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The impact of labor emigration on the demographic and economic development of Georgia in the post-Soviet period

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CARIM-East Research Report 2012/29



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CARIM-East
Creating an Observatory of Migration East of Europe

Research Report
CARIM-East RR 2012/29

**The impact of labor emigration
on the demographic and economic development
of Georgia in the post-Soviet period**

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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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- 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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Abstract

The deep economic, political, social and cultural crisis faced by Georgia in the post-Soviet period negatively affected the territorial mobility of the population. A catastrophic reduction in the resources required for demographic growth led to sub-replacement fertility. At this point, emigration processes of extremely unnatural intensity, including labour migration, became of the greatest importance. The authors stipulate that a reduction in the negative impact of labor migration on the demographic situation will result in a switch from sub-replacement to replacement level fertility. In the post-Soviet period the Georgian economy collapsed, standards of living deteriorated and many people went to work abroad. Despite the numerous difficulties associated with emigration, its impact on the economy of Georgia was multilateral. Remittances sent by labour migrants to their home country are an important source of poverty reduction for Georgia. Their impact on small business development is positive. In Georgia, the unemployment rate has fallen and there have been positive structural changes in the balance of labour demand and supply. As discussed in the present paper, the harmonization of economic and migration policy includes many important reforms, including the facilitation of the migrants' return.

Preface

Georgia has experienced many issues typical of migration in post-Soviet countries. However, Georgia's experiences stand out given its geopolitical, ethno-political and demo-economical specificity. These require special study and scientific evaluation in with the context of the global migration situation.

In the first years after the collapse of the Soviet Union and the restoration of Georgian independence, the country saw a number of important changes: the disruption of economic ties with former Soviet republics, including Russia; the complex contradictory process of the formation of market relations; isolationist policies pursued by Russia; ethno-political conflicts; and the civil war which directly affected the economy and which led, in turn, to economic collapse, which meant an important demographic depression and waves of emigration. In addition, Russia occupied a large area of Georgia and the Russian-Georgian war took place, which further aggravated the situation. As a result, the northern border was closed, while the southern border with Turkey was thrown wide open. This had a peculiar effect on: the level of social and economic revitalization of internal regions; the ethno-regional internal situation of the country; and, in general, on external and internal migration processes, the migration behavior of mono-and multi-ethnic demo-regions, something which require scientific analysis and summary.

Statistical data on migration in Georgia is very limited and has proved insufficient for a full scientific analysis. Lack of data results in varying estimates of the number of labour emigrants. Based on the existing estimates, we assume that the number of emigrants varies between 350,000 and 500,000 and in our calculations we will use both the minimum (350,000) and the maximum (500,000) estimates.

Despite the many publications describing emigration in Georgia, the impact of emigration on the demo-economic dynamics of the country as a whole has not yet been analysed and summarised. Changes in demographic and economic indicators related to labor emigration have not been assessed.

In this publication we attempt to determine the impact of labour emigration on the demographic and economic development of Georgia in comparison with the general population and emigration developments. Radical changes in the demographic behavior of labor migrants are considered as conditional as well as related demographic losses. We also consider the role of remittances in mitigating the demographic crisis. We understand that the study of changes in the demographic behavior of Georgian labor emigrants requires a special in-depth study of its own, a study which is not yet available. Nevertheless, based on other studies on labor emigration we have attempted to identify a tentative model of demographic behavior and, based on this, we have attempted to give an approximate estimate of demographic losses.

The Georgian labour market loses mobile, high-quality labour force through migration. But, at the same time, the number of unemployed in the intra-regional markets has been drastically reduced and the mismatch between supply and demand has become less evident. Remittances, meanwhile, fulfill the function of a shock absorber. They fuel the development of small businesses in the economic growth of Georgia. The main objective of our work is to analyze this tendency based on existing statistical data and scientific research.

Particular trends in the demographic development of Georgia in the post-Soviet period

The demographic development of Georgia in the twentieth century did not proceed smoothly. Population changes were caused by political upheavals and instability that greatly influenced the population of Europe, i.e. world wars, ethnic conflicts and economic crises. In this period, an absolute decline in the population of Georgia was observed three times: during the First World War (1914-

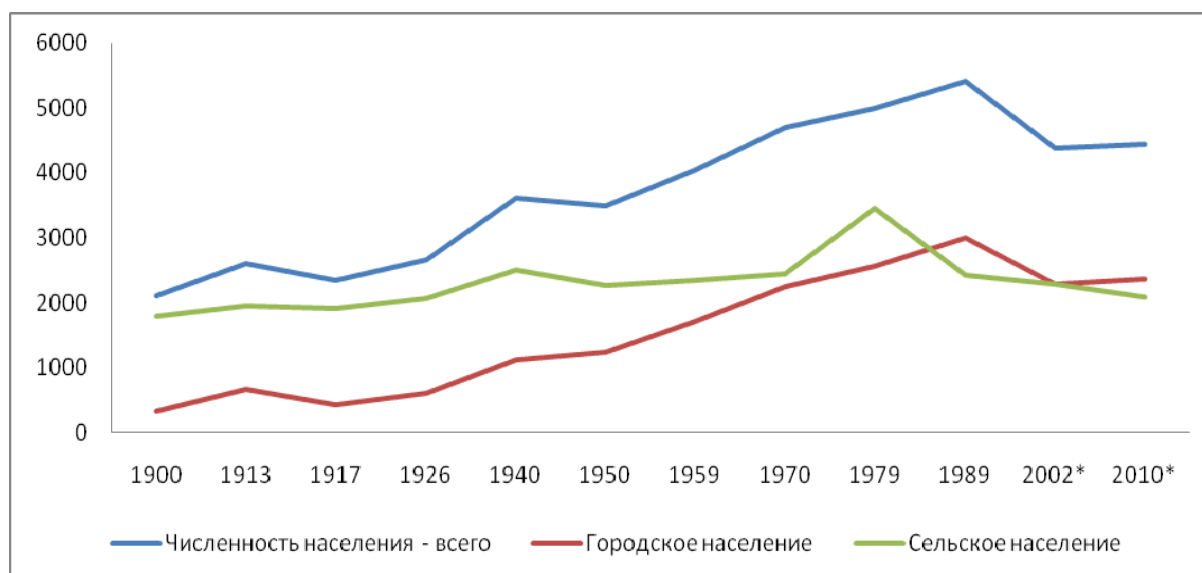
1918), when the population decreased by 263,000; during the Second World War and in the post-war period (1940-1950), when population decreased by 196,000; and in the post-Soviet period between censuses (1989-2002), when the population of Georgia fell by one million.

In the post-Soviet period Georgia's demographic development has been characterized by three major trends: 1. depopulation; 2. accelerated ageing of the population; and 3. intensive emigration.

Absolute decline in population. Absolute population decline in the post-Soviet period is one of the major demographic trends, as for the past 100 years no massive reduction in population has ever taken place. Experts note that this decline in Georgia has continued to the present. According to their calculations, in 2010, in comparison with 2002, the population of Georgia fell by 210,600, though official statistical data claim that during that period population stabilized¹.

A peculiar feature of the population dynamics of Georgia is that during the post-Soviet period the urban population was reduced to a greater extent than the rural population. According to the 1989 census, the urban population of Georgia was 55.4%, while the rural population stood at 44.6%. In 2002, the ratio was at the same level as in 1980. In particular, the share of the urban population was 52.3%, while the share of the rural population was 47.7%. This was due to the higher intensity of emigration from cities in comparison with rural areas in the post-Soviet period.

Chart1. Dynamics of Georgian population in the twentieth century (in thousands)



Source: National Statistics Office

* without occupied territories.

As noted above, in the post-Soviet period the main cause of population reduction was the deep economic and political crisis (war, ethnic conflicts) in Georgia in the 1990s. This, in turn, led to a sharp decline in natural increase and intensive permanent and **labour emigration**. In the period under consideration, emigration decline was much bigger than natural increase. Therefore, we can conclude that in this period emigration processes were the determinant factor in population decline.

Fertility. In the 1990s the number of births in Georgia decreased by almost half when compared to the 1980s. This index decreased especially among the rural population (approximately by 2.5 times) due to a catastrophic deterioration of living standards and exceptionally high internal and external

¹ Demographic Yearbook of Georgia, 2010. Tsuladze G. Maglaperidze N., A. Vadachkoria UNFPA, Tbilisi.

emigration. Reduced fertility was observed in women of almost all age groups, but in particular among women aged 20-29. This was also, in part, due to the later entry into a state of marriageability.

In the last intercensus period (1989-2002) the average age of men contracting his first marriage increased from 27 to 29 years. The average age of women, meanwhile, contracting her first marriage increased from 24 to 25 years. Naturally, the average age of women giving birth to a first child also increased (from 24 to 25 years), as well as the average age of women giving birth to each subsequent child. Overall, in this period, the average childbearing age increased from 25.8 to 26.5 years due to postponed marriages and due to postponed childbirths.

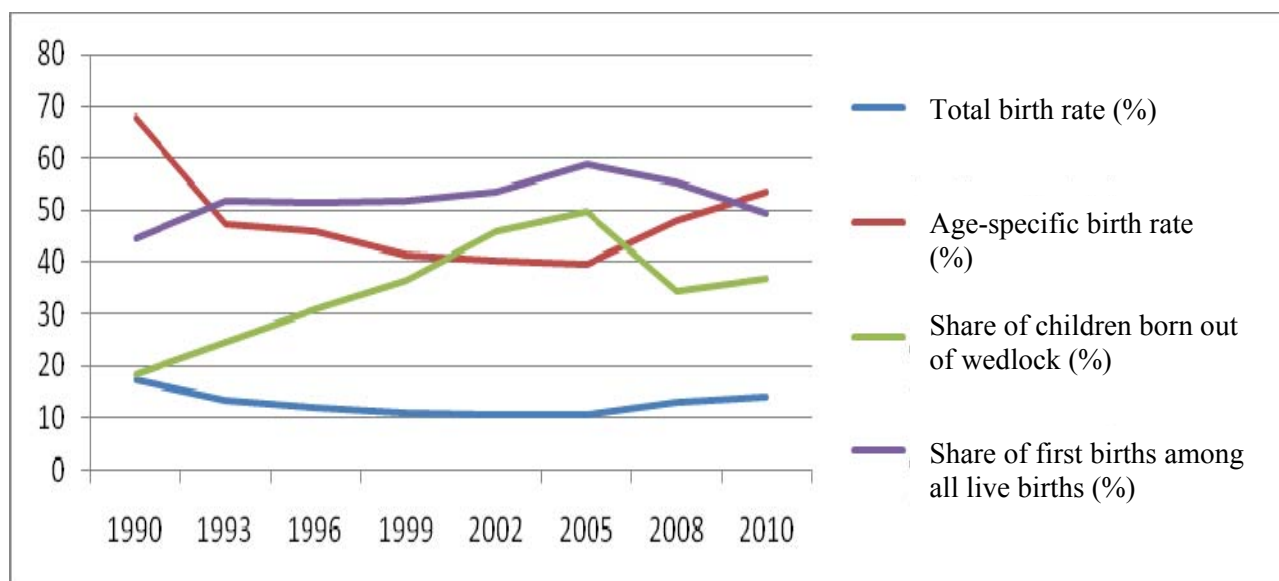
According to calculations, in 1989 Georgia's prospective birth rate stood at 36.6%, while in 1990, due to a sharp drop in the birth rate, this figure decreased by 5.1 percentage points. Therefore, the prospective birth rate of the country's population was achieved only by a quarter (25.5%) of the population².

Among those born in this period almost two-thirds of births were first-born children. Their share was particularly high in 2007: 60.6%. In 2005, the total birth rate dropped to 1.39. The lowest figure in the last half century.

At the same time, one of the features of the post-Soviet period is the rise in births outside of wedlock. In 2006, this number reached its highest level (54.4%). The share of children born outside marriage climbed to 44.7% of the total birth rate (in 2002) vs 18.1% in 1989³.

To summarize, as a result of continued downward trends in the number of births, the fertility rate in Georgia reached a sub-replacement level.

Chart 2. The dynamics of birth rates in Georgia in 1990-2010



Source: National Statistics Office

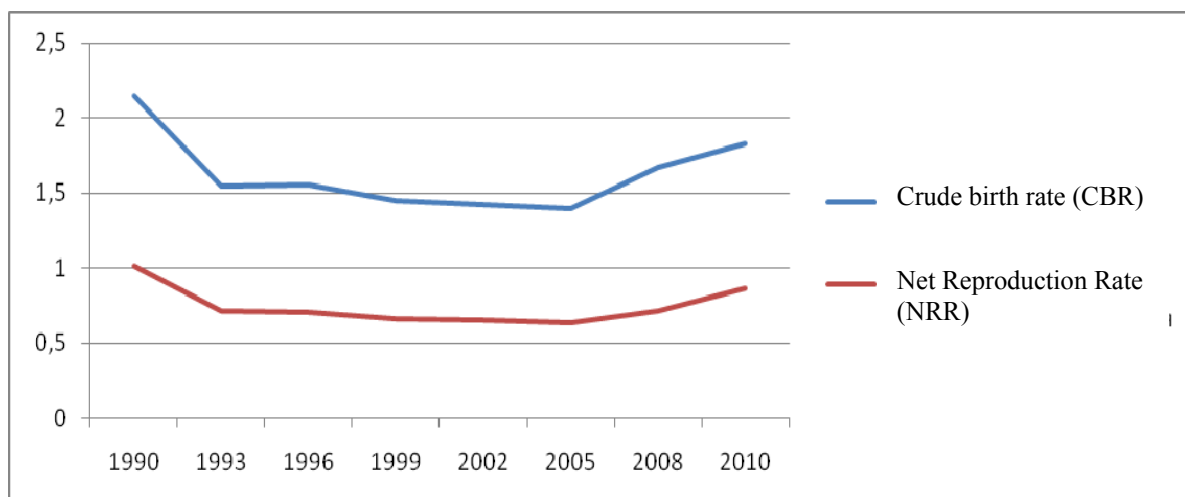
Naturally, the trend of declining birth rates was noticed by Georgians and debate began about how to improve the situation. In 2008, the Catholic-Patriarch of all Georgia Ilia II announced publicly that he would become the godfather for every third and subsequent child in the family. This statement has had a certain impact on the demographic aspirations of the population.

² Meladze G. Demographic challenges in Georgia. Tbilisi, "Universal", 2007, pages 39-40 (in Georgian).

³ Meladze G. Demographic challenges in Georgia. Tbilisi, "Universal", 2007, page 66 (in Georgian).

Living standards have also improved. Postponed births played their role here. Reverse processes in childbirth emerged. Among those born between 2008-2010 the share of the second and third births increased. In particular, 2007 vs 2010, the share of second births increased from 29 to 36%, and third births from 11 to 15%. This stimulated “postponed” childbearing and the post-Russo-Georgian-war demographic wave of 2008. An increase in resources required for population growth slowed the process of depopulation observed in Georgia since 1993. Zero population growth (ZPG) was replaced by a slight increase. The switch from sub-replacement to replacement levels has started in Georgia. For example, if in 2008 girls could replace only 72% of the generation of their mothers, in 2010 this figure reached 87%.

Chart 3. Dynamics of Crude Birth Rate and Net Reproduction Rate in Georgia in 1990-2010



Source: National Statistics Office

As noted, the transformations in post-Soviet times, uncertain employment prospects and low income has had an impact on the reproductive behavior of women, as the number of children desired in the family also changed. Some researchers state that, according to a Tbilisi-based study, in 1989 the number of children desired was 3.7 children per family, while in 2007 it was 2.5 children⁴. In 2009 among married women the figure was 2.4⁵. In 2005-2007, when the demographic aspirations of students were studied, it was demonstrated that the number of expected children was almost two times less than the number of desired children⁶. According to respondents, a major hindrance to childbearing is low quality of life (unemployment, low income). Therefore, we cannot agree with those researchers that concluded that in 2006-2009 the main reason that women’s reproductive expectations were not fulfilled was their age, education and employment, rather than poor economic situation of surveyed families⁷. Such a conclusion would be acceptable for a developed economy with a high standard of living where demographic development in a given period occurred in an evolutionary way. But it would be foolish to ignore the economic factor in the demographic growth of the population in a country that went through a deep post-Soviet crisis at a time of world depression and that survived the 2008 war with Russia.

⁴ Lordkipanidze V., A. Totadze ‘Nation must save the nation: The demographic situation in present-day Georgia’. Tbilisi, “Universal”, 2007, page 78 (in Georgian).

⁵ Generations & Gender Survey in Georgia. II Wave Report. UNFPA. Tbilisi, 2010.

⁶ M. Shelia. Attitude Towards Demographic Behavior in the Period of Economic Crisis in Demographically Aged Georgia. “Social-Economics Problems in Transition Countries”. (collection of Scientific Works, Research papers and Articles). “Universal”, Tbilisi, 2008, p. 14

⁷ Generations & Gender Survey in Georgia. II Wave Report. UNFPA. Tbilisi. 2010. p.70 (in Georgian.).

In the post-Soviet period the demo-economic development of Georgia was very specific. In terms of economic development, it was a developing country, while its fertility replacement level was close to that of highly-developed countries. This peculiar feature has been stressed by Georgian researchers⁸. This feature implies that a sharp decline in birth rates and replacement level are largely due to intense emigration. The main causes of ultra-high emigration are, as has been noted, the profound economic crisis and the unstable political situation.

Impact of labour emigration on natural population movements

A decrease in the intensity of labour emigration may potentially improve the population replacement level in Georgia. Especially considering the fact that some women born in the 1990s have now entered reproductive age.

In 2009-2011 when we coordinated and implemented a study on the reintegration of returning migrants, using an “in-depth interview” method, we also evaluated marital status, reproductive behavior and health-related issues of migrants during the migration period. The study demonstrated that emigrants’ birth rate was very low and that the total birth rate was not more than 2‰. Of course, reliable conclusions cannot be made based on the information obtained from a small number of respondents (204 persons). Nevertheless, this study may give a general idea about the birth rate. According to our estimates, which are based on the statistical account (registration) of labor emigrants and expert assessments between 350,000 and 500,000 Georgians are currently labour migrants. Of these, at least 43% are women. If the total birth rate is calculated only for the actual population in Georgia, the value is greater than the official statistics. For example, in 2010 the total birth rate, according to official statistics, was 1.83. According to our calculations, in the population it reached between 2.053 and 2.12. Consequently, if women labor emigrants stayed at home, the number of births in Georgia instead of 62,585 would have stood at between 70,211 and 72,502 children. The rate of natural increase, then, instead of 3.4 ‰, would have stood at between 5.9% and 6.5 ‰, while the net replacement rate would have been 1 instead of 0.87. Thus, in the absence of labour emigration, fertility in Georgia would have been higher than the replacement-level.

Table 1. Change in birth rates and natural increase, including labor migration in 2010

| | Official statistical data | Assumed change in indicators in absence of labour migration | |
|--|---------------------------|---|--|
| | | I option (350 thousand labour emigrants) | II option (500 thousand labour emigrants) |
| Crude birth rate | 1.83 | 2.05 | 2.12 |
| Natural increase, (‰) | 3.4 | 5.9 | 6.5 |
| Number of births, (thousands of people) | 62.6 | 70.2 | 72.5 |

Labor emigration heavily affects emigrants’ health, including reproductive health. 87% of respondents said that they were in perfect health before their departure, including 84% of women. While being away from the country, only 55% considered themselves healthy. Every third woman said that her health had deteriorated abroad. After their return to Georgia only 53% considered themselves healthy.

⁸ Pirtskhalava G. Key passages of a demo-political study. Journal "Ganatileba, Metsniereba, Business", 1997, IV (in Georgian).

The health conditions of almost half of emigrants worsened. Respondents noted that a heavy work load and the chronic uncertainty of an illegal emigrant made them neurotic. Below is a typical example:

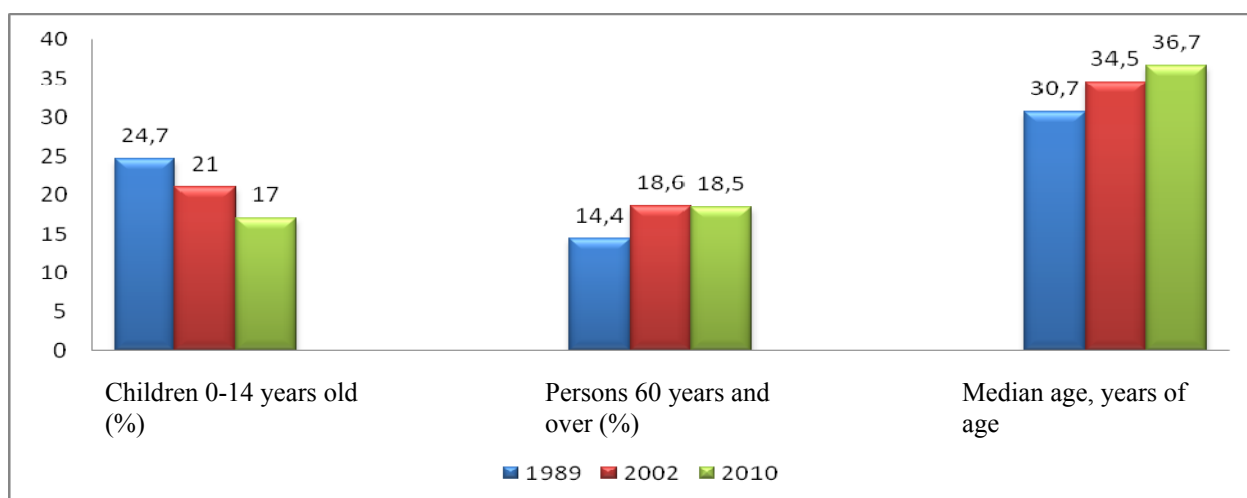
“In Greece I worked as a family maid. My working day lasted at least seventeen hours. In five years, I did not sleep well even for one night. At any time of the day they could call for me. After returning to Georgia I used to wake up during the night and jump out the bed thinking that somebody had called for me again. When I realized that I was in my own house, in my own country and nobody had waken me up, I felt like the happiest person alive. I was treated for neurosis for three months after my return.”

Stories of illegal emigrants are similar to the one mentioned above. It is worth mentioning that half of the respondents were not treated properly after their return due to the lack of funds. As a result, Georgia faces a significant decline in both demographic and labor potential. We believe that unless the intensity of labor emigration is dealt with, Georgian population replacement tendencies, human capital conditions and the economic potential of the country will not be improved.

Impact of labor emigration on population ageing

Intensive emigration accelerated the ageing of the Georgian population as most of the relative young people have left Georgia. Between 1989 and 2010 the share of those 60 years and over increased from 14.4 to 18.5%. High rates of demographic ageing observed in the 1990s have not taken place before. Based on the classification of Professor J. Schmid, the fourth model of demographic ageing has come to pass in Georgia. It is characterized by the “*Paradox of demographic transition*”, i.e. low fertility, typical for the developed countries of modern Europe, and low life expectancy (about 10 years shorter), typical for Europe right after the Second World War⁹.

Chart 4. The change in ageing indexes in the post-Soviet period, 1989-2010



Data in Chart 4 shows that in 2010 the median age of the Georgian population was 36.7 years an increase of six years when compared to 1989.

Population ageing in Georgia is also characterized by a decreased (and not an increased) age dependency ratio. In parallel to the deformation of the age structure between 1989-2002 aged dependency ratio increased significantly, while child dependency ratio became much smaller.

⁹ J. Schmid. Aging population: dynamics, social and economic impact on families, communities and society as a whole. Regional Meeting on Population. Budapest, December 7-9, 1998

Table 2. Change in age dependency ratio during the post-Soviet period in Georgia (%)¹⁰

| Years | Child dependency ratio | Aged dependency ratio | Total dependency ratio |
|-------|------------------------|-----------------------|------------------------|
| 1989 | 37.4 | 13.3 | 50.7 |
| 2002 | 31.6 | 19.2 | 50.9 |
| 2010 | 24.6 | 20.1 | 44.8 |

At this stage the ageing of Georgian population happens not from the “bottom” or “top” but from the “middle” due to the intense emigration of middle age population. Accordingly, if previously – thanks to birth rates in some regions of Georgia which were above replacement level (Adjara and Kvemo Kartli) – a relatively young age structure existed, currently all demographic regions of Georgia have grown older. There are also demographically “aged” regions (Racha, Guria). In the most aged region of Georgia called Racha, where many “long-livers” reside, there are municipalities (Ambrolauri) with a median age of 50. This kind of situation is rare in the world. The inhabitants of rural areas in the region of Imereti are also of a certain age. It should be noted, however, that at some point a high level of elderly citizens was a factor that limited emigration. For example, in 2005, the study of labor and potential emigration in the region demonstrated that every fifth respondent stated that s/he could not migrate as they had elderly parents (“*I cannot leave my elderly parents*”)¹¹.

Overall, the share of aged persons in migration flows is generally low. Thus, according to the Georgian Census of 2002, the share of those aged 60 years and over among emigrants was 6%. According to a sample study implemented by the National Statistical Service, in 2008 their share was 4%¹².

Because the work capacity of aged people is low, their share among labour emigrants is low, seemingly below 1%. Elderly people receive remittances sent by labour emigrants to their family members in Georgia. And the special role of elderly people in raising labor emigrants’ children should be noted.

As the ties between the generations in Georgia are quite close, most seniors are not alone. It should be mentioned that 50% of men and 56% of women live together with their children over 25 years old¹³. Naturally, in these kinds of families older people are actively involved in the education of children, while in the families of labor emigrants raising children is almost entirely their responsibility. The presence of “young elderly” in families is a factor supporting labor emigration.

As a result of labor emigration, the rate of ageing in those remaining in Georgia is very high. According to our estimates, those 60 years and over stands at about 21-22%.

Ethnic regions and labour emigration

Statistical information on labour emigration has not been sufficiently analyzed in the context of ethnic regions, though this information is vital for development. Policies of ethnic tolerance, actively pursued by the authorities, cannot bring even tentative results unless emerging ethnic structures are studied thoroughly. In general, emigration processes, including labour emigration, affect the evolution of ethnic structures, relations between ethnic groups and national consolidation. If a society is not aware of those

¹⁰ Child dependency ratio is the correlation between the number of people aged 0-14 and the number of people aged 15-64. Aged dependency ratio is the correlation between the number of people aged 65 and over and the number of people aged 15-64.

¹¹ Berulava N., 2001. Migration Processes in Mining Regions of Georgia. Tbilisi (in Georgian).p.14.

¹² Report on migration study. 2008. National Statistics Office, p. 14 (in Georgian)

¹³ Generations & Gender Survey in Georgia. II Ware Report. UNFPA. Tbilisi, 2010, p.72.

issues, the situation is manipulated by imperialist forces, for example, for the purpose of annexation, incitement of ethnic conflicts and the creation of economic and political instability in the country.

Currently, official statistical data on labour emigration or immigration in an ethno-regional context is unavailable. However, sample studies can assist in determining certain principles, overall trends and summaries of the same.

Migration processes, in Georgia, are related to changes in the ethnic structure of the population. Changes in the ethnic structure of the population in the last century were determined by these processes (see Table 3)¹⁴.

Table 3. Changes in the national structure of the population of Georgia in 1800-2002 (in%) *

| Nationality | 1800 | 1832 | 1865 | 1897 | 1926 | 1939 | 1959 | 1970 | 1979 | 1989 | 2002 |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Georgian | 79.4 | 75.9 | 73.8 | 69.4 | 66.8 | 61.4 | 64.3 | 66.8 | 68.8 | 70.1 | 81.5 |
| Abkhazian | 6.6 | 6.3 | 4.6 | 2.2 | 2.1 | 1.6 | 1.5 | 1.7 | 1.7 | 1.8 | 1.5 |
| Ossetian | 3.7 | 3.6 | 3.6 | 4.2 | 4.2 | 4.2 | 3.5 | 3.2 | 3.2 | 3.0 | 1.7 |
| Russian | - | - | 2.0 | 5.3 | 3.6 | 8.7 | 10.1 | 8.5 | 7.4 | 6.3 | 2.1 |
| Armenian | 6.0 | 9.4 | 9.5 | 10.3 | 11.5 | 11.7 | 11.0 | 9.6 | 9.0 | 8.1 | 5.8 |
| Azerbaijani | 3.8 | 3.0 | 4.0 | 4.2 | 5.4 | 5.3 | 3.8 | 4.6 | 5.1 | 5.7 | 6.5 |
| Jewish | 0.1 | 0.8 | 0.9 | 2.0 | 2.0 | 2.4 | 1.8 | 1.9 | 1.9 | 1.9 | 0.3 |
| Greek | 0.1 | 0.8 | 0.9 | 2.0 | 2.0 | 2.4 | 1.8 | 1.9 | 1.9 | 1.9 | 0.3 |
| German | - | - | 0.3 | 0.4 | 0.4 | 0.3 | - | - | - | - | - |
| Ukrainian | - | - | - | - | 0.5 | 1.3 | 1.3 | 1.1 | 0.9 | 1.0 | 0.2 |
| Other | - | 0.5 | 0.7 | 1.1 | 2.4 | 1.9 | 1.4 | 1.4 | 1.4 | 1.6 | 0.4 |
| Total | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |

* Throughout Georgia, including the Abkhazia and Tskhinvali regions.

With the onset of the demographic transition a natural increase in ethnically diverse populations started and became differentiated and this, along with emigration, influenced the ethnic structure of the population.

Forced displacements that occurred during the ethnic cleansing of Abkhazia and the Tskhinvali region and their occupation, greatly influenced ethnic structures.

In the Middle Ages after the weakening of the Georgian state, there began the mass entry of non-indigenous ethnic groups from neighboring countries with unstable political situations. And these were consolidated in devastated border regions by raids. There was almost no integration with the local population, only compact ethnic settlement. However, in modern times, before Georgia joined Russia, the share of ethnic minorities did not exceed 20%. Annexation of Georgia by Russia at the beginning of the nineteenth century saw the gradual decrease of Georgians in the local population, and by the 1830s only 61% of the population were Georgian¹⁵.

¹⁴ M. Tukhashvili. Population Permanent and Labour Emigration in Post-Soviet Georgia. International Migration of Population in the Post-Soviet Territories: Two Decades of successes, mistakes and expectancies. M.: Verdy, 2011. – Vol. 25 p. 101.

¹⁵ M. Tukhashvili. Population Permanent and Labour Emigration in Post-Soviet Georgia. International Migration of Population in the Post-Soviet Territory: Two Decades of successes, mistakes and expectancies. M.: Verdy, 2011. – Vol. 25 p. 101.

In the post-Soviet period, when mobility increased greatly, the share of the indigenous population exceeded 80%. This was a direct result of economic and political disasters in Georgia.

As a result of the above mentioned situation, the impact of labour emigration on ethnic processes is connected to ethno-regional specificity, which can be summarized as follows:

- In the first years of the post-Soviet period the migration rate of ethnic minorities was higher. A study of 10,000 migrants implemented in 1993 demonstrated that the share of the indigenous population (Georgians, Abkhazians) in Georgia's negative migration balance was only 8.4%¹⁶.
- In this period permanent emigration was preceded by a lengthy period of labour migration concluding with family relocation.

Before the post-Soviet period intensive labour migration in Georgia was ethnically polarized and occurred only in the southern Georgia, in the region of Javakheti, where most are ethnic Armenians. At that time it was:

- In line with the border policy of the USSR, the area belonged to a “quarantine area” where movement was severely restricted and required a special permit. Due to “quarantine”, though the region developed demographically, there was no increase in the number of work places and people were mainly employed in agriculture. At the same time in some regions of the Soviet Union there was an acute shortage of skilled labor;
- Ethnic Armenians have a strong tradition of craftsmanship, a good ability to adapt to the alien environment and a reputation for hard work. There was a demand for this kind of labor in the undeveloped regions of Russia and the price of such a labor-force was quite high;
- In the post-Soviet period, when emigration intensity increased, local Armenians turned out to be more prepared and able to adapt easily to new conditions, especially taking into account that the geography of their emigration has not changed greatly. In 2003, in the study on labour emigration among the Akhalkalaki, Armenian respondents confirmed that they mostly emigrated to Russia¹⁷. The absolute majority (95%) continued, for purely economic reasons, to work in the Russian Federation in their traditional emigration regions.

In the second half of the 1990s, the share of Georgians in labour emigration increased. As a result of lengthy crises, after families sold their property and jewelry, their very survival was threatened. Hence, emigration intensified.

The main directions of labour emigration for Azerbaijanis are Russia, neighboring Azerbaijan and Turkey, the last being attractive for them for religious and linguistic reasons. Due to strained political relations between the Azeri and the Armenian population, there is no emigration of Armenians to Azerbaijan and Turkey and no emigration of Azerbaijanis to Armenia.

The number of Russians in Georgia was significantly affected by the collapse of the Soviet Union. In fact, the Russian population found themselves outside their ethnic territory and became an official Diaspora. According to the 1989 census, 74% of them could speak no language other than Russian¹⁸ even if according to the Georgian Constitution, Georgian has always been the national language. On the other hand, the economic crisis in Georgia was much deeper than in Russia, and living standards deteriorated dramatically disrupting economic ties. The exclusionary policies pursued by Russia inflicted great damage on Georgian industry, including machine building; typically industries where Russians were employed were developed. The emigration of Russians from Georgia took place in stages, first in the form of labour emigration, concluded later by permanent emigration. It should be noted that the government of Russia, at that time, was not keen on the repatriation of 25 million

¹⁶ Tukhashvili M. Migration of Georgian population. Tbilisi, 1996, p. 15 (in Georgian).

¹⁷ Labour Migration from Georgia. 2003, IOM. p. 24.

¹⁸ Population by nationalities. Stat. collection. The population census of 1989. Tbilisi, 1991, page 63 (in Georgian)

Russians from the diaspora, scattered throughout the former Soviet Union, and tried to restrain it¹⁹. The Russian approach has now changed and it has provided effective repatriation assistance.

Labour emigration is typical for refugees from Abkhazia and South Ossetia, that have been living in temporary settlements. We studied labour emigration among refugee families in regions of their most frequent settlement²⁰. Flows of displaced persons in their present areas of concentration, i.e. Zugdidi and Shida Kartli, created massive population pressure. Because of the difficult situation the local population started moving abroad with even greater intensity.

Before the collapse of the Soviet Union significant number of Ossetians living in Georgia were scattered through eastern Georgia and resided in Ossetian villages. With the collapse of the Soviet Union their intensive labor emigration to Russia began. The Russian-Georgian war, instigated by outside forces, ethnic conflicts, political tensions, the economic collapse of Georgia and the catastrophic decline in living standards had results here. The Ossetian population turned to the Russian Federation, initially in the form of labour migration and subsequently in terms of relocation there for permanent residence. Currently, a considerable part of the Ossetian population, including the Tskhinvali region, annexed and isolated from the rest of Georgia, have become labour emigrants working in the Russian Federation.

When studying spatial mobility, the issue of intensive labour migration across borders is of particular interest. It takes place both in the form of daily commutes and resettlement related to the duration of employment, i.e. labour emigration.

Ethnic factors play a role in the development of border migration. In labour migration directed towards Armenia only the Armenian population of Georgia is involved. Labour migration towards Turkey involves, instead, mostly Georgians of the Adjara Autonomous Republic, where in addition to geographical proximity, there is a certain part of the population that has preserved Muslim traditions.

Similarly, the vast majority of those going to work in Azerbaijan are Azerbaijanis.

The border with Turkey, sealed tightly during Soviet times, has currently a visa-free regime, facilitating the migration of both Georgian and Turkish citizens. The intensive growth of labour ties stimulated underdeveloped parts of Turkey and the emergence of a modern communication system, along with the economic, social and cultural revitalization of the Black Sea coast on both sides of the border²¹.

We think that a special study of the economic and labour integration of the two countries in the area (300 km) of Trabzon-Poti (or Trabzon-Anaklia) is needed.

It is expected that similar labour ties will be established after the launch of new communication lines – trains, modern roads... – between southern Georgia and surrounding regions.

After the rupture of diplomatic relations with Russia, severe restrictions on border crossing with the annexed regions of Georgia were introduced. In this difficult situation, the introduction of simplified visa regime with Russia for residents of the administrative Kazbegi region, located to the north of the Greater Caucasus watershed-ridge, became a bright spot in Russian-Georgian relations. In turn, this allowed local people to find a job and move to Russia, partially improving their social situation.

¹⁹ Tukhashvili M. Completion of migratory expansion and "new migration policy" of Russia, Tbilisi, "Universal", Tbilisi, 2009, page 37 (in Georgian)

²⁰ Tukhashvili M., Thoria M. Labor emigration of people forcefully displaced from Abkhazia. - In the collection "Migration" Vol. 3. Tbilisi, "Universal", 2009, pp. 86-97 (in Georgian)

²¹ M. Tukhashvili. Crisis of Urban Settlement in Georgia and the Ways of Its Overcoming. International Conference: Urban and Environmental Issues and Policies (Papers). Volume II. Trabzon, Turkey. 2010. p. 394-397.

The economic and social importance of such labour relations between the countries, in our view, requires special study and analysis, as it may become a good example of beneficial labour and economic relations between countries that are facing off militarily.

Impact of labour emigration on the formation and functioning of the Georgian labor market

The intensity of labor emigration is in direct relation to the state of the labour market. After the collapse of the Soviet Union change in labour relations and the formation of market relations in Georgia took place under special conditions. The authors identify its characteristic features, which have been reflected in the imbalance of supply and demand on the labor market.

The specific features of the formation and functioning of the Georgian labour market in the post-Soviet period can be briefly summarized as follows:

- a) economic collapse, catastrophic decline in living standards, an unprecedented decline in demand for labour;
- b) demographic depression, accelerated ageing of the population, decrease in the economically active population;
- c) excessively high unemployment, weak social protection for the unemployed;
- d) low cost of workforce, its incompatibility with the cost of living;
- e) inefficient employment;
- f) atrophy of sector-regional employment patterns, regressive development, doubling in the share of employment in agriculture;
- g) development of the education market not in line with the needs of the labor market, oversupply of specialists;
- h) widespread informal employment; increase in secondary employment;
- i) socio-economic collapse of single-industry mining regions, complete elimination of jobs in case of city-forming activities. Emergence of ultra intensive migration in these regions;
- j) emergence of large-scale forced migration (8% of the population of Georgia) due to the Russian-Georgian war, occupation of Georgian territories and ethnic cleansing;
- k) suspension of organized migration, weakening of its positive influence;
- l) development of high intensity emigration processes, etc.

Unemployment and highly inefficient employment in the post-Soviet period became the main reason for which one million permanent and 350,000-500,000 labour migrants left the country. Despite the fact that this number of working age population left the country, the unemployment rate in Georgia has recently increased, while the number of employed people has decreased (see Table 4)

Table 4. Unemployment rate in Georgia in 2003-2010 (in%)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|------------------------------|------|------|------|------|------|------|------|------|
| Unemployment rate in Georgia | 11.5 | 12.6 | 13.8 | 13.6 | 13.3 | 16.5 | 16.9 | 16.3 |
| including: | | | | | | | | |
| Urban population | 22.1 | 24.3 | 26.3 | 26.1 | 23.9 | 28.6 | 28.8 | 27.2 |
| Rural population | 4.1 | 4.2 | 5.0 | 4.8 | 5.4 | 7.1 | 7.8 | 7.9 |

* Source: www.geostatistics.ge

Despite investments, the number of the employed decreased and unemployment rose in Georgia, 2003-2010. It should be noted, however, that the low rate of unemployment in rural areas, in our opinion, is related to problems counting the unemployed: every household member capable of work, whose family had a plot of 0.5 hectares, was considered to be an employed person.

With the decline in the level of the mechanization of agriculture and with land fragmentation in the privatization process, labor productivity has quite significantly decreased and employment is incomplete. Therefore, 62% of all the employed in the country work in the agricultural sector, but these produce only 7.3% of GDP²². Thus, the real unemployment rate in rural areas is much higher and only slightly below the level of unemployment in the city (27.2%).

Presumably, labour emigration has never taken place but the actual number of jobs remains the same. In such a case we need to add the number of those who have left the country to the number of the currently unemployed. Thus, had 350,000 stayed in Georgia, the current unemployment rate would be 34%, and had 500,000 (the maximum estimate) it would have been 42.2%. With a poor level of social protection, when even 1% of unemployed do not receive unemployment benefits, this would have meant social catastrophe.

In addition to remittances, emigrants for their own needs consume abroad 2.2-3.1 billion dollars (516 dollars per emigrated person monthly). If all those people had joined the ranks of the unemployed back home, they would have become a very heavy burden on the working population.

The impact of labour emigration on migrants' professional qualifications

Existing statistical records and sample surveys of the professional/occupational qualification structure of the general population and labour emigrants do not provide complete information. However, sample studies contain certain information about the education level of migrants and their main occupations. One can estimate the educational potential of emigrants (years of study) and compare it with the educational potential of the Georgian population. One can also describe the human capital that has emigrated from Georgia, their employment potential and the extent of their success.

According to our calculations, the educational potential of the Georgian population (average number of years spent on educating one person over 15 years), according to the 2002 census, is 10.7 years, and, in the case of the employed 11.5 years. This can be considered an average figure for the post-Soviet period. The educational potential of labour emigrants calculated as a result of sample studies implemented this year, is 13.3 years.

²² Tsartsidze M. Recent trends of labor market formation. Labor market and the reintegration of returning migrants in Georgia. Study by the Center for Migration Studies of TSU. Head M. Tukhashvili. Tbilisi, 2011, page 17 (in Georgian).

Studies have demonstrated that the share of persons with higher education among labour emigrants is much higher than in the general population of Georgia. For example, according to the study of 2002, 42% of labour emigrants had higher education degrees²³ vs. 26.2% of the employed population. In 2009, 85% of those who returned to Tbilisi had higher education degrees, in 2011 this was true of 53% of those returning to two big Georgian cities, Kutaisi and Rustavi²⁴.

In immigration countries, labor forces with high labor and educational potential are employed in the secondary labor market receiving low wages and working at low-skilled jobs. As studies have demonstrated, few people refresh their skills and gain new qualifications abroad, in most cases their skills and knowledge are underused and they waste their qualifications. We must also consider knowledge and skills acquired when adapting to more developed social, organizational and economic environment during labour emigration. This might accelerate not only the development of entrepreneurship, but also the Europeanization of the country. The mastering of a foreign language is also of great importance.

According to our study, labour emigrants' occupations abroad are the following (see Table. 5).

Table 5. Emigrants by occupation in emigration countries (%)

| Employed | % | Employed | % | Employed | % | Employed | % |
|--------------------|----|------------------------------|---|--|---|-----------------|-----|
| Invalid tender | 14 | Car mechanic | 2 | Medical Doctor | 1 | Office employee | 1 |
| Babysitter/teacher | 4 | Seasonal agricultural worker | 3 | Nurse Paramedic | 1 | Other | 4 |
| Cleaning person | 4 | Driver | 5 | University graduate working according to one's major | 8 | - | - |
| Waiter | 3 | Sales person | 4 | Studies | - | - | - |
| Unqualified worker | 28 | Private entrepreneur | 9 | Studies and works | 7 | Total | 100 |

The process of emigrants' deskilling is shown in the table, which compares the occupational structure of labour emigrants abroad and at home (see Table 6).

²³ Labour Migration from Georgia. 2003, IOM. p. 38.

²⁴ Study among returning migrants. Study Report. Tbilisi, 2009. Labour market and reintegration of returning migrants in Georgia, Tbilisi, 2011. (in Georgian)

Table 6. Distribution of labor migrants by occupation back home and abroad (%) *

| Occupation Abroad | Occupation Back Home | | | | | | | | | |
|---|----------------------|----------------|----------|-----------|-------|--------|-----------|-------------------------------|-------|---------------|
| | Teacher | Medical Doctor | Engineer | Economist | Nurse | Driver | Craftsman | Electro-Mechanical Technician | Other | No occupation |
| Invalid tender | 37.5 | 23.1 | 9.4 | 12.8 | 29.4 | - | 7.1 | 16.7 | 10.9 | 12.1 |
| Babysitter/teacher | 5.4 | - | 2.4 | 4.7 | 5.9 | - | - | - | 1.6 | 6.6 |
| Waiter | 3.6 | 7.7 | - | 12.2 | 5.9 | - | - | - | - | 7.8 |
| Cleaning person | 8.9 | 3.9 | 3.5 | 1.2 | 5.9 | - | - | - | 4.7 | 4.8 |
| Unqualified worker | - | - | 1.2 | 3.5 | - | - | 17.9 | 16.7 | - | 1.8 |
| Seasonal farm worker | 1.8 | - | - | 1.2 | - | 6.5 | 3.6 | - | - | 6.6 |
| Driver | 1.8 | 3.9 | 5.9 | 1.2 | - | 39.1 | 7.0 | - | 3.1 | 3.6 |
| Sales person | 5.4 | - | 1.2 | 9.3 | 5.8 | - | - | - | 4.7 | 5.4 |
| Private entrepreneur | - | 3.8 | 20.0 | 10.5 | - | 13.0 | 10.7 | 5.7 | 15.6 | 6.6 |
| Medical Doctor | - | 15.4 | - | - | - | - | - | - | - | - |
| Nurse | - | - | - | - | 17.7 | - | - | - | - | - |
| University graduated working according to one's major | 10.7 | 11.5 | 16.5 | 11.6 | - | - | - | - | - | - |
| Student | - | - | - | - | - | - | - | - | - | 0.6 |
| Studies and works | 7.1 | 11.5 | 1.2 | 12.8 | - | - | - | - | - | 4.2 |
| Seller | 1.8 | - | - | 1.1 | 11.8 | - | - | - | - | 0.6 |
| Office employee | 1.8 | - | - | 1.1 | - | - | - | - | - | 1.8 |
| Athlete | - | - | - | - | - | - | - | - | - | 0.6 |
| Other | 3.6 | 3.8 | 5.9 | 7.0 | - | - | - | 5.6 | - | - |
| Total | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |

Source: Labour migration from Georgia. 2003, IOM, p. 41.

Income of migrants and the role of remittances in improving the standard of living of the Georgian population

The main purpose of labour emigration is remittances for families back home. Remittances provide livelihoods for a significant part of the Georgian population and have an important impact on the dynamics of the country's economy²⁵. The issue is covered as well in Georgia's economic literature²⁶.

According to statistical reports of commercial banks and micro-financial institutions, in 2011 electronic remittances to Georgia from main partner countries amounted to 1268.1 million U.S. dollars (see Table 7).

Table 7. Electronic money transfers to Georgia in 2003-2011 (U.S. \$ million)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|------------------------|-------|-------|-------|-------|-------|--------|-------|-------|--------|
| Total | 196.6 | 249.1 | 403.1 | 544.6 | 866.1 | 1002.1 | 841.6 | 939.7 | 1268.1 |
| including from: | | | | | | | | | |
| Russia | 67.0 | 93.6 | 253.5 | 363.9 | 544.6 | 633.9 | 450.2 | 530.2 | 655.2 |
| US | 27.4 | 24.9 | 42.6 | 59.5 | 106.7 | 63.9 | 68.1 | 70.5 | 75.3 |
| Greece | 5.9 | 7.8 | 15.7 | 16.3 | 26.0 | 47.2 | 60.4 | 60.7 | 144.6 |
| Ukraine | 7.4 | 2.9 | 15.3 | 10.8 | 19.8 | 70.5 | 65.1 | 58.5 | 52.4 |
| Italy | - | - | - | - | - | - | 46.3 | 52.9 | 109.2 |
| Turkey | 2.9 | 4.7 | 10.2 | 13.8 | 17.4 | 20.9 | 25.8 | 33.4 | 27.6 |
| Spain | 2.4 | 2.9 | 6.3 | 11.4 | 29.3 | 20.4 | 21.3 | 22.18 | 31.0 |
| Germany | 5.6 | 4.9 | 6.0 | 4.9 | 6.4 | 7.2 | 10.5 | 14.6 | 13.0 |
| Israel | 2.9 | 2.2 | 3.9 | 4.1 | 7.1 | 8.4 | 9.0 | 12.0 | 14.4 |

Source: Statistical reports of commercial banks and microfinance institutions. Since January 2010, similar data of microfinance institutions have been added to the data of the banking sector.

Based on World Bank data experts point out that the value of electronic money transfers go to make up 60% of all money sent by emigrants to Georgia through various channels. Therefore, the aggregate amount of remittances may reach 2 billion U.S. dollars. In 2011 this number came to 14% of GDP. It was two times higher than direct foreign investments and almost equal to the export index. It is mainly used to cover the cost of living and its impact on the social stability of Georgia is significant.

Despite the global financial and economic crisis and the acute political confrontation between Russia and Georgia, Russia accounts for over half (52%) of electronic transfers received in Georgia. This is due to the fact that the largest Georgian diaspora resides in the Russian Federation.

²⁵ The issue requires separate in-depth coverage, our publication gave only general coverage.

²⁶ Kakulia M. Remittances in Georgia: volume, structure, socio-economic impact. // Economic trends in Georgia. 2007, October, pp. 51-60 (in Georgian). Aslamazishvili N. Datashvili B. Labour migration and remittances in Georgia: advantages and contradictions. Journal. "Sotsialuri Economy", 2009, № 2, pp. 38-45. (in Georgian). Narmania D. Migration dollars. Business Time Georgia, # 02, 2012, p. 24-26. Testing New Channels and Products to Maximize the Development Impact of Remittances for the Rural Poor in Georgia.

It is worth noting that the scale of transfers from Italy and Greece has increased in recent years. It is evident, that the number of labour emigrants from Georgia has increased in Italy, while in Greece there has been an increase in the value of money orders. According to the IOM-supported study on labour migration implemented by research fellows at the Center for Migration Studies of Tbilisi State University, only one fifth (21%) of emigrants' income is sent to Georgia²⁷. Compared with ten years of the previous period, the average value of one transfer has increased by 1.77 times, while the income abroad increased by only 11%.

In 2011, according to the study among migrants who have returned to Georgia, our emigrant abroad earns on average \$803 (U.S.), of which \$287 (a little more than a third of the average income) is sent home. The share of remittances in overall earnings has increased too. The main cause for this change, in our opinion, is the reduction of purchasing power in Georgia and an increase in the cost of living.

It is necessary to take into account the following:

- a) electronic money transfers are sent not only by migrants;
- b) according to a sample study of the National Statistics Service remittances make up 3.5% of all household income. This figure, in our opinion, represents an underestimate. In our opinion, amounts received as a gift (8%) need to be added to the figure. Even if the share of remittances in household income does not exceed 11.5%, annually it equals 884 million U.S. dollars. Even this figure, in our opinion is not enough, as families are often reluctant to speak about family members that live abroad illegally.

If we multiply the assumed number of labour migrants, i.e. both maximum and minimum options (350,000-500,000), by an average annual remittance amount per migrant (3444 dollars), we calculate that between 1205 million and 1722 million U.S. dollars are received in Georgia from emigrants annually. This amounts to 20.1%-29.9% of an average household income.

Studies among migrants returning from abroad (2009 and 2011)²⁸ revealed that: 54% of money sent from abroad was spent on food and basic commodities; 12.6% on children's education; 11% on savings; 9% to pay off debts; 7% for business including purchase of agricultural machinery; and 6% on the construction and repair of the apartment. Although the share of large transfers increases, the amount is still insufficient for making a decisive impact on the rapid development of business in Georgia.

Social and economic problems related to the return of migrant workers and the policy of economic reintegration

Analysis of labour emigration in relation to economics shows the necessity for strategic objectives in its regulation. This means: normalized intensity of emigration flows; increase in legal emigration; the higher economic efficiency of migration; the facilitation of the return of compatriots; the effective use of remittances and other sources for the reconstruction and the development of the Georgian economy. The issue of migrants' return is also important for destination countries. This has become particularly evident during the recent global financial and economic crisis. There is though too a strong desire to implement a humane ways of repatriation from Europe through the implementation of readmission measures and support for the return and reintegration of returnees.

The analysis of information on returning migrants obtained from surveys conducted by us in 2009-2011²⁹ has proved that the vast majority of migrants are in the working age bracket. The reason for

²⁷ Labour Migration from Georgia. 2003, IOM, p. 50.

²⁸ Study among returning migrants. (Study report). Tbilisi, 2009. Labor market and reintegration of migrants returning to Georgia. Tbilisi, 2012. (in Georgian).

²⁹ Study among returning migrants. (Study report). Study leader M. Tukhashvili. Tbilisi, 2009; Labor Market and reintegration of migrants returning to Georgia. Study leader M. Tukhashvili. Tbilisi, 2011.

their departure was the desire to improve the economic situation of the family, and 6.5% went to continue their studies (in combination with the work). The reasons for their return home included: acute nostalgia 21%; family-related problems 19.9%; desire to start business activities at home 14.2%; and failure to adapt to the social environment in the country of immigration, 8%.

It should be noted that the reintegration of returning migrants into the labour market has been slow. 55% of them are still unemployed. A number tried to start a small business of their own in Georgia. Only 15% of those who returned managed to do it though. The range of business activities is very wide, but trade and consumer services prevail. For the majority of respondents (63%) the main source of financing their business activities are savings accumulated while working abroad, as well as bank loans (11%) and support from relatives (9%).

It should be noted that, due to high unemployment and emerging economic problems in the family, 39.2% of respondents intend to go abroad to work again, because they believe that this is the most feasible way of solving the problems that they are facing. They are already making plans for going back abroad. Only one third of those who returned are determined to stay home.

The studies have demonstrated that those involved in business activities face numerous difficulties. Although the procedure for starting private business activities is very simple, 17% negatively evaluated the existence of administrative and bureaucratic barriers. The existing monopoly and restriction of free competition (24%) were particularly criticized. Respondents mention the need of strengthening anti-monopoly activities and of raising their effectiveness. The negative impact of monopoly was stressed by 20 Georgian immigrants in the Netherlands (Groningen) that took part in a special in-depth study of the conditions for return. According to interviews with these expatriates, unhealthy competition and monopoly are a significant constraint on the Georgian economy.

They have had some experience of business activities in the EU, However, 9.8% of those involved in business complained about their lack of experience and their lack of appropriate knowledge for business activities, and they want to improve their knowledge of the economic and legal aspects of business. From our point of view, if the adult education system is improved to meet their needs, this will have a positive impact on the process of reintegration.

How do respondents evaluate EU financial support aimed at the economic reintegration of returning migrants³⁰?

Fifty projects that have already started were evaluated positively as the foundation for positive future developments in the reintegration of returning migrants. Therefore, deeper study and analysis of the situation is required.

A way to accelerate the reintegration of returning migrants into the labour market of Georgia, is to provide them with possibilities for mastering occupations attractive for them at numerous emerging vocational schools, as well as state aid in the form of a special vouchers for vocational training and skills improvement.

³⁰ Experts of CARIM-East M. Tukhashvili and N. Chelidze were directly involved in the selection of the project applications for assistance and in the work of relevant committees supervising the implementation of the project.

Conclusions

Georgia has faced epochal transformation in the post-Soviet period. Radical changes have taken place in economics, politics, society and culture. Disruption of economic ties with the former Soviet republics, political chaos, civil war, the Russian-Georgian war, economic collapse and decline in living standards led to the emergence of huge emigration waves. These waves radically changed the economic and demographic development of the country.

The study of labour emigration over the years has shown that the geography of labour emigration and the direction of migrant flows change. The diversification of immigration countries takes place. The intraregional distribution of a new Georgian diaspora in countries of immigration becomes more diversified. Due to ruptures in diplomatic relations with the Russian Federation and “Georgiaphobia” the flow of emigrants to Russia has decreased, while the flow of emigrants to the EU member states has increased.

During the post-Soviet period, actual population decreased by more than a quarter, in part because of emigration, and fertility declined to a sub-replacement level. The reduction in resources required for demographic growth, in turn, caused a radical change in the reproductive behavior of the population, falling birth rates and natural increase, accelerated ageing. The most drastic falls in birth rate took place among labour emigrants, who are much younger than the population remaining in Georgia. These people are basically not involved in the reproduction of the Georgian population.

Overall stabilization in recent years led to positive changes in improving reproduction indices. Birth rates started to increase, although fertility is still at the sub-replacement level. It has been proved that the switch from sub-replacement to replacement-level will be possible if relevant demographic policy measures are undertaken for emigrants and returning migrants: this means a reduction in the intensity of labour migration; the legalization of emigration flows; facilitation for return; and other population-related policy measures. We believe that it is necessary to develop the concept of demographic policy and demographic security for Georgia. It is also necessary to actively involve the state and society as a whole in the normalization of migration and the achievement of above-replacement fertility.

Studies implemented in Georgia demonstrate that high-intensity labour emigration has taken place among representatives of all regions and ethnic groups in the country. The sometimes radical difference was observed in the selection of immigration countries. Relatively high too is the intensity of labour emigration among persons forcibly displaced from the occupied regions of Georgia.

Labour emigration has significantly influenced the situation of the Georgian labour market. It has also reduced the imbalance of labor supply and demand, reduced the unemployment rate, contributed to the growth of employment among Georgians and significantly reduced social tensions caused by mass unemployment.

Studies have demonstrated that Georgian emigrants abroad, especially those in EU countries, are employed in the secondary labour market, often illegally, in poor working conditions, with no social security and receive low remuneration: their high education levels and employment potential seem to count for nothing. On the other hand, the adaptation of emigrants to market environment in immigration countries, and their increased knowledge of foreign languages make them better candidates for the market relations emerging back home.

Remittances sent by labour emigrants to their relatives in Georgia in times of economic crises have become one way for many to cover living costs. The volume of remittances has been gradually increasing. The share of money sent home has also increased in terms of what is earned. In the case of remittances, the number of large transfers increases, providing possibilities for investments in the economy and its revitalization.

The regulation of labour emigration, the legalization of emigration processes and the facilitation of migrants' return have started to play more important role. They have been implemented in the most humane ways possible with the assistance of the EU authorities. The monitoring of practices in return for facilitation has revealed positive aspects of readmission: though one third of returning migrants are determined to return abroad. The policy for the reintegration of returning migrants is still weak, as well as the policy aimed at the legalization of Georgian emigrants in host countries.

Statistical data on migration needs to be thoroughly analyzed. Even a summary of existing sample studies does not provide the whole picture. A proper in-depth study of the migration process is required, as a foundation for the development of the concept of migration management and action plans more generally. It is no exaggeration to say that in this respect the activities of CARIM-East are of the greatest importance. Certainly, objectives, identified in CARIM-East were reflected in our recent studies.

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