

# Impact of globalization of the world economy on the transboundary labor migration in the Russian border region Karelia



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*Labor migration in the border region is one of the important processes of interaction of neighboring countries. This process intensifies in a globalizing world economy. The article presents a study of international labor migration from the Republic of Karelia, Russia. The article presents the Karelia's labor migration and make an analysis of how well they correspond to the world trends of labor migration; highlights of the institutional conditions for migration of population in Karelia; the method of research and the results of the study; proposals for authorities in regulation of migration flows at regional level in a globalizing world economy.*

## Introduction

Compression of space and accelerated processes in recent decades – is a feature of socio-economic life of most countries. By the impact of the development of modern communications technology and transport the perception of distance and time has changed in people's minds. The world has become more compact, fast, and tending to a certain unity. This process of unity, which takes place in the world, could be called globalization.

Currently, millions of people annually cross the borders for various reasons. World economic and geographic space have their own networks of migration flows, migration has own infrastructure, people move in searching for a better life, depending on their material and social status. For some countries, migration became the norm of their functioning.

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Total reform of Russia after the adoption of independence led to the opening of external borders. This event has brought to the life of Russian citizens a lot of positive and negative consequences. This event reflected on one of the most important component of the economy – the labor market. Russia has become one of the participants of the global labor market due to international labor migration.

Along with the general increase in the number of migrants in the world have acquired great importance to these types of migrations, as transit, seasonal, casual, irregular, and there were new species, for example, frontier, business migration.

The main purpose of the article is reflection the results of study of international labor migration from Republic of Karelia with analysis of how well they correspond to the world trends of labor migration.

Interested in their development countries are taking steps at the invitation of foreign citizens, to carry out highly skilled labor and to perform work that does not require high qualifications mainly in non-prestigious and low-paid sectors of the economy that are not popular among the local population.

Among the key global trends in labor migration can be identified:

- increase the number of highly skilled migrants;
- labor migration from less developed countries in not prestigious and low-paid segments of the labor market in more developed countries;
- feminization of migration flows;
- increase of illegal migration and the shadow employment low-skilled and low paid labor force;
- development of mediation of employment abroad;
- weak protection of the rights of migrant workers at the national legislative level. (Population and globalization 2002, 132–135)

In the last decade in Russia, labor migration has also become more diverse in species and forms of temporary migration became dominant over the permanent, expanded the geography of migration flows, new forms of labor migration, such as commercial migration. (Population and globalization, 2002 132–135).

Republic of Karelia, located in northwestern Russia and has the longest border with the Finland – member of the European Union. This geographic position imposes its own specifics on the development of the region and determines the region for closer cooperation. Currently, there are lots of areas to be implemented in cross-border cooperation between the two countries, including migration and exchange of labor resources.

In the European Union with a view to closer cooperation between the neighboring territories were instituted Euroregions, uniting them for cooperation in various fields of activity. The practice of creating such regions has been widely developed in Europe and established itself at a high level. Currently, the European Union is attempting to implement this model of cooperation is already on the external borders of a united Europe. Due to this purpose, at the eastern border was created Euregio Karelia, including the territory of the Republic of Karelia and the three Finnish provinces adjacent to the state border with Russia Federation (Euregio Karelia and the Future of Cross-border Co-operation 2004, 44). The establishment of such an institutional environment conducive to the development of bilateral contacts and is a direct manifestation of globalization of world economy at a particular territory. Border region, due to its geographical position, more susceptible to the effects of globalization than the domestic territory.

Socio-economic situation in Karelia pushes certain segments of the population to seek alternative and additional sources of income, including by working abroad.

The regulation of these processes nowadays does not cover all possible directions. The main activities of regulation of the migration flows include:

- activities to prevent the outflow of highly skilled professionals;
- programs to encourage the return of specialists in rural areas;
- the federal program for the return of compatriots from the Post-Soviet and other countries. (The regional target program «Improving the demographic situation of the Republic of Karelia for the period 2008–2010's and 2015»,

2008, <http://www.gov.karelia.ru/Legislation/lawbase.html?lid=3635>)

Other categories of potential labor migrants are left without sufficient attention of migration policies.

Purpose of this study is to validate the direction of improvement of regional migration policy of the Republic of Karelia in the field of labor migration and optimization of the structure of employment of the population in Karelia.

In the case of the Republic of Karelia about the impact of globalization on the regional labor market can be said, judging by the migration. The impact of globalization is significant, on the one hand, increasing the flow of migrant workers to foreign countries, primarily in Finland, as well as the steady flow of migrant workers to the metropolitan regions (Moscow, Saint-Petersburg) that are centers of attraction for the activities of transnational corporations and other entities of the world economy. The impact of globalization affects negatively on the employment potential of the republic, because at this time considerably exceeds the outflow of the workforce over its tributaries, in addition, the quality of migrant workers leaving Karelia, more highly in terms of educational attainment than those arriving migrants (Karelia in Figures 2005, 2006, 87-88).

It is important to note that the impact of globalization on the migration process is not limited in the economic sphere, it also affects the social, cultural, religious, educational and other matters of migrant's life.

## Methods

Studies of international labor migration in the Republic of Karelia are part of the study of cross-border cooperation in the Republic of Karelia. One of the factors influencing labor migration is the globalization. And in this case it is possible to describe the cross-border labor migration on the basis of the empirical data in terms of global trends in migration processes.

There are 684,200 people in the Republic of Karelia, so it was decided to find 400 labor migrants for our survey.

The study was conducted with the help of a sociological survey target group of labor migrants, and as we look at statistics of the particular circumstances and lifestyles of a population group, a representa-

tive sample should be replaced by target in which the number of groups of interest to us will be sufficient for a more particular analysis.

We applied the snowball method, when one labor migrant advice us another one and also we have used the social networks over the Internet to search people from Karelia who have worked abroad.

The author developed a questionnaire consisting of 27 questions of different types: open, closed and combined. Issues related to age and gender characteristics, education level, main occupation, the frequency and timing of migration, satisfaction with material prosperity and other benefits of working abroad, as well as intention to continue to labor migration with its reasons. The survey was collected and processed 400 questionnaires, data were entered into a computer program for statistical data processing SPSS 11.0, which made the primary data distribution and using the Excel program are processed and presented in graphical form.

## Results

The most mobile in terms of labor migration group of the population is youth (table1).

Among the global migration trends released feminization of migration flows. The results of the study among migrant workers, women accounted for 73% of respondents. These data fit into the global trends. These results relate to the structural weaknesses of the regional labor market, in which it is hard for women to find a job, including part-time or seasonal employment. And besides, women have proved to be more conscientious and hardworking employees in the for-

ign labor market, especially in the secondary sector, where low prestige work is dominated.

The research among labor migrants released several groups of marital status: never married 79%; married 18%; divorced 2%; widow/widower 1%. Most labor migrants were not married, it says that family ties restrict people from migration and impose additional costs for the migration of the entire family, when it is possible that one spouse has a job on place of a residence and does not want to lose it. Families oriented for permanent migration are exception from this thesis.

Karelian labor migrants have high levels of professional training. Thus, 37% of respondents have a high education, 36% have incomplete higher education and 16% have secondary education. It should be noted, however, that a high proportion of migrants with higher education rather suggests that this category of the population is more mobile and has information about employment opportunities abroad than about great stream of intellectual migration.

The results of the survey revealed the major types of employment of our workers abroad, among them found an absolute predominance of low-skilled and low paid jobs in agriculture and construction (in the poll allows multiple choice answers, table 2).

These results indicate that foreign labor markets Karelian migrant workers needed to fill in missing labor in seasonal occupations, which primarily include agricultural work.

Most migrant workers (60%) travels once a year and 48% of respondents average duration of work abroad is 30 days. These data indicate the predominance of short-term seasonal migrations.

A significant improvement in their financial situation as a result of working abroad noted only 34% of migrants, while a slight improvement is typical for 59% of respondents, and 7% answered that did not improve his financial situation. Based on the above three results, we can say that work abroad is the additional earnings for the core group of labor migrants of the Republic of Karelia.

The vast majority (92%) of Karelian labor migrants is working in Finland, the share of other countries is very small and does not play an important role in the migration processes of the republic. This demonstrates the specificity of the border region, where geographic location is crucial. In this case, minimal transportation

Table 1. Age structure of the Karelian migrant workers, %

Age, years	%
18-22	58
23-27	32
28-32	4
33-37	2
38-42	2
43-47	1
48+	1

Table 2. Employment structure of Karelian migrant workers, %

Types of work	%	Total
farming	80	319
collection of wild nature's gifts	24	97
construction	6	22
handymen	5	20
qualified job	4	14
interpreter	5	19
personal tutor	4	14
another	3	10
transport services	2	8
housekeeper	2	7
international car's seller	1	3
lecturer	1	3
trade	0	1
science	0	1

and time costs, which play an important role especially for short-term, seasonal labor migration.

The results of the answer to the question of concluding a contract for employment are very interest. It is this aspect helps us to determine the proportion of legal migrant workers with an employment visa, with the conclusion of the contract and payment of taxes in favor of a foreign state.

These results suggest the predominance of employment in the shadow area of the foreign labor mar-

Table 3. "Have you signed a contract of employment?", %

Answers	%
yes	43
no	57

Table 4. Benefits of working abroad, %

Assessing of respondents	low	below middle	middle	above middle	high
material well-being	4	6	26	32	32
lower socio-economic risks	11	19	37	20	13
sense of independence and freedom	11	17	29	22	21
expansion of business and personal contacts	4	8	24	32	32
psychological stability	14	21	32	22	11

ket. Since this often involves a weak social and legal protection for migrant workers (table 3).

Impact of globalization on regional labor migration are also manifested in the fact that thanks to its workers, while remaining citizens of the state may make temporary cross-border movement for work on more attractive terms for them. The high proportion of respondents (61%) said that, if other things being equal, would prefer to work in Russia, indicating their patriotic sentiments and they use foreign labor market only to improve their material and social opportunities, but not as a way for a possible change place of residence.

In assessing the benefits of working abroad as well as material well-being (32%) relatively high percentage of respondents who had acknowledged the expansion of business and personal contacts (32%), and work abroad can help to feel more independent and free (21%), lower socio-economic risk and a sense of psychological stability (table 4).

The process of labor migration carries with it certain advantages and disadvantages that accrue to the person as additional positive or negative incentives of working abroad. Among the additional benefits is allocated travelling, the mastery of foreign languages, expanding the circle of communication, cultural development, etc. The process of labor migration should not be viewed only from the standpoint of economic efficiency. Should study in detail the social factors of labor migration, which are important because they allow you to get some experience for people. Among migrant workers are people engaged in labor migration is not to earn money, but to travel, language study, recreation, cultural development, to the so-called labor and educational tourism. And these people, despite the low material increment of income, positively comment about their trip, often they have many good experiences and emotions.

## Conclusions

In general, the impact of globalization on the migration processes of a given region is difficult to assess in concrete terms. However, we can't deny its essential role in cross-border movements of labor resources. Consequently, regional policy in the sphere of labor migration should take into account the impact of globalization and to take actions for more efficient use of region's labor potential. Formation of a flexible demand on the regional labor market, creating new jobs, providing seasonal employment – are only the main areas for more effective management of outgoing labor migration. Immigration policy in this area should be integrated into the overall socio-economic policies in the region and, in particular, in the management of employment.

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## Senioriseminaari 2010



Senioriseminaari 2010 pidettiin Kirkkohallituksessa Helsingissä 21.5. Tapahtuma toteutettiin Ulkosuomalaisparlamentin istunnon yhteydessä jo viidennen kerran. Seminaarin järjesti Suomalaiset Seniorit Maailmalla -työryhmä ja siinä ovat edustettuina Suomen Merimieskirkko ry, Suomi-Seura ry, Kirkkohallituksen Ulkoasiain Osasto ja Siirtolaisuusinstituutti. Seminaarissa esitelmöivät muun muassa suunnittelija Anne Virkkunen (kuvassa vasemmalla), Vanhus- ja lähimmäispalvelun liitto ry, ja seniorineuvoja Helena Balash, Suomi-Seura ry. Kuva: Elli Heikkilä.