The socio-political impact of labour migration on the country of origin

Natia Chelidze

CARIM-East Analytic and Synthetic Notes 2012/12

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Analytical and Synthetic Note
CARIM-East AS 2012/12

The socio-political impact of labour migration on the country of origin

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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.

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- 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.

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Summary

In its dimension, structure and intensity, its impact on the country, its versatile socio-economic, demographic and cultural consequences, illegal and difficult-to-manage character, labour migration poses an acute challenge to contemporary Georgia. Due to ethnic conflicts and an economic crisis, labour migration has encompassed the whole country. One-sided migration processes have contributed to a quarter reduction in the country’s population. Urban inhabitants have got more actively involved in external migration processes, while rural inhabitants have become engaged, to some extent, in internal labour migration (from rural to urban areas). Internal, pendulum and organized migration has practically stopped in the country, hindering urbanization and significantly altering the ethnic-demographic structure of the population throughout Georgia as well as its individual regions. Under the weak social policy pursued by the state, the share of labour migrants among internally displaced persons (IDPs) is higher than in the total population. Unfortunately, IDPs are the major vulnerable group in Georgia today.

Among migrants, the share of the young in their most active, able-bodied and reproductive years is high. The strong desire for emigration among the young constitutes a serious social, economic and demographic threat. However, along with the positive impact of remittances, the professional experience and skills of the young who return – something crucial in the formation of a democratic society – must also be taken into account.

The changes occurring within the demographic structure, the current situation on the labour market and in the dynamics of living standard indicators demonstrate that in the near future the country is likely to encounter difficulties in extending its substantial support to vulnerable social categories: 27% of budgetary expenditures of the state was designated for funding social protection and healthcare programs in 2011. In response to this situation, the population turned to labour migration as a solution. The contribution of remittances to the country’s economic development and jobs creation have been significant. Labour migration has become a source for social stability in post-Soviet Georgia over the past two decades. In recent years, under more or less stable political and economic conditions, the state policy has also brought about major positive changes in socio-economic policy as well as in foreign policy. Migration policy coordinated at the international level is gradually being established and strengthened institutionally in Georgia. It will help reduce the rate of irrational emigration, legalize migration, increase the efficiency of migration, facilitate migrants’ return and socio-economic reintegration into their homeland, and also assist in the normalization of immigration processes.

1 State Budget Report of Georgia for 2011.
Introduction

Labour migration has been spurred on in Georgia by several factors since the early 1990s, inter alia, including: the severe economic situation; a dramatically deteriorated standard of living among the population; the growth in the number of citizens beneath the poverty threshold; large-scale unemployment; a generalised lack of stability; and the unavailability of a functioning labour market.

Notwithstanding the relatively stable character of the economic and political situation in Georgia today, the intensity of labour emigration continues unabated. It has become one of the ways to provide a living wage for the Georgian population. The amount and significance of the remittances sent by labour migrants to their countries have gradually increased. Along with satisfying basic living needs, remittances have also been employed as initial capital for starting small businesses for migrants’ families. In economic terms, labour emigration is becoming more efficient and purposeful. At the same time, the problems associated with labour migration are emerging even more acutely in terms of socio-demographic, moral-ethical and national security. The authorities have still not been successful in achieving any tangible results in terms of migration regulation despite several efforts in this direction. The lack of migration statistics should be emphasized as a prerequisite for an incomplete assessment and improper management of migration processes. The available statistics only provide approximate coverage that seldom fall under the focus of scientific research.

The objective of our work is to study the impact of labour migration on the following aspects of Georgian life: migration processes and changes in the social inequality of urban and rural population; the economic activity of males and females; the conditions of family members of labour migrants remaining in their homeland; the behaviour of an employer and an employee; the employment opportunities for the young and the elderly; and the mobility of internally-displaced persons.

Review of existing studies

Scientific research into labour migration problems in Georgia barely dates back fifteen years. The first study “Labour Migration of the Population of Georgia” concerned labour migration of the population from the capital and Racha, a mountainous region, to foreign countries. Some major research carried out by the International Organization of Migration (IOM) in 2003 covered three Georgian regions: Kvemo Kartli, Samskhe-Javakheti and Imereti. In 2006, emigration among the young, potential migration and the migration of labour resources in the Adjara Autonomous Republic were studied with the support of Tbilisi State University (TSU) Migration Research Center. In 2006-2008, the IOM helped a study into the labour emigration of the population of Tianeti Municipality in the Mtskheta-Mtianeti Region and the role of remittances in development for villages in Tianeti was also studied.

Several qualified works on the socio-economic aspects of labour migration and reintegration conditions for returned labour migrants were elaborated within the International Labour Organization (ILO) project “The Improvement of Labour Migrants’ Protection in the Russian Federation and the Enhancement of the Migration’s Accompanying Development Effect in Armenia, Azerbaijan and Georgia” and the Danish Refugee Council (DRC) project “The Consolidation of Reintegration Activities in Georgia”. The research project entitled “The Peculiarities of Migration Processes from Georgia into Greece” carried out by the People’s Harmonious Development Society (PHDS) in 2010 is noteworthy as a good attempt to make an indepth study of migrant status in a main country of immigration. Many studies have been devoted to the economic significance of the remittances sent to Georgia. The study “Emigration from Georgia and Transnational Migrant Families” looked at migrant family members in the United States in 2010: it proved particularly important for the present work. Unfortunately, because of the small-scale character of the studies carried out to date, some major issues still remain beyond the scope of research.

The study of labour migration upon the behaviour of society’s vulnerable groups is rather scattered in its nature. No research has been carried out into the labour migration of ethnic minorities or the urban and rural population in Georgia.

Research methodology

In order to accomplish the determined objective, we have mainly applied the secondary information processing method; for the purpose of collecting data during the research, a review of existing studies and official documents, and of statistical data analysis has been used.

During the study, we have also applied an in-depth interview method: seven experts (representatives of academic and state entities) working on migration issues; members of migrants’ families left behind in Georgia (three households in Tbilisi and three households in one of the villages in Kvemo Kartli Region, 1 person in each household was interviewed); six returned migrants and six employers were surveyed. One of the selection criteria for migrants’ families and returned migrants was the duration of labour migration for the respondent, which should not have been less than five years. The in-depth interviews were conducted using semi structured questionnaires.

Due to the small number of respondents, we cannot judge the representative nature of the study. The study serves, above all, for affirming the consequences of existing research and for presenting a general picture of this process. However, in parallel to other large-scale studies, its general regularity has been identified and similar trends have been outlined.

As a matter of fact, high mobility was not characteristic of Georgians in the Soviet period. According to the 1989 population census, 95% of Georgians had lived permanently in their homeland3. However, during the last 20 years, some 1-1.2 million Georgians headed towards post-Soviet states or western countries for emigration4. Along with a mechanical change, researchers also point to the structural changes accompanying the massive departure of population from the country: the feminization of emigration, professional transformation and the exchange of gender roles within the family5. For Georgian labour emigration there are also such characteristic alterations as: the separation of partner members of a nuclear family for an indefinite period of time; and remittance

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dependency for household budgets sent by migrants and a single-parent environment. Often, other family members or more elderly member(s) assume the function of a parent⁶.

**National policy in labour migration and employment directions**

Several laws regulating the migration sphere since the 1990s, have been declared ineffective⁷ or amended substantially in legislative terms⁸; however, no definitions for legal or illegal migration, seasonal migration or temporary and prolonged labour migration can be found in this legislation. The Law of Georgia on Migrants’ Inspection, ineffective from 2006, contained the following definitions: “immigration” (the process of migrants’ entry in a country); “emigration” (the process of migrants’ departure from a country); “transit migration” (the process of migrants’ movement from one country to another via a third party, interim country (countries)); and “illegal migrant” (a person, who enters or stays in a country by breaching legislation). The definitions for migration can be found in a draft Strategy for Migration expected to be approved by the Georgian government by the fall of 2012.

Notwithstanding acute social problems associated with labour migration, politicians in our country are well aware of the tremendous importance attached to labour migration in allowing citizens to overcome the socio-economic crisis in the country. The Foreign Policy Strategy of Georgia for 2006-2009 aimed to combat illegal migration in an attempt to ensure regional stability and so as to establish an appropriate legal basis for the legal employment of Georgians abroad⁹. Migration regulation and management have become a major part of the international obligations assumed by Georgia. Migration regulation has been defined as one of the priorities in cooperation between Georgia and the European Union¹⁰. The collaboration between Georgia and the EU includes, *inter alia*, the following issues: the elimination of illegal migration; the modernization of the frontier system; information exchange; joint fight against transnational crime; citizen identification and provision for their return to their countries of origin; the involvement of Georgian citizens in training programmes; work permits; a facilitated visa regime with EU countries; etc.

An undeniable accomplishment achieved by the authorities has been the liberalization of movement to EU countries and support given to circular migration. However, unfortunately, no bilateral interstate agreements with the main countries of immigration have been concluded in order to provide for legal labour migration. The negotiations with France on reaching an agreement on the residence of qualified

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specialists from Georgia and on circular migration have been underway for several years\textsuperscript{11}. As yet though finalization of these negotiations is nowhere in sight.

Along with the liberalization of movement to the EU, Georgia has been actively involved in the process of assisting the return and reintegration of migrants to the country. The elaboration and the implementation of social-economic and cultural reintegration programmes for returnees are one of the essential elements in this process. Programmes need to consider: providing temporary asylum; first aid; appropriate courses for vocational training; covering costs in some special cases; developing business plans and their financing; and job creation. However, the number of activities for supporting employment identified within national policy is scarce.

In order to promote the formation of labour market infrastructure in recent years, the Georgian government has pursued a course of labour market self-regulation and non-intervention in this process. A new Labour Code was adopted (2006) and a legal person of public law the Social Service Agency, an entity affiliated to the Ministry of Labour, Health and Social Affairs of Georgia was established. Its basic function is the accomplishment of state policy in social protection matters, the implementation of target programmes of social aid and activities for social protection in order to reduce poverty in the country. But the Law of Georgia on Employment was cancelled in May 2006. It was only in May 2010 that according to a legislative amendment made to the Organic Law of Georgia on Local Self-government, the approval of municipal programmes for supporting employment was defined as a power of local self-government.\textsuperscript{12} The legislative amendment should be assessed in a positive light since Georgian employment policy needs to be supported at the level of regions and municipalities as local authorities have better access to local resources and they can make more directed decisions. The following provision included in the State Strategy for Regional Development of Georgia for 2010-2017 can be regarded as a supportive mechanism for the employment of a local work force: “…the attraction of foreign direct investments to the country’s regions shall be stimulated… local population shall constitute a certain percentage of the employed work force and other human resources”\textsuperscript{13}. No other mechanisms for the protection of local labour resources can be found at the legislative level.

The Basic Data and Directions Document (BDD) of the Georgian government for 2012-2013 sets out the government’s priorities for these years, as well as appropriate programmes, activities, expected outcomes and estimated funds for these priorities. An analysis of the priorities’ document in the context of migration and the reintegration of migrants makes it clear that the government is interested in the development of small and medium businesses and job creation as ways of solving the social problems faced by some vulnerable groups (by increasing opportunities for legal labour migration, maintaining the jobs available in Georgia and generating new jobs, providing for business communications with Georgian diasporas and their involvement in the country’s economic development etc.)\textsuperscript{14}. The amendments made clarify distinctly that overcoming poverty and reducing poverty levels remain top priorities for Georgia.

\textsuperscript{11} The main component of the agreement is the generation of legal employment opportunities for Georgian citizens according to the professions demanded for and available annual quotas at the labour market of France


\textsuperscript{13} The Governmental Resolution #172, 25 June.2010 on the Approval of the State Strategy for Regional Development of Georgia for 2010-2017 and the Establishment of a Governmental Commission for Regional Development of Georgia.

The social marginalisation of vulnerable groups: social inequality between rural and urban areas

Given the economic, cultural and political situation in Georgia, certain social categories have been marginalized and do not have equal access to economic and social development. Being a member of ethnic or other minority groups in Georgia increases marginalisation and poverty, respectively\(^{15}\) for this category of population. Poverty and social marginalisation are interdependent factors\(^{16}\). Social status contributes, in fact, to one’s attitude towards a person, also to this person’s and his/her family’s material welfare.

Population differentiation by incomes is extreme and has proved a social threat in Georgia. The Gini index for monetary incomes in Georgia amounts to 0.53, total incomes- 0.45, monetary expenditures- 0.45 and total consumption- 0.39\(^{17}\). Despite the growth of total incomes and the median consumption of the population during the last few years, the incomes of domestic households still remain within subsistence wages. Differentiation within total incomes can be observed not only in terms of compliances with social status but also in terms of rural-urban populations (table 1).

\(^{15}\) Marginalization, in this case, is caused not by economics, but the lack of command of the state language, the practice of the pursuance of a limited circle of sub-cultural values etc.

\(^{16}\) Social Protection and Social Inclusion in Georgia (Kachkachishvili I. and other authors). The Institute for Social Studies and Analysis (ISSA), the European Commission, 2011.

\(^{17}\) Antadze Ts. Basic Consequences of the Reformation of Social Sphere in Georgia. The Social Economy Journal, #6, p.19-29. 2006.
Table 1. Income Distribution of Georgian Population According to Rural and Urban Areas in 2006-2010\(^{18}\)

<table>
<thead>
<tr>
<th>Years</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Urban areas</td>
<td>Rural areas</td>
<td>Urban areas</td>
<td>Rural areas</td>
<td>Urban areas</td>
</tr>
<tr>
<td>Income Distribution of population’s average monthly income according to urban and rural areas, in GEL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monetary and non-monetary resources, total</td>
<td>195.1</td>
<td>192.4</td>
<td>235.7</td>
<td>191.1</td>
<td>304.6</td>
</tr>
<tr>
<td>Including: from employed labour</td>
<td>82.9</td>
<td>25.0</td>
<td>105.9</td>
<td>28.3</td>
<td>132.7</td>
</tr>
<tr>
<td>From self-employment</td>
<td>27.9</td>
<td>12.8</td>
<td>31.4</td>
<td>11.3</td>
<td>39.4</td>
</tr>
<tr>
<td>Remittances sent from abroad</td>
<td>11.4</td>
<td>3.7</td>
<td>13.3</td>
<td>4.5</td>
<td>13.5</td>
</tr>
<tr>
<td>Distribution of average monthly income per household according to urban and rural areas. in GEL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monetary and non-monetary resources, total</td>
<td>386.4</td>
<td>384.2</td>
<td>455.1</td>
<td>388.2</td>
<td>603.4</td>
</tr>
<tr>
<td>Including: from employed labour</td>
<td>164.1</td>
<td>49.9</td>
<td>204.4</td>
<td>57.6</td>
<td>262.9</td>
</tr>
<tr>
<td>From self-employment</td>
<td>55.2</td>
<td>25.6</td>
<td>60.6</td>
<td>22.9</td>
<td>78.0</td>
</tr>
<tr>
<td>Remittances sent from abroad</td>
<td>22.5</td>
<td>7.4</td>
<td>25.7</td>
<td>9.2</td>
<td>26.8</td>
</tr>
<tr>
<td>Distribution of average monthly income per capita according to urban and rural areas. in GEL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monetary and non-monetary resources, total</td>
<td>105.5</td>
<td>99.9</td>
<td>124.9</td>
<td>105.2</td>
<td>166.0</td>
</tr>
<tr>
<td>Including: from employed labour</td>
<td>44.8</td>
<td>13.0</td>
<td>56.1</td>
<td>15.6</td>
<td>72.3</td>
</tr>
<tr>
<td>From self-employment</td>
<td>15.1</td>
<td>6.7</td>
<td>16.6</td>
<td>6.2</td>
<td>21.5</td>
</tr>
<tr>
<td>Remittances sent from abroad</td>
<td>6.2</td>
<td>1.9</td>
<td>7.1</td>
<td>2.5</td>
<td>7.4</td>
</tr>
</tbody>
</table>

The property-related polarization of the population of Georgia has become a basis for social differentiation in the country. Generally, the critically marginal ratio between the incomes of decile groups with the lowest and the highest incomes is 1:10. In line with 2007 statistical data, the marginal ratio in Georgia was 1:27 and the same ratio according to monetary income amounted to 1:29\(^{19}\). A major part of the country’s population still lives beneath the official poverty level. In 2006-2007, a poverty level indicator in relation to 60% of median consumption was 21.7% on average\(^{20}\). The indicators for social inequality in the light of urban and rural inhabitants also sharply differ from each other (Table 2).

### Table 2. Poverty (Inequality) Indicators of Population According to Rural and Urban Areas\(^{21}\)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban areas</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of population beneath 60% of median consumption</td>
<td>22.1</td>
<td>26.0</td>
<td>24.1</td>
<td>22.8</td>
<td>23.7</td>
</tr>
<tr>
<td>Share of population beneath 40% of median consumption</td>
<td>8.8</td>
<td>11.3</td>
<td>10.1</td>
<td>8.1</td>
<td>10.7</td>
</tr>
</tbody>
</table>

According to 2011 data, out of the 528,359 families (1,697,756 people) registered with the unified database of vulnerable households, 150,632 families (430,461 people) benefitted from subsistence allowances (Table 3): this is 13% of all the families and 9.7%\(^{22}\) of the total number of people living in the country. The subsistence allowance is less than a quarter of the subsistence wage and this form of aid alone cannot help overcome poverty in the country. There is also an intense process of demographic aging to take into account. In fact, the ratio between a hired employee and a pensioner is 1:1.4, while the same indicator for the world is 3:1 on average\(^{23}\). It becomes obvious that without the availability of an efficient system for social maintenance it would be impossible to provide decent living for elderly people. The lack of such a system will also help increase the economic load placed on the employed.

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20 Labour Market and Returned Migrants’ Reintegration (performed by TSU Migration Research Center, under the guidance by Tukhashvili M.), DRC, 2012.
Table 3. Number of families registered with the unified database of vulnerable households and families benefiting from subsistence allowance

<table>
<thead>
<tr>
<th></th>
<th>Households</th>
<th>Population</th>
<th>Ratio (%) in relation to total population</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of families and population benefiting from subsistence allowance, 2011.</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital city and all four self-governing cities</td>
<td>28368</td>
<td>72513</td>
<td>16%</td>
</tr>
<tr>
<td>Municipal towns and villages of Georgia</td>
<td>122264</td>
<td>357948</td>
<td>84%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>150632</td>
<td>430461</td>
<td><strong>9.7%</strong></td>
</tr>
</tbody>
</table>

|                                             |            |            |                                          |
| **Number of families and population registered with the unified database of vulnerable households, 2011.** |            |            |                                          |
| Capital city and all four self-governing cities | 129948    | 404789     | 23.8%                                    |
| Municipal towns and villages of Georgia      | 348411    | 1292967    | 76.2%                                    |
| **Total**                                   | **528 359** | **1 697 756** | **37%**                                 |

During the last few years, the state has proposed carrying out major changes for socially marginal groups: ethnic minorities, eco-migrants, IDPs, disabled people, street children and children deprived of parental care:

- In order to provide social support to the poorest strata of society, a unified database for vulnerable households was established;
- To facilitate the full integration of IDPs, the legitimation of their temporary living quarters was achieved, along with the transfer of land plots in rural areas, providing compensation for living quarters and constructing multifamily residential buildings;
- Programmes for the deinstitutionalization of children deprived of parental care and inclusive training for disabled children were carried out;
- Ethnic minorities were offered state language study courses (free of charge);
- A medical insurance programme for socially insecure families was implemented in 2006;
- From September 2012, the state will provide medical insurance for all citizens above 60, also for children under five and vulnerable groups;
- Poverty risk has been reduced by increases in earmarked state aids: state pension, allowances for refugees and IDPs, subsistence allowance designated for socially insecure categories, an addendum to pensions, state compensation and household subsidies.

Despite the activities implemented by the state, due to their inconsistent nature and the lack of resources, the social inclusion of marginal groups still remains an unsolved issue in the country. Georgian citizens have chosen labour migration abroad as a way to escape from poverty. By doing so, it managed to satisfy the primary requirements of their family members in the homeland, and made the burden of unemployment on the country’s labour market easier.

According to experts’ assessment, the total volume of remittances to Georgia in 2011 was from 1.3 to 1.8 billion USD\(^{24}\), or more than one third of the 2011 state budget and 12% of nominal GDP.

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Studies confirm that remittances sent by migrants represent a major contribution to the incomes of migrant family members who have remained in Georgia. In addition, the examination of the property status of migrants’ families encourage us to consider the role of labour migration for Georgia as a strong tool for the formation of a middle class, and remittances as a powerful factor in social stability.

**Internal migration processes**

Due to difficult economic conditions, not only external migration but also internal migration processes have become very intensive since the 1990s. Rural population has been involved mainly in internal migration processes. According to the 2002 census data, in the last 9 years, 437,332 people changed their place of residence within the country. The majority of people changed their place of residence in order to improve their living conditions. Out of 437,000 in this category, 423,000 (96.8%) were Georgians. Rural areas are almost totally abandoned by Georgians. Only 4,309 Azeris (1% of the population involved in internal migration) and 3,967 Armenians (0.9%) changed their place of residence during the period noted above.

The majority of those migrating from rural to urban areas are young women of fertile age. In the near future, as a result of the changes occurring in the gender and age structure of the population, the demographic indicators of the inhabitants of villages in Georgia will deteriorate significantly. Currently, far fewer babies are born in rural than in urban areas, while the situation was the reverse previously. For example, in 1970, 90,207 babies were born in Georgia, 52.6% in rural areas. In 2008, 56,565 babies were born in Georgia, 30.7% in rural areas.

**Gender aspects of labour migration and migrants’ families remained in the homeland**

The very idea of Georgian women emigrating abroad to earn a living was completely unacceptable before the 1990s. In the Soviet period, it would have been inconceivable that females would one day make up more than half of labour migrants. Various studies have identified a big variational difference in female migrants from region to region. For example, the proportion of female labour migrants with an Armenian ethnic background from the Armenian-dominated Samtske-Javakheti Region is small. This does not mean that Armenian women refuse to get involved in migration. It shows, merely, that their small numbers are determined by the well-known migration traditions characteristic of Samtske-Javakheti. Migration is not a new phenomenon for this region and therefore, migration flow has retained its old structure and direction. The same thing can be said of the Azeri population of the Kvemo Kartli Region. The research conducted in this region demonstrated that males, who are the predominant force in migration, tend to move mainly towards their historic-ethnic motherland, Azerbaijan, as well as towards Turkey. This category of migrants is employed, in fact, in trade and business in Azerbaijan and Turkey on a seasonal basis. This is attributable to Georgia’s intense commercial contacts with these two countries and a facilitated visa regime with Turkey. The studies done in 2000 and 2005 demonstrate that the share of females emigrating from the Racha Region is also small. The labour migration of males from this region to Russia and Turkey tends to be organized.

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25 I. Archvadze, an expert and a former employee of National Statistics Office of Georgia declares that the Department of Statistics of Georgia has never carried out a census of the people migrating from rural to urban areas. “There are no statistics on migration between the cities and villages in Georgia”. Information portal “Commersant”. 16.05.2012. http://www.presage.tv/?m=bp&NID=33114
Most female migrants from Georgia head towards: Greece, Italy, Germany and the United States. But here too there is a big difference in relation to urban and rural inhabitants: female inhabitants from the capital tend to emigrate to the United States and to Germany (especially young girls). While the same category of migrants from other administrative units moves to Greece and Italy. There, due to labour market specifics, there is a demand for the services provided by elderly women (caregivers, cleaners, workforce engaged in rural and farming household activities).

The number of young families in rural areas is rather small. Mainly the people aged from 31 through 50 are involved in migration (68% of migrants).

From these, women tend to emigrate to Greece and Italy, while males are involved in internal migration either toward the capital- Tbilisi, or to the Russian Federation,, or Turkey for seasonal jobs. Here we should note that migrants’ flows towards the Russian Federation have decreased since 2006. Those in the rural population who migrated to Russia left Georgia in the 1990s and were not affected by the massive deportation from Russia in 2006.

The basic reason for labour migration from Georgia is material needs. In L. Gaprindashvili’s opinion, another factor encouraging Georgian women to migrate is the desire to enjoy personal freedom, break away from routine environment and to gain new experiences. Providing support to one’s family is another justification for going abroad. According to T. Zurabashvili, the feeling of independence in the host society proves of such great value that female migrants regret giving it up. In Professor M. Tukhashvili’s viewpoint, the path of female emancipation and the feminization of labour migration can in no way be considered a success for women. A Georgian woman’s international labour emigration has been dictated by the threat of starvation, and a woman’s function to reproduce and bring up a new generation has weakened. According to forecasts, the Georgian population will fall by more than two million inhabitants by 2050 and Georgia will be transformed into a demographically “dying” country. Given this situation, the intensive labour migration of women from our country can only be assessed as a negative trend.

Generally speaking, households have been affected especially severely by labour migration of their female members abroad, as their departure from home gives rise to a series of social problems: family relations degrade, the quality of children’ upbringing deteriorates and males (left behind) develop drinking and drug addiction habits. Therefore, it is absolutely understandable that in comparison with males, females suffer more from leaving their motherland and relatives; this explains the reasons for their more frequent communications with family members in the country and the large share of females among the returnees (55%). According to experts, departure from children leads to neuroses and mental difficulties in female migrants.

The research carried out on migration from Georgia to Greece identified how migration to Greece is characterized by older migrants when compared to migrants to other western European countries. However, experts point to the considerable “rejuvenation” of migration flows at the expense of the second generation of migrants and the involvement of children in migration processes. After having improved their material status, migrants often have their children from Georgia live with them abroad.

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28 Chelidze N. Labour Migration from Post-Soviet Georgia. TSU, Tbilisi, 2006.
31 Returned Migrants’ Research. (performed by TSU Migration Research Center, under the guidance by Tukhashvili M.), DRC, 2009. Labour Market and Returned Migrants’ Reintegration (performed by TSU Migration Research Center, under the guidance by Tukhashvili M.), DRC, 2012.
32 The Peculiarities of Migration Processes from Georgia into Greece (the research outcomes were processed by Chelidze N.). People’s Harmonious Development Society. 2010.
33 According to Georgian Consulate in Greece, already some 100-150 babies were born in migrants’ families in 2010.
Even though the Georgian authorities provide socio-cultural support to the Georgian diasporas, the education of the children of migrants abroad still poses a problem because of the lack of sufficient resources. Instead of seeking secondary or higher education, the young people (next generation of migrants) have to work. This leads to the low status of the second generation of migrants.

One of the peculiar characteristics of Georgian emigration is the splitting up of members of a nuclear family. According to the studies related to migrant families, 30.3% of the households see a mother go abroad for labour emigration and 32.3% see a father leave. In 3% of households both parents go abroad while in 34.3% of households some other family members work in foreign countries. Research suggests that 62.6% of emigrants’ children are reared in single parent families and this has become normal in Georgia. It should be noted as well that most parents seek to “compensate” this omission by providing economic support. 45% of children point out that they personally consume the greatest portion of the remittances received. 50% say that the sum is distributed evenly among family members. Only a small part of them considers that the remittances have been designated for the emigrants’ spouses (3%) and elderly parents (1%). Many studies confirm that the assistance provided by emigrant females is essential to their family members who remain in the country. On average, they send 84 USD more in remittances than males do, monthly. Female migrants are also distinguished by the stable frequency which they send remittances. The remittances are sent once a month by 44% of migrants, including 63% of female migrants and 37% of male migrants.

Based on the studies on the economics of rural life those domestic households, which receive remittances sent by their migrant family member(s), are in a better condition in comparison with households, who have no members abroad.

The remittances enclosed serve, above all, to satisfy the families’ daily needs. Because of the lack of knowledge and skills related to entrepreneurship among migrants and their family members, rural inhabitants hesitate to start up a small-scale business with remittances. Within the reintegration programmes for migrants returned to municipal centres and cities during the last few years, hundreds of their small business initiatives have been supported.

Research into family members of emigrants who stayed in their homeland confirms that a household with many members does not need any of its member to emigrate. Research suggests the average number of members of a migrant household in Georgia is 3.87, that of a household of a migrant departed from a rural area is 4.26 and the average of a migrant’s household in an urban area 3.39. In less than half (46%) of the emigrants’ households, none of their members are employed, whilst only one member is employed in a third of such households (34%). Thus,
remittances sent by almost half of the emigrants serve as the means of subsistence for their households stayed in the homeland.

The impact of migration on employment opportunities in Georgia

There is no obvious gender inequality in Georgian education. Therefore, taking education into account, females and males have equal opportunities in terms of obtaining professions and prestigious jobs. Having said this under these equal conditions for obtaining education in Georgia, the economic activity of males is higher. Obviously, women’s duties in household affairs is the main factor here. Maintaining a family and the employment status of a person come together in Georgia. Having a family is a factor contributing to the likelihood of employment for men, while a family diminishes the likelihood for women. Research has also revealed that men in Georgia tend to pursue more successful professional careers than females. Males enjoy higher incomes than females in Georgia. Indeed, according to research, the average monthly wage of a man is 1.8 times higher than similar indicators for a woman among self-employed and hired employees. In addition, it must be noted that the work schedule of males is longer in Georgia in comparison with females; men work, on average, 43.3 hours per week on the average while women work, on average, 34.3 hours. Labour migration does not exert a direct influence on the employment opportunities of men and women in Georgia.

The majority of those registered as being employed in Georgia are self-employed: according to 2010 data 38% of those employed in Georgia are hired whilst the self-employed constitute 62%. This is due to problems with the definition of a person employed in agriculture. According to the National Statistics Office of Georgia, “self-employed” refers to a person “working to earn a household income, also a person working in a household enterprise/economy”. This results in generating data according to which the unemployment rate in the regions is lower than in Tbilisi (30.1%). As we can see, the self-employed are mainly concentrated in the agricultural sector, while the productivity level within this sector (agriculture) is rather low. The share of agriculture constitutes approximately 8.4% of the country’s GDP whilst the total share of those employed within this sector exceeds 50%. Inefficient self-employment leads to the migration of the rural population to cities and large towns in Georgia itself. Those who have better education among the rural population, as noted above, follow the well-trodden road to the Russian Federation, Greece and Turkey. The migration of the female inhabitants of rural areas to Italy has become intensive in the last few years.

The impact of labour migration on youth employment and their desire to emigrate

During the last 10 years, several studies were carried out in order to study the migration inclination of young Georgians. They revealed a rather strong emigration inclination among the young. More than half (70%) of young people are psychologically disposed to go abroad to work or/and obtain education. Despite the fact that one fifth of those surveyed combine working and education in Georgia, the emigration inclination among the surveyed, due to a very poor remuneration for the work


force in the country, is high. This is cemented by the common view according to which obtaining a job and achieving a promotion in Georgia is impossible unless a young person is educated in the west. The decision of young people to go abroad is influenced considerably by their family members’ migration and the desire to get a job at the locations where their emigrated relatives live. It turned out that at least one member out of every five household of the respondents interviewed during the study\footnote{Periodically throughout 2004-2009, various research groups used to carry out studies related to the migrational disposition of the young. One fifth of those surveyed had at least one member in labour migration.}, was in labour migration. According to various studies\footnote{IOM projects for “Voluntary Return of Migrants and Reintegration”. The programme for the professional staff returned home, carried out in collaboration by the International Cooperation Society of Germany (GIZ) and the Center for International Migration (CIM). The EU project “Target Initiative for Georgia”. CIM is also carrying out a “Job Counseling and Placement Project”, the beneficiaries for which are active job seekers, including: IDPs, the socially insecure population and graduates of vocational educational institutions. Employment programmes prepared by the employment units of Tbilisi City Hall and Batumi City Hall, and state programmes for vocational training.}, approximately 15% of remittances sent by migrants are for the education of the younger generation. Because of the informational scarcity of selective research especially, in the context of massive unemployment, it is hard to establish the direct influence of labour migration on employment opportunities for the young. Moreover, the county has programmes for employment, which consider giving short-term employment to students and having them work on probation at work places. In addition, under the promise of their further engagement, state programs for the professional retraining for the young are ongoing\footnote{Labour Market and Returned Migrants’ Reintegration (performed by TSU Migration Research Center, under the guidance by Tukhashvili M.), DRC, 2012.}

Here we must note as well that despite the many initiatives of the country’s authorities and international projects for migrants’ reintegration available today, a considerable part (39.2%) of the returned migrants (two thirds of them are under 35 of age), thinks about going abroad again after an unsuccessful attempt to establish themselves in Georgia. This miserable situation has been caused by the delayed and hindered reintegration of returnees\footnote{Labour Migration from Georgia. IOM. 2003; “Migration and Development”, ILO, 2010; Returned Migrants’ Research (carried out by TSU Migration Research Center under the guidance of Tukhashvili M.), DRC, 2009.}

The impact of labour migration on employers’ behaviour

An essential feature of labour migration from Georgia is the high level of education among migrants: nearly half of them hold a higher education diploma. Georgia is losing not only labour resources but also long-term investments made by the state in providing education to these people. Migrants perform low-qualification jobs in recipient countries. Therefore, by becoming disqualified, after returning home, they lose their positions on the Georgian labour market. Unfortunately, the Georgian authorities have not taken an interest in assessing the influence of the brain drain on labour potential reduction.

A mixed type of conjuncture has now been established on the national labour market. In particular, with massive and chronic unemployment, there is a deficit in a workforce in certain professions and qualifications. This has been caused by the following factors: the wide-spread determination among the young in Georgia to gain a higher education diploma at any cost, notwithstanding the quality of the education gained and the low prospects for application; the lack of an appropriate system for training and retraining professional staff and specialists; and a brain drain according to some researchers\footnote{Labour Migration from Georgia. IOM. 2003; “Migration and Development”, ILO, 2010; Returned Migrants’ Research (carried out by TSU Migration Research Center under the guidance of Tukhashvili M.), DRC, 2009.}.

Then this unhappy situation has been compounded by the closed labour market in the country where employers seek to solve staffing issues independently, by using personal relationships and by avoiding respective entities. Hence, another characteristic of the formation of labour market in Georgia- the lack of interrelation between occupied position and the professional education gained.
Given all this, it would be hard to discuss the optimal employment of the young, the elderly and the disabled, returned migrants and those belonging to ethnic groups, and their unbiased selection by employers. Having the high unemployment level in the country in mind, employers have a wide variety of choice of candidates when choosing staff. They will typically offer jobs to able-bodied, experienced young personnel. Labour market research confirms that human resources in industry, construction, communications and transportation are in their most productive years, while the service-providing sector employs even younger personnel.48

The survey of employers demonstrates that while recruiting staff, they definitely tend to neglect returned migrants, even though employers recognize their good skills: the ability to address problems quickly and to make independent decisions; adaptability to alien environment, the ability to work with time constraints and under stress; a responsible attitude to assignments and a creative approach; the demonstration of knowledge discipline, vigour, mobility, punctuality, sociability and language skills.49 Along with working skills, employers are also in need of professional qualifications and practical competences, which they try to ensure by arranging study courses at work places. In order to obtain and secure jobs, those employed tend to have fewer claims with respect to their working conditions and wages; and one more problem emerges in this respect: the labour market in Georgia is characterized by a very low value work force with low incomes.50 According to research in household economies, the income received from employed labour constitutes 31% of the total income of household economies, while the same indicator from self-employment amounts to 9.8%. 51

**Internally displaced persons and labour migration**

In the 1990s, after the ethnic cleansing carried out by Russia in Abkhazia and Tskhinvali (the so-called South Ossetia) regions, Georgia became a country of refugees. The Russian-Georgian war of August 2008 saw their number increase even more.52 Unfortunately, the IDPs still remain a vulnerable group for Georgia.

Internally displaced households have especially been affected by a drastic fall in living standards. Unlike the rest of the population, they lost their homes and any property they had before. The assistance the state has been able to extend to them has been scanty. Without homes, migration motivation is obviously higher; this means a higher share of labour migrants among IDPs than in the rest of the population. As a result of war, emigration and an economic crisis, the reproductive activity of refugees decreases as well. Research into IDPs from the South Ossetia region settled in the Shida Kartli Region showed that 68% of refugees do not wish to have another child.53

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49 Chelidze N. Returned Migrants Skills and Possibilities for Validation of non-formal and Informal Learning in Georgia.. ETF. Study Report. 2011. Labour Market and Returned Migrants’ Reintegration (performed by TSU Migration Research Center, under the guidance by Tukhashvili M.), DRC, 2012.;

50 The average nominal monthly salary in the country was 576 GEL according to 2010 data. National Statistics Office of Georgia. www.geostat.ge


52 Some 265,109 refugees (6% of the total population of the country) live on Georgian territory currently, though outside their home region. The data have been provided by the Ministry of Georgia for IDPs from the Occupied Territories, Settlement and Refugees. http://mra.gov.ge/main/GEO#section/50

The studies demonstrate that unemployment is chronic among IDPs. 48% of those surveyed indicate that out of able-bodied family members, only one is employed, while 37% remark that none of the able-bodied members has a job. The examination of the reasons for losing jobs identified how a rather large portion (47%) of the unemployed lost jobs as a result of having to displace internally. Prolonged unemployment is more characteristic of female refugees. Massive unemployment among IDPs, has naturally, been reflected in household incomes. The territories occupied by Russia were distinguished by fertile lands and economically strong settlements. Therefore, on average the monthly income of each of the inhabitants of these regions was higher than the average national per capita income. Currently, monthly income for one household amounts to an average of 180 GEL that, means less than subsistence incomes when the number of family members is taken into account. The main source of income for most households (69%) is state aid. The refugees from the Tskhinvali region are in especially poor conditions. Given how long they have been IDPS, those from Abkhazia managed to adapt better to a new habitat and from their families one or more members are more frequently employed than those in the families displaced from the South Ossetia. In addition, in comparison with the latter, IDPs from Abkhazia were more successful in labour migration. Traditionally they established close links with Russia and a good command of the Russian language helped IDPs to move to the former Soviet Union countries. The same factors stimulated a large share of those emigrants among those IDPs employed in their own business in recipient countries. This is confirmed by the fact that 57% of migrants find that remittances are of major significance to their households stayed in Georgia.

Due to the uncertain prospects for Georgia taking back jurisdiction over the territories of the Autonomous Republic of Abkhazia and South Ossetia, the IDPs will most likely have no opportunity to return home; therefore, their labour migration abroad will continue. Only one third of them are going to return to their homeland, while the rest, even if they wish to go back, intend to maintain business relations with foreign countries. Here it must be noted too that even the family members of migrants (21.4%) plan to go and settle where their migrant relatives live, should the opportunity arise.

Recommendations

Thus, notwithstanding the acute social problems it causes, labour migration from Georgia has a major significance in recovering the country from its socio-economic crisis. Parallel to the economic upsurge, the intensity of labour migration subsided, returning migrants became evident, the opportunities of doing business in Georgia increased and the export of workers became more efficient. Migration management is one of the priorities in the country today.

In order to encourage positive labour migration, it is essential to take several measures at the state level, which will help decrease the marginalization of vulnerable social categories in the country:

1. **Support to employment:**

Education and worthy employment are key factors for preventing poverty and social marginalisation.

Special programmes for employment should be implemented based on the cooperation agreed and coordinated between local authorities and employers.

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Support for the employment of disabled persons needs to be outlined as a separate direction. The definition of special quotas will become a prerequisite for the employment of some of these people. This means not only creating guaranteed jobs: the state shall provide for vocational training and the retraining of these people by the state.

The development of a Vocational Educational System and the training or retraining of a workforce will substantially contribute to unemployment reduction. The training of specialists will be carried out in response to market requirements.

In order to improve the involvement of IDPs, it would be reasonable to elaborate specific employment programmes for them, providing them with vocational training and replacing collective dwelling areas densely populated by IDPs, with relatively smaller areas.

A unified database for job seekers and vacancies needs to be set up. In the interests of efficient communication between employers and job seekers, employment-related information and consultation centers and a few private employment agencies have been established. Radio and TV programmes are also broadcast for those looking for jobs. However, there can be no doubt, labour market infrastructure is still underdeveloped. Here we must point to the establishment of the association of employment agencies in 2011. The association discussed the necessity of involving private agencies in circular migration and also started working on the preparation of a unified database for job seekers and available vacancies.

2. The protection of human resources:

The capacities for the social protection of the unemployed (unemployed insurance, granting allowances for the unemployed) should be reviewed and revised.

There is a need to obtain the support of western countries in the formation of strong trade unions in Georgia; this will provide social protection for the Georgian workforce.

According to some experts, while reforming a pension system, the combined length of service accumulated by labour migrants abroad and pension premiums needs to be taken into account. Georgia should start negotiations with the main countries of immigration on the transfer of the pension funds collected by Georgian labour migrants abroad.

3. Social assistance programmes:

It is important to combine social assistance and social security schemes with minimal income schemes, particularly, in rural areas, where households are short of cash. The minimal income scheme might help improve access to basic services, for instance, healthcare and education.

It is essential to target child assistance programmes for multimember families.

4. Special programmes for encouraging young Georgians to stay and become engaged with the homeland:

   a) Provision of various economic advantages to local organizations that hire young people;
   b) Maximum encouragement and the full legalization of agencies implementing short-term cultural-educational foreign exchange programmes for the young;
   c) Enhanced cooperation with young people in starting and developing small businesses;
   d) A swift adjustment of the education system to European standards. This will help the qualification of our citizens to be recognized in foreign countries, assisting them in finding jobs according to their professions and reducing the number of the persons going abroad to obtain European education who are then gradually transformed into labour migrants.
5. *Mechanisms for enhancing migration efficiency:*

It is essential to proceed with interstate negotiations with respect to the legalization of Georgian labour migrants’ entry to the EU countries. This implies **support for circular migration** that will result in the normalization of the number of emigrants.

It is essential to regulate the system for obtaining currency revenues from exported workers, **improving and facilitating the transfer of remittances through an official bank system and reducing disbursement costs.**

**Migrants should be encouraged to invest their remittances in Georgian businesses:** it is necessary to stimulate business projects for those returnees who are investing funds obtained abroad, by providing low-interest loans. It would be reasonable to develop a system capable of encouraging those business persons, who assist in the employment of the migrants coming back from EU countries and, of course, the efficient investment of migrant savings.

We hope that the finalization of the Strategy for Migration this year will lay the foundation for **establishment of a unified migration service in Georgia** responsible for migration management and the development of a legal base which takes international liabilities into account.
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