of Development of the Far East <http://minvostokrazvitia.ru/>

³ Official Website of the Federal State Statistics Service <http://www.gks.ru>

⁴ Family (maternity) capital is the Government support of the families, which after 1st January 2007 gave birth or adopted the second child or the third, fourth or subsequent children, if the right to maternity capital was not registered before birth (adoption) of previous children.

⁵ Economic tools of a migratory policy in the conditions of modernization and innovative development of regions of new development (on an example of the Far East and Siberia). № 11-06-00498-a. Russian Foundation for Basic Research (RFBR)

⁶ Official Website of the Federal State Statistics Service <http://www.gks.ru>

⁷ Ryazantsev S.V. (2011). *Migratsiya i migratsionnaya politika Rossiyskoy Federatsii. Nauchnyy doklad. Vypusk I.*, [Migration and migratory policy of the Russian Federation. Scientific report, Edition 1]. pp. 51-52

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