

# Dynamics of Demographic Processes in the Russian Far East as a Condition of Economic Development

E L Motrich <sup>1</sup>

<sup>1</sup> Economic Research Institute FEB RAS, Khabarovsk

E-mail: motrich@ecrin.ru

**Abstract.** The article considers the dynamics of demographic processes in the Russian Far East, formed in the post-Soviet period. Attention is paid to migration processes, which have the most significant impact on the reduction of the population in the region. Particular emphasis was placed on the loss of the Far East attractiveness for migrants; the territories of the Russian Federation, which are the most popular for migrants traveling outside the region, were noted. The external migration of the population is analyzed, it is noted that CIS migrants to some extent neutralize the negative migration balance of interregional migration flows, but, nevertheless, reduce their participation in the migration movement to the Far East of Russia. The role of migration with the countries of the Far abroad, migration interaction with which has acquired negative value, is analyzed. Analysis of migration processes and natural reproduction of the population revealed the presence of risks for the implementation of the program of the concept of demographic development of the Far East until 2025.

## 1 Introduction

Social-economic development of Russia's Eastern territories is one of the nation's four proclaimed strategic priorities. The strategic importance of the Far East for Russia's national interests was first officially stated by President Putin in a public speech in 2007. The main specific goal of the Far East's development is formulated as "anchoring" the region's population [1]. This goal was reiterated in September 2015 at the Eastern economic forum in Vladivostok: "The basis and strength of the Far Eastern region's economy will be grounded not in its vast territory or resources. They will be grounded in [its] people" [2]. Preserving the Far East's population at a sufficient level has great strategic significance and is an issue of national security.

## 2 The Conception of demographic policy in the Far East and prospects of its implementation

"The Conception of demographic policy in the Far East to 2025" (Conception) was put into effect in June 2017. The rationale for the drafting of that document was predicated on the stable contraction of the region's population since 1991, caused first by outmigration and later – mostly by natural decline. The Conception lists among strategic policy goals stabilization of the region's population at 6.2 mln people by 2020 and the creation of requisite conditions for the growth of population to 6.5 mln people by 2025 [3]. Achieving both goals clearly requires turning positive the currently negative migration balance of the Far Eastern region. That task, in its turn, according to the Conception, will be solved by improvements in the social-economic situation in the region, meaning that authors of the Conception assume that stable economic growth, development of the region's infrastructure, supply of affordable housing on the real estate market, a dynamic labor market, etc. will all serve to increase the attractiveness of the Far East as a place to live and work and in that way reverse the migration flows [4; 5].

However, the established demographic trends in the region make the above hopes doubtful: the region's population had decreased by 10,000 people in 2016, and the net decrease reached 22,100 people



in 2017. Only two out of the nine Far Eastern regions (Yakutia and Sakhalin oblast) had experienced any population growth: 1,400 (100.1% growth rate) and 3,600 (100.7%) people respectively [6; 7; 8]. The risk of depopulation in the region may increase going forward, since outmigration has been compounded with natural decline in 2017 for the first time in recent years [9; 10]. The Far East's total population was 6162.4 thsnd people as of 01.01.2018, which constitutes 76.2% of the 1991 level, and 99.6% of 2017 [7; 8]. In the meantime, Conception plans for the natural growth of the region's population by 50,000 people until 2025, plus an increase by another 250,000 people due to net positive migration. These numbers result from the need for an estimated minimum of 100,000 additional workers to fill the new jobs projected to be created in the region during the same period [11]. We agree with the popular opinion that migration policy focused on attracting migrants from other regions of the country won't be able to solve the Far East's demographic woes [12].

### 3 Migration potential of the Far East

Despite our disagreement with the proposed policy we may, nevertheless, ask of it the obvious question: where and how can the "new Far Easterners" be attracted from? Migration flows between Russian regions leave little room for optimism, as we've mentioned above. The Far East had for many years served the other regions as a donor of population. This trend continues as the most recent data in Table 1 show.

**Table 1.** The Far Eastern regions' migration (January – November 2017), people,\*\*\*.

Region	Ar-rived	Re-tired	Increase / decrease	Migration with other regions of Russia**
Kamchatka krai	11342	11858	-516	–
Primorsky krai	69496	74863	-5367	-4656
Khabarovsk krai	51468	55323	-3855	-4038
Amur oblast *	24826	26473	-1647	-2546
Magadan oblast	7409	8535	-1126	-1419
Sakhalin oblast *	20592	18488	+2104	+424
Jewish autonomous area	4050	5763	-1713	-1727

\* Data for January-October, \*\* Migration relationship with Russian regions in the overall migration flow, \*\*\* Data for the Republic of Sakha (Yakutia) and Chukotka are not available for the study period.

Source: [10].

The data in Table 1 shows that all Far Eastern regions, with the sole exception of the Sakhalin oblast, are losing population to other regions of Russia. These data also show that outmigration to other Russian regions exceed the total migration losses of the Far East [10]. However, it bears noting that the share of interregional migration in the total negative net migration had somewhat decreased in the recent years: from 73.6% in 2015 to 68.7% in 2016.

Interregional migration is decided by factors other than factor movements and relative balances of the numbers of jobs in different regions. Among other things, factors influencing interregional migration include real income, consumer prices dynamics, availability and quality of transport infrastructure, provision of public goods, etc. The regions most targeted for migration by Far Easterners are in the Central, Northwestern and Southern federal districts of Russia. These districts are even increasing their share in Far East's total balance of interregional migration. On the negative side of this balance

(migration out of the Far East) the abovementioned districts had contributed 62.0% in 2015 and 63.0 in 2016. The growth of average real monthly wages in 2016 in these districts were: Central district - 101.7%, Southern district – 100.0%, Northwestern district – 101.2%, while the respective number for the Far Eastern district in 2016 was only 97.9% [13].

Another approach to solving the migration problem proposed in the Conception involves attracting overseas Russians (predominantly those remaining in former Soviet republics) to migrate to the Far East. A state program had been promulgated to this effect in 2007. However, in the decade since the start of that program only 33,000 of its participants settled in the Far East, which amounts to 6% of the program's total participants [12].

The most recent data on total migration in Far Eastern regions shows an increase of the total out-migration in January-October of 2017 compared to the same period in 2016 (Table 2).

**Table 2.** The Far Eastern regions' migration, 2016-2017, people.

	Increase/decrease		Retired	
	2016	2017	2016	2017
Primorsky krai	-2337	-5367	73730	74863
Khabarovsk krai	-1304	-3855	54385	55323
Amur oblast	-2405	-1647	27054	26473
Magadan oblast	-743	-1126	7905	8535
Jewish autonomous area	-1465	-1713	5950	5763

Source: [10].

Another possible source of inward migration to the Far East is international migration. However, the ability of this source to change the trend established by the currently dominant interregional is doubtful. On the one hand, the Far East's has a net positive balance of migration exchange with CIS countries. On the other hand, that balance had remained stable in recent years: 158 immigrants to the Far East for every 100 emigrants in 2015, compared to 160 people in 2016. The absolute volume of this positive balance had fallen dramatically since its peak at the start of "perestroika": 9,029 people in 2016 versus 33,500 people in 1986. In the meantime, migration exchanges of the Far East with on-CIS countries had been declining recently: in 2015 the net migration with these countries was only 15.6% (445 people) compared to 2011, and it had turned absolutely negative (-1128 people) in 2016 [14; 15].

#### **4 Natural increase of population as a necessary condition for the demographic development of the Far East**

We now turn to the other category of demographic change - natural increase of population. Here also the prospects for drastic improvement of the demographic situation in the region are slim. The rate of natural increase (RNI – natural population growth relative to total population) had fallen from 5.1% in 1991 to 0.88% in 2016. The Far East's RNI in 2017 was a negative 0.02% (rate of birth 12.1%, rate of death 12.12%). The highest natural declines of population in 2017 were recorded in Primorsky krai (-2.26%), Amur oblast (-1.59%), Jewish autonomous area (-1.57%), and Khabarovsk krai (-0.98%) [16; 17]. Data for the first two months of 2018 show a further decline from the same period of 2017: rate of birth fell to 11.6% while the rate of death increased to 13.0% [18]. Therefore, it is most likely that the natural demographic processes will only exacerbate the risks for the Conception's plans.

These negative demographic trends had forced a shift in the age structure of the Far East's population. As of 01.01.2017 the following age structure existed in the Far East: population below working age – 19.6%, working age population – 58.4%, above working age – 22.0%. Extrapolating that age structure, we can project it to 2025: population below working age – 17.2%, working age population – 57.3%, above working age – 25.5% [19]. According to the famous demographer Boris Uralanis, the

optimal age structure of a population should consist of the following ratios: population below working age – a minimum of 20%, working age population – a minimum of 65%, above working age – a maximum of 15%. That optimal structure ensures a stable low growth of population. It also ensures that every 1000 of working age adults supports at most 500-600 dependents, which can also be considered optimal in terms of sustainable rate of economic growth [20].

## 5 Conclusion

Summarizing the above analysis, we conclude that the “Conception of demographic policy in the Far East to 2025” sets lofty and hardly attainable goals. In the meantime, the existing plans for the region’s social-economic development assume a significant growth of the region’s population to satisfy the projected growing demand on the labor market. That means that demographics will become a serious limiting factor in the region’s social-economic development, given that the plans for that development are not similarly inflated in their own right.

## References

- [1] Motrich E L 2014 *Transformation of migration processes in the Russian Far East.*, pp. 160–166. Far-East Institute of Management, Branch of RANEPa, Khabarovsk.
- [2] Motrich E L 2015 Modern features of population reproduction in the Far Eastern Federal District. *The bulletin of the Far Eastern Federal University. Economics and Management* vol. 3(75) pp. 54–71.
- [3] *The concept of demographic policy of the Far East for the period up to 2025*, <http://government.ru/docs/28228/>, last accessed 2018/04/01.
- [4] *Decree of the President of Russia “On approval of the Russian demographic policy concept for the period up to 2025”*, <http://www.kremlin.ru/acts/bank/26299>, last accessed 2018/04/01.
- [5] *Demographic Yearbook of the Russian Federation 1993*. Goskomstat, Moscow (1994).
- [6] *Population of the Russian Federation by regions*, [https://en.wikipedia.org/wiki/List\\_of\\_federal\\_subjects\\_of\\_Russia\\_by\\_population](https://en.wikipedia.org/wiki/List_of_federal_subjects_of_Russia_by_population), last accessed 2018/04/01.
- [7] *Population of the Russian Federation by regions. Federal state statistics service*, [http://www.gks.ru/wps/wcm/connect/rosstat\\_main/rosstat/ru/statistics/population/demography/](http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/ru/statistics/population/demography/), last accessed 2018/04/01.
- [8] *Preliminary estimate of the resident population as of January 1, 2018 and on average for 2017*, [http://www.gks.ru/wps/wcm/connect/rosstat\\_main/rosstat/ru/statistics/population/demography/](http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/ru/statistics/population/demography/), last accessed 2018/04/01.
- [9] Motrich E L 2017 Far East in Russian demography: trends during reform *Spatial Economics* vol. 3 pp. 133–153.
- [10] Shcherbakov D 2018 *Escape that failed to stop*, <https://www.eastrussia.ru/material/neostanovlennoe-begstvo>, last accessed 2018/04/01.
- [11] Shcherbakov D 2018 *The outflow of the population is difficult to explain*, <https://www.eastrussia.ru/material/ottok-naseleniya-vykhodit-iz-pod-obyasneniya/>, last accessed 2018/04/01.
- [12] Mkrtchyan N 2018 *How to manage Far Eastern migration process?*, <https://www.eastrussia.ru/material/dalnevostochnaya-migratsiya-kak-upravlyat/>, last accessed 2018/04/01.
- [13] *Real average monthly salary of workers by regions of Russian Federation (2000-2016)*, [http://www.gks.ru/wps/wcm/connect/rosstat\\_main/rosstat/ru/statistics/wages/](http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/ru/statistics/wages/), last accessed 2018/04/01.
- [14] *The Russian Federation’s population size and migration in 2015*, [http://www.gks.ru/bgd/regl/b16\\_107/Main.htm/](http://www.gks.ru/bgd/regl/b16_107/Main.htm/), last accessed 2018/04/01.
- [15] *The Russian Federation’s population size and migration in 2016*, [http://www.gks.ru/bgd/regl/b17\\_107/Main.htm](http://www.gks.ru/bgd/regl/b17_107/Main.htm), last accessed 2018/04/01.

- [16] *Demographic Yearbook of the Russian Federation* 1993. Goskomstat, Moscow (1994).
- [17] *Demographics of Russia*, [https://en.wikipedia.org/wiki/Demographics\\_of\\_Russia](https://en.wikipedia.org/wiki/Demographics_of_Russia), last accessed 2018/04/01.
- [18] *Population growth by regions of the Russian Federation in January-February* 2018, [http://www.gks.ru/free\\_doc/2018/demo/edn02-18.htm](http://www.gks.ru/free_doc/2018/demo/edn02-18.htm), last accessed 2018/04/01.
- [19] *Population growth by regions of the Russian Federation in January-February* 2018, [http://www.gks.ru/free\\_doc/2018/demo/edn02-18.htm](http://www.gks.ru/free_doc/2018/demo/edn02-18.htm), last accessed 2018/04/01.
- [20] *Sex and age structure of the Russian population*, <http://fb.ru/article/271547/polovozrastnaya-struktura-naseleniya-rossii>, last accessed 2018/04/01.