Response to the Research Report
“Social-Political Impact of Labour Migration on Armenia”

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CARIM-East Analytic and Synthetic Notes 2012/11
CARIM-East
Creating an Observatory of Migration East of Europe

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CARIM-East AS 2012/11

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(CARIM-East RR 2012/33)

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CARIM-East – Creating an Observatory East of Europe

This project which is co-financed by the European Union is the first migration observatory focused on the Eastern Neighbourhood of the European Union and covers all countries of the Eastern Partnership initiative (Belarus, Ukraine, the Republic of Moldova, Georgia, Armenia and Azerbaijan) and Russian Federation.

The project’s two main themes are:

(1) migration from the region to the European Union (EU) focusing in particular on countries of emigration and transit on the EU’s eastern border; and

(2) intraregional migration in the post-Soviet space.

The project started on 1 April 2011 as a joint initiative of the European University Institute (EUI), Florence, Italy (the lead institution), and the Centre of Migration Research (CMR) at the University of Warsaw, Poland (the partner institution).

CARIM researchers undertake comprehensive and policy-oriented analyses of very diverse aspects of human mobility and related labour market developments east of the EU and discuss their likely impacts on the fast evolving socio-economic fabric of the six Eastern Partners and Russia, as well as that of the European Union.

In particular, CARIM-East:

- builds a broad network of national experts from the region representing all principal disciplines focused on human migration, labour mobility and national development issues (e.g. demography, law, economics, sociology, political science).
- develops a comprehensive database to monitor migration stocks and flows in the region, relevant legislative developments and national policy initiatives;
- undertakes, jointly with researchers from the region, systematic and ad hoc studies of emerging migration issues at regional and national levels.
- provides opportunities for scholars from the region to participate in workshops organized by the EUI and CMR, including academic exchange opportunities for PhD candidates;
- provides forums for national and international experts to interact with policymakers and other stakeholders in the countries concerned.

Results of the above activities are made available for public consultation through the website of the project: http://www.carim-east.eu/

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Introduction

In the framework of the CARIM-East Project, author Vardan Gevorgyan has conducted research to examine the social-political impact of labour migration in Armenia across three dimensions: first, social institutions; second, vulnerable social categories in society including women and children, the elderly, ethnic, racial and religious minorities, the disabled, the poor; and third, geographic, namely, the differential impact of labour migration on rural and urban areas.

On the basis of the chosen methodology the following wide range of issues were studied: the social institution of work, one of the main social structures that contribute to the reproduction of social inequality in society; social inequality, and the extent to which changes induced by labour migration open new opportunities for social mobility or marginalization for traditionally vulnerable social categories; then based on the findings recorded during the research the author made recommendations for policy makers.

This review of the above-mentioned research aims to assess to what extent the recommendations are realistic and feasible, as well as consistent with current migration policies. Prior to assessment chosen methodological approaches were critically assessed and available information resources were examined. Besides, this attempt was made to present the impact of labour emigration to Armenia in a more comprehensive way.

This work breaks down into three parts:

Part 1. Critical analysis of methodological issues in the research

Part 2. Recommendations as to what extent the recommendations are realistic, feasible and applicable to current migration policy

Part 3. The impact of labour emigration on Armenia

Part 1

Critical analysis of methodological issues in the research

The subject of the research is important and, indeed, urgent and remains one of the most vital for Armenia over the last fifteen to twenty years. A number of sources for migration data (about two dozen) were referred to: the relations between labour migration and labour market were analyzed for a period of around thirty to thirty-five years; the separation of that period into four stages was carried out successfully and in a reasonable manner; then the distinctive character of each stage, as well as both the negative and positive impacts of labour migration on social life in Armenia were also presented with care. The research is distinguished by abundant and relevant information.

1. However, in Armenia, politicians, journalists and even researchers use migration terms for this (emigration) phenomenon, while forgetting that it must also include immigration. It is for this reason that migration flows starting in the 1990s were mainly directed outside the country, so immigration and migration have been identified. This research methodology is also hamstrung by this problem. Indeed, a number of pages (e.g. page 9) contain information on migration flows in general and particularly their registration, but the information really only covers emigration flows.

2. There is a widespread but mistaken approach to the assessment of migration, including emigration flow volumes based on external passenger flows. It is true that each external migrant is, first and foremost, about international passengers. After all, many international passengers on short-term (up to 3 months) trips cannot be considered as migrants at all. Meanwhile, in many instances there is a balance in the passenger flows: that is between the
number of passengers leaving Armenia and the number of passengers arriving in Armenia. This was considered as the number of emigrants from Armenia (e.g. page 1, 11, etc.) and thus the assessment lacked a proper methodological basis.

3. The fact that in Armenia there is no exact system (e.g. page 4) for registration of directions and reasons for migration flows is mentioned several times in the research. In this regard it should be noted that “recording migration flows” means the registration of immigrants flows. This refers to those foreigners, where state bodies carry out certain functions and where statistical information is gathered: for example, those receiving different residence statuses or those receiving citizenship, their distribution by sex, age, country of citizenship or the grounds for their status and other criteria. Meanwhile, it is not always possible to gather statistical data on migrants leaving Armenia. We say this as nobody carries out data collection by law: the only exception is a requirement for out registration from the place of residence, but according to the estimates only a few migrants who leave the country bother to do this. Information on emigration volumes, their directions, reasons and other similar issues can be obtained only by means of sociological studies. This means household surveys or polls at border crossing points and this is necessarily costly and time consuming. Such surveys, as a rule, have been carried out in Armenia every three to four years by international organizations.

4. During the research the author used various sources. He insists (page 3), that targeted research on migration, especially on labour migration was not carried out after 2008. Yet in 2010 the ILO conducted “Research on oversea labor migration from Armenia in 2008-2009. Analysis of trends in labor migration and migration experiences”. The most important features of the phenomenon were revealed in the interviews conducted among 5000 households.

5. Other sources, which do not have any direct connection with the goal of the research, were used in the research: e.g. IDP’s Reports. But, at the same time, a number of studies directly connected with the issue have been left to one side. Take the studies conducted by Arizona State University Centre for Population Dynamics in 2005 and 2007. There are three publications based on these studies: the impact of men’s international labor migration on their non-migrant wives’ economic conditions; social interactions, and migration aspirations; and STD/HIV risks for rural married women in Armenia stemming from their husbands’ seasonal labour migration abroad and the effects of male labor migration on fertility outcomes and preferences among women in low-fertility settings. Useful information can also be extracted from the following pieces of research “Economics of Labor Migration from Armenia” and “Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe”.

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1 ILO Study “Research on oversea labor migration from Armenia in 2008-2009. Analysis of trends in labor migration and migration experiences” 2010, Yerevan (unpublished);
2 I believe that the reason for that might be language barrier, provided that the studies are available only in English.
6. In our opinion the time period within which migration flows are studied is overlong. The inclusion of the Soviet period is unnecessary given that the post-Soviet experience was so different and given too that there is no causal links between the two periods.

7. The part on IDPs is given too much space. This refers to the persons who left the permanent places of residence on Armenia’s border in 1992-1994 due to hostilities. It would be better if the information on these people were presented in a very general manner as part of the Armenian migratory experience.

8. In a methodological sense, the questionnaire for the interviews with experts is overlong and too broad and it is difficult to bring out patterns based on the answers given in the questionnaire.

9. The last consideration with regard to methodological issues relates to the impact of labour emigration on certain social groups: women, children and elderly people, etc. that in our opinion are not properly presented in the research.

Part 2

Recommendations: to what extent the author’s recommendations are realistic, feasible and applicable to migration policy

In his recommendations the author mentions, correctly, that the effective regulation of labor migration (meaning, we suspect, labour emigration) is a result of a synthesis of employment policy and migration regulation policy. Their first role is to support employment in the country’s labour market. And only in the case of such opportunities in the domestic market should the state support its citizens in ensuring decent employment abroad.

In his conclusions, the author characterized migration-related issues, in particular labor migration as a systematized topic. We would suggest providing proposals for migration management development that comply with the systematized nature of the issue. Otherwise these recommendations would not be feasible.

In addition, it would have been better if the author had referred to the principles and goals that would justify systematization. Furthermore, we would suggest that the recommendations be presented independently because there are no cause-effect relations between them.

The author is right that there is a need of a complex policy capable of regulating the diaspora’s impact on the Armenian economy. He then adds that establishing an effective system of informing the population at large about migration would be important. In our opinion the second point does not belong with the first (page 19).

The same part refers to the regulation policy of nongovernmental organizations rendering services in employment field. The author should perhaps have referred to the state licensing of these organizations or other such mechanisms. These are very important issues which were discussed in Armenia a decade and more ago: several draft laws were written, but no final decision was ever taken.

A significant number of recommendations refer to employment issues. Here the author suggests that the republic should affect these through state policy and that there should be programs implemented in this field. Meanwhile, state employment policy and ongoing state programs may have only a limited impact on the issues addressed. State employment programs have six difficulties to address: employment benefit payment; vocational training; job fairs; compensation of material costs connected with sending unemployed persons to other places; organization of financial assistance provided to unemployed persons for engaging in entrepreneurial activities; and the partial
compensation of salary of uncompetitive groups. In fact, about 12 million U.S. dollars\(^6\) is spent annually on state employment programs and given how little is spent it is not realistic to expect migratory or demographic changes through these initiatives.

There are also recommendations, which are given in a strictly general way: the introduction of promotion mechanisms for small and medium entrepreneurship and the creation of new working places with favorable conditions and the promotion of investments coordinated by the diaspora. And, second, documents of strategic importance have recently been drafted on each of these directions, by which they were stipulated and by which certain measures are implemented.

The fourth part of the recommendations relates to labour migration field and suggestions made in this part refer to: the protection of labour interests and the rights of migrants, who are citizens of Armenia; the legal regulation of relations that come about through labour emigration; and the conclusion of bilateral intergovernmental agreements. These proposals are clearly important. However, proposals on the increase of the social mobility of socially vulnerable groups is missing: we refer to the mobility of women, the elderly, disabled persons and children based on transfers sent through labour migration.

Research does not cover the guarantees related to movements from village to town and in the opposite directions. Also there is no reference to foreigners working in Armenia (labour immigration). It is true that the immigration flows are still small, but, on the other hand, foreign workers (mainly citizens of Iran and Georgia) are frequently found in service and trade. Setting up the right of preference for Armenian citizens and the defining of implementation mechanisms might become a means of reducing the volume of emigration.

**Part 3**

**The impact of labour emigration on Armenia**

In the study an attempt was made to present the impact of labour emigration on Armenia in three dimensions: first, on the labour market of Armenia; second, on vulnerable social categories in society (e.g. women, children and elders); and, third, in geographic terms, namely, the differential impact of labour migration on rural vs. urban areas. This was based on the abovementioned researches and the interviews conducted for the research.

The first part relates to the socio-political impact of emigration on the labour market of Armenia.

Over the short-term emigration has a substantial significance in poverty reduction: taking the still high unemployment rate in Armenia into account. Emigration provides some temporary relief from unemployment and reduces the number of job-seekers and thus alleviates economic hardship. However, it also creates temporary labour shortages in certain industries or in high emigration areas. The emergence of shortages in certain professions is conditioned by the fact that young and middle-aged people of certain professions have left the country. Households with migrants do not expect their migrants to save enough money to return and start their own business in Armenia. According to 2008 ILO research only 5% of households expected their migrant(s) relatives to return to and settle in Armenia and to establish their own business.

There is a “brain gain” phenomenon in Armenia, since people, having labour migration opportunities, are able to maintain, reproduce and develop their work skills and become more competitive than those who did not work outside. They bring new skills, values and attitudes that

contribute to higher labour productivity (see for example, ILO, 2009, OCSE 2008). On the other hand, there is “brain waste”: migration reduces the present stock of human capital in Armenia. In the overwhelming majority of cases (80%) the migrants took over jobs of skilled or unskilled blue-collar workers and most skilled migrants failed to find jobs that suited their professional background (OSCE, 2008). The “brain drain” means that human capital in Armenia undergoes significant inflation because of migration outflows, especially outflows of skilled professionals and workers. Gains on individual level often affect society negatively (Poghosyan, Manasyan, 2012). “… a migrant is perceived as someone who is dissatisfied with reality, someone who has initiative and strives for a better reality, and who is young and successful” (from the expert interview with O. Babayan).

Then again emigration has a negative impact on economic growth over the long run because of adverse demographic, education and health impacts. “At the same time the migrants’ absence harms the economy of Armenia. They deprive a potential Armenian class of businessmen of markets and slow down the formation of middle class in the country” (from the expert interview with H. Manasyan).

Remittances boost investment in education and health thus contributing to human capital formation and promoting the social basis of economic development. Although most remittances are used for current consumption, within households that receive transfers the second and third items of expenditure are education and healthcare (UNDP, 2009, p. 119). Remittances and extra income from migration increase the propensity of households to consume. This, in turn, can increase overall output through multiplier effects. Migrants’ remittances not only improve families’ economic situation, they are also essential for economic growth in Armenia. Emigration also results in the dependency of household members on remittances and reduced labour efforts. Large scale remittances cause a certain degree of pressure on the labor market, which is expressed/reflected by a reduction in economic activity and an increase in labour prices (Sustainable Development Program, 2008). Private (including foreign) transfers/remittances have a negative effect on labor supply in the labor market: among persons receiving such remittances, the proportion of economically inactive persons and underemployed in the informal sector of the economy are on the rise (World Bank, 2011).

Labour migration provides opportunities for household members affected by migration to finance essential human needs including nutrition, housing, and education. It allows them to ease liquidity constraints, to make household consumption easier and, therefore, to improve living standards. Money earned abroad was mostly used to provide for the basic needs of the families back in Armenia and to cover the migrants’ travel and living costs abroad. Remittances are an important source for poverty and inequality reduction in Armenia (Asian Development Bank, 2007).

**Labour emigration has the following impact on women:**

**Family instability:**
- Migration causes family and marriage problems, as some Armenian men establish a second family abroad and prefer not to return to Armenia. There have also been cases of Armenian men having two “seasonal” families, one in Armenia and one abroad (Poghosyan, Manasyan, 2012).
- Migration raises divorce rates in the families of migrants. As a result, the number of divorces has grown from 1341 in 2000 to 2997 in 2010 (NSS RA, 2011).

**Health problems:**
- Remittances may favorably affect family health, but…
- “Each additional year of the husband’s migration in the three years increases the odds of women having been diagnosed with at least one STD in the same time period by 80%” (Agadjanian, Sevoyan, 2009, p. 12).
- Psychological, emotional problems: women yearn for companionship and, presumably, sexual intimacy both of which are disrupted by migration.
Loss of reproductive potential:

- The research by Sevoyan and Agadjanian on “Male Labour Migration and Fertility of Women Left Behind in Rural Armenia” suggests that migration is associated with lower birth rates. However, research also concludes that the negative effect is mostly attributable not to spousal separation, but rather to higher average age and the mean number of children of women with migrant husbands, compared to those married to non-migrants. In rural settings in Armenia, couples with more children, likely at the end of their fertility window, turn to seasonal migration as a way to struggle with economic hardships related to larger family needs, compared to those with fewer children (Sevoyan, Agadjanian, 2009, p.13).

Social isolation:

- return migrants, especially in the case of human trafficking victims.

Change of social roles:

- “Male” work in the rural areas are handled by the women, who also take over decision-making.
- Women married to migrants were more often engaged in activities like field work, selling goods at markets, making preserves for winter, and getting involved in children’s afterschool activities (Agadjanian et al., 2007).
- Migration may trigger the greater engagement of women in informal collective activities with other village women, presumably due to a combination of greater social autonomy and freedom of movement in their husbands’ absences and compensatory roles of outcome-specific social interactions (Agadjanian et al., 2007).

Cases of family poverty:

- not all migrants remit money (this is especially true of irregular male migrants facing uncertain prospects, etc.)
- husbands’ prolonged absences can lead to marital problems and even the cessation of the financial lifeline for family and children (Agadjanian et al., 2007).
- Intention to emigrate:
- women married to migrants were much more likely to want to move abroad.

As a conclusion it should be noted that though women receive money from their husbands there are financial, social, and psychological costs to moving.

The impact on children:

Social orphanage: when children grow up without a parent/parents because of migration:

- not only do men tend to migrate, women also increasingly search for a more prosperous life abroad, often leaving their children with their grandparents.

Socio-psychological problems: uncertain effects on the emotional security of children:

- Instability within families which, due to migration, spend only 2-3 months together per year with consequential emotional deprivation in children.
- Parents (fathers) generally provide affection, encouragement, and role models for their children. However, according to the expert opinion: “the mother brings up her child in a way for him/her to become a more independent person than a child growing up under the pressure of his/her father” (Expert interview with A. Tadevosyan).
Child labor: adolescents replace parents in households tasks.
- Boys replace fathers in farming the land due to the migration of fathers, young girls take up household work (in the case of migrant mothers). All this, may lead to a decline in schooling rates of adolescents in spite of rising remittances.

Language problems:
- Children growing up and attending schools abroad, do not have the opportunity of learning to read and write in their native language and face problems on coming back to Armenia.

The impact on elderly:
Emigration creates a new social group of “elderly orphans”, and gives rise to a new emigration trend, “migrating grannies” (Poghosyan, Manasyan, 2012).

Work burden in rural areas:
- After land privatization in the rural regions due to the lack of machinery all agricultural works became labour-intensive, and since younger family members migrate abroad, the burden of agricultural work is transferred to the elderly.

However, children mostly take care of their elderly parents who do not migrate or who do not want to migrate with them, which is a “cost” for children.

The impact on rural vs. urban areas:
- Territorial disparities became a serious obstacle to the socio-economic development of Armenia. Since the early 2000s regional development disparities have been increasing parallel to accelerated economic growth, and these are mainly reflected in the growth of the economic role and significance of the capital city, Yerevan. From 1999 to 2010 the rural population of Armenia decreased by 7% and the urban population by 17%. Urban figures are substantially biased by the development in Yerevan. Comparison of data on urban and rural population, except Yerevan, shows that the urban areas during the same period have lost 25% of their population. The population of the capital city Yerevan decreased by only 10% over the same period (NSS RA, 2011).

- Currently, out-migration from rural to urban areas (mainly to Yerevan) continues. And there is an out-migration also from small and medium sized cities. However, the rural population that has moved to the cities, due to the lack of jobs opportunities, continues to migrate and goes to work outside the country. At the same time, the direct migration of rural population from Armenia to Russia and other CIS countries has increased. Thus, internal migration flows are closely interlinked with external migration flows.

- While in rural areas people were able to survive with agricultural activities, the urban unemployed did not have any options for jobs within the country and had to migrate abroad. Before 2007 most migrants looking for jobs abroad were from urban areas, while the trend reversed in 2009 (ILO, 2010). By 2009, permanent migrants were gone and urban population had some job opportunities (mainly in the capital), so migrants from rural areas have had a higher share in the total number of migrants.

- In rural areas funds are also spent on the organization of agricultural production. There are villages where, due to the large number of emigrants, the greatest share of rural economy development is based on the means received from them.

- However, some survey results suggest that, the financial resources generated through migration are not reinvested rurally and that, therefore, they do not lead to any greater economic anchoring of migrants’ families in rural society. Some of the income generated by
migrants is, indeed, converted into the improvement of their households’ living conditions, such as the use of natural gas for cooking (Agadjanian et al., 2007).

- According to NSS RA the poverty indicators in rural areas are the highest in Armenia, and are more severe in other urban areas than in the capital city. Over 2008-2010, poverty incidence in rural areas increased faster than in urban areas (8.5 vs. 8.1 percentage points). The capital Yerevan had the lowest poverty incidence (27.1%) in the country. In 2010, the lowest incidence of extreme poverty was observed in Yerevan (14.3%) and the highest was observed in other urban areas (28.9%).
Bibliography


