

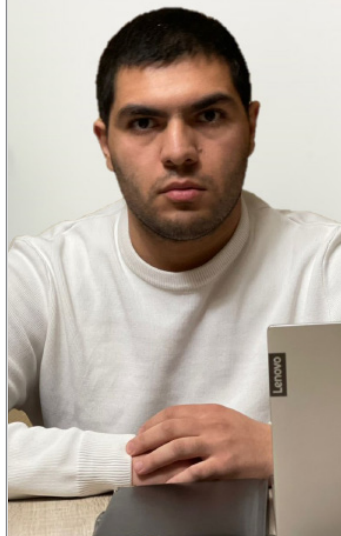
CROSSROADS OF MIGRATION: WHY ARMENIANS LEAVE AND INDIANS ARRIVE

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Globalization and technological changes have changed the quantity and quality of global migration flows in recent decades. As a result of these changes, donor countries such as Armenia have become migrant receiving countries. Historically, Armenia is a donor country of migrants and Armenian migrants go to different countries of the world. However, in recent years, the number of migrants arriving in Armenia from India has increased dramatically, which makes Armenia both a donor and a receiving country of migrants. One of the main destinations for Armenian migrants is Russia, where the majority of Armenians are engaged in low-skilled work in the construction industry. Indian migrants also perform the same work in Armenia. This seems illogical, because Armenians do not stay and do the same work in their homeland, but go to Russia, and Indians do not prefer to go to Russia, but come to Armenia to work. The reasons for this are the economic and non-economic factors affecting migrants, which force the migrant to make a decision.

During the last decade, due to globalization processes, the quantity and quality of global migration flows have changed. If in the past there were a few countries receiving migrants, which were historically the countries receiving the most migrants, now very often the donor countries of migrants also receive a large number of migrants. These changes affected almost all countries of the world, including Armenia. Historically, Armenia has been a donor country for migrants. The main destinations for



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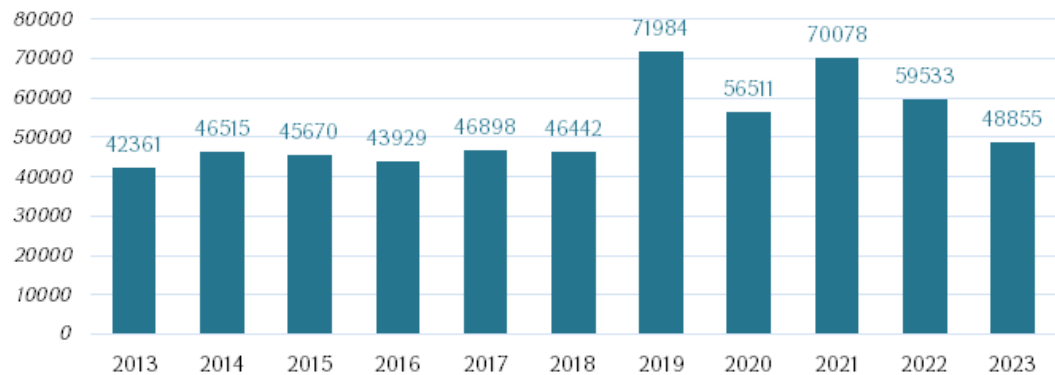


CHART 1

Number of RA citizens entering Russia, 2013-2023¹

Armenian migrants are Russia, the USA, and European countries. However, starting from 2021, Armenia began to receive a large number of migrants from India. If in 2020, 3,311 people with Indian passports entered Armenia, then in 2021, that figure was 22,197 people, and in 2023, it reached 57,100 people². Moreover, the number of Indians entering Armenia has started to exceed the number of Indians leaving Armenia since 2021. In other words, the number of Indians staying and working in Armenia for a long time is also increasing. In 2021, that difference was 2052 people, in 2022 - 1011 people, and in 2023 - 16608 people³.

Indian migrants in Armenia are mainly engaged in low-skilled work, and the main field of activity is construction. This is an interesting phenomenon, because a large number of Armenian migrants go to Russia and there engage in low-skilled work in the construction industry. Therefore, the following question arises: Why are Armenians not engaged in the work in their homeland that they are engaged in in Russia, but Indian migrants do the same work instead of them? To answer this question, it is necessary to study the factors influencing the decision of

Armenian and Indian migrants to migrate. There are a number of economic factors that influence the behavior of migrants, such as the exchange rate of the host country's currency, the difference in wages between countries, the cost of living, etc. There are also social factors that influence migrants' decisions, such as cultural differences, language differences, etc.

First, let us consider the socio-economic factors affecting Armenian migrants, which influence Armenians' decision to go to Russia. During the last decade, on average 50,000 people leave Armenia for Russia every year, mostly working in the construction industry.

From the data in the chart, it can be seen that the number of Armenian citizens who left Armenia for Russia has increased even more in recent years. If the average number of RA citizens who entered Russia during 2013-2018 was 45 thousand people, then during 2019-2023 the same figure was 61 thousand people.

Armenians and Russians have historically been interconnected nations, whose culture and way of life have often been similar. Therefore, for Armenians, the move from Armenia to Russia was not a serious cultural shock for migrants. In addition, Russian has

¹ Федеральная служба государственной статистики, Численность и миграция населения Российской Федерации, Международная миграция Российской Федерации.

² ՀՀՎԿ, Հայաստանի ժողովրդագրական ժողովածու, Միգրացիա, ՀՀ սահմանային գրանցումներն ըստ անձանց կողմից ներկայացված փաստաթղթերի տրման երկրների, 2023:

³ ՀՀՎԿ, Հայաստանի ժողովրդագրական ժողովածու, Միգրացիա, ՀՀ սահմանային գրանցումներն ըստ անձանց կողմից ներկայացված փաստաթղթերի տրման երկրների, 2023:

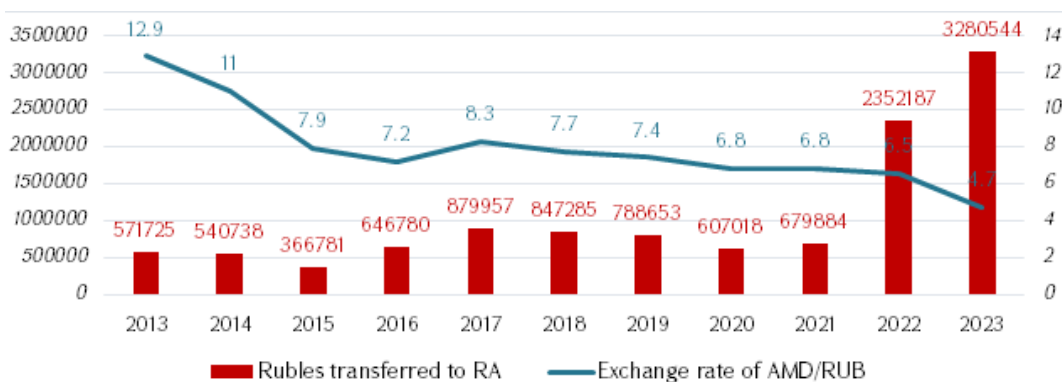


CHART 2

AMD/RUB exchange rate and remittances to RA in rubles, 2013-2023⁴

been taught as a second language in most Armenian schools for a long time. Therefore, the majority of the population of Armenia knows Russian, at least at the conversational level. Another important factor is the large Armenian diaspora that already exists in Russia, which creates good starting conditions for Armenian migrants when they move to Russia.

In addition to social factors, economic factors also play a significant role in resorting to migration. One such economic factor is the level of salaries. According to the International Labor Organization, in 2021 the average salary in Armenia was 259.2 USD, and in Russia - 777.1 USD⁵. In other words, the average monthly salary in Russia is almost 3 times higher than the average salary in Armenia. The average salary in the construction sector in Armenia is 315.8 USD, and in Russia it is 1074.4 USD⁶. In other words, the average salary in the construction industry in Russia is 3.4 times higher than the average salary in the construction industry in Armenia. Therefore, an Armenian migrant is paid more than three times more for the same work in Russia.

Since the majority of migrants transfer their earned money to their families, it is very important to study the exchange rate of the Russian ruble against the Armenian dram.

Chart 2 shows the dram/ruble exchange rate and remittances to RA in Russian rubles in 2013-2023.

From the data in the chart, it can be seen that during 2013-2013, the exchange rate of the RUB against the AMD decreased continuously. If one ruble was worth 12.9 drams in 2013, then in 2023 one ruble was worth 4.7 drams, decreasing almost 3 times. However, the ruble exchange rate has started to decrease sharply since 2015. In the same period, it can be noticed that the volume of remittances to the RA in rubles also decreased sharply. Remittances in rubles transferred to RA increased sharply in 2022, but this is not due to the exchange rate of the ruble, but due to a large number of migrants from Russia to RA.

In other words, the exchange rate of the ruble should have had a negative effect on the number of RA citizens going to Russia, but from the data in chart 1, we can see that the number of RA citizens entering Russia did not decrease in the conditions of the depreciation of the ruble exchange rate, but increased starting from 2019. However, instead of that, the number of RA citizens returning to Armenia has increased. In other words, the number of people going to Russia and staying there for a long time has

⁴ ՀՀ Կենտրոնական բանկ, Արտաքին հատվածի վիճակագրություն, ՀՀ բանկերի միջոցով արտերկրից ստացված փոխանցումները ըստ արժույթների, 2013-2023

⁵ ILO, ILOStat datae explorer, Average monthly earnings of employees, 2021

⁶ ILO, ILOStat datae explorer, Average monthly earnings of employees, 2021

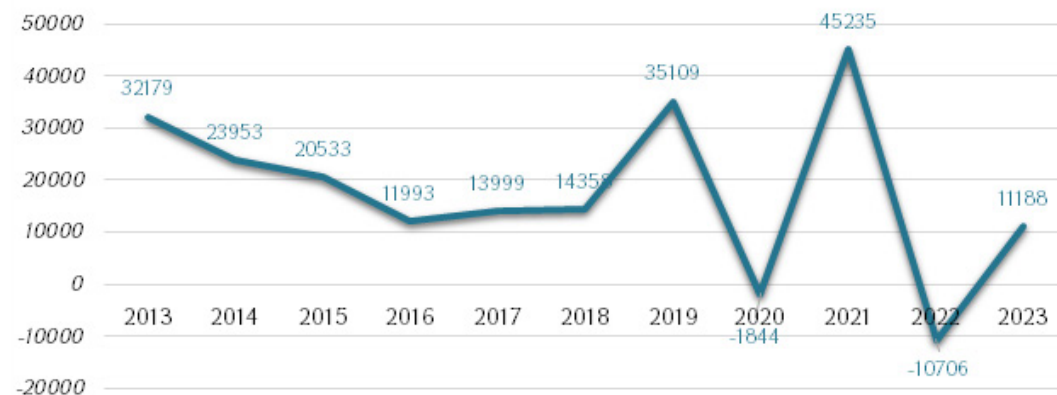


CHART 3

Difference between the number of RA citizens entering Russia and the number of RA citizens leaving Russia, 2013-2023⁷

decreased. Figure 3 shows the difference between the number of RA citizens who entered Russia and the number of RA citizens who left Russia in 2013-2023.

It can be observed from the data of the chart that since 2013, when the exchange rate of the ruble began to decrease, the difference between RA citizens entering and leaving Russia also decreased. In 2020 and 2022, that difference even became negative, but they were due to the coronavirus epidemic and the Russian-Ukrainian war.

Living costs can also play a significant role in the decision making of migrants. If we compare the costs of living in Russia and Armenia, it becomes clear that they are more affordable in Russia. For example, food is almost twice as cheap in Russia (milk is 50.8 percent cheaper than in Armenia, bread is 43.3 percent cheaper, eggs is 49.8 percent cheaper), and the same applies to clothes and utility bills⁸. We do not consider housing rents as living expenses, because almost all migrants who move from Armenia to work in Russia are provided with housing by their employer. Therefore, a situation is created when salaries in Russia are higher than in Armenia, and the costs of living are cheaper.

This creates favorable conditions for migration. Migrants may also be affected by a sharp decrease in the exchange rate in recent years, but such a difference in salary levels still makes it more favorable to do the same work in Russia.

If working in the construction industry in Russia is more beneficial than doing the same work in Armenia, then why do Indians come to Armenia to do that work instead of going to Russia? First of all, working conditions in Armenia are more suitable than in India. According to the International Labor Organization, in 2021 the average salary in Armenia was 259.2 USD, and in India - 237.9 USD⁹. Apart from that, territorial development in India is very uneven. In some regions, the unemployment rate is very high and it is difficult to find a job. Exchange rate is also an important factor for migrants. In recent years, the Armenian dram has risen sharply in value, which has created more favorable conditions for migrants arriving in Armenia. If in 2021 one rupee was worth 7 drams on average, then in 2024 one rupee was 4.6 drams on average. Therefore, for migrants arriving in Armenia from India, the move is economically justified.

⁷ Федеральная служба государственной статистики, Численность и миграция населения Российской Федерации, Международная миграция Российской Федерации.

⁸ Numbeo, Cost of Living Comparison Between Armenia and Russia, 2024 - https://www.numbeo.com/cost-of-living/compare_countries_result.jsp?country1=Armenia&country2=Russia

⁹ ILO, ILOStat data explorer, Average monthly earnings of employees, 2021

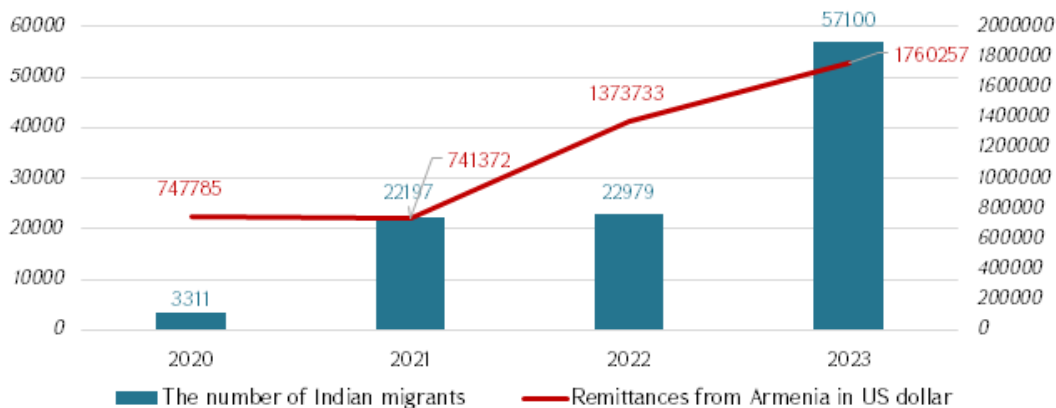


CHART 4

The number of Indian migrants and the volume of remittances from Armenia in US dollars, 2019-2020¹⁰

In order to understand why Indian migrants do not go to Russia to perform the same work, but come to Armenia, it is necessary to study the influence of other non-economic factors on migrants. One such factor is weather conditions. Russia has mostly severe weather conditions, the weather is colder than in India. For migrants, such a change can cause serious difficulties: deterioration of health, decrease in work productivity, etc. In addition, it is a serious support for migrants when their compatriots already live in the given country. Indian migrants were already living in Armenia, who moved to Armenia mainly for the purpose of getting an education. This means that certain infrastructures were already established in Armenia for Indians, such as food outlets serving Indian food, shops selling Indian clothes, accommodation, etc. Another important circumstance is that Russia has already formed a large group of low-skilled workers who arrived in Russia from Uzbekistan or Tajikistan. These migrants already occupy the main jobs for which Indians have to go to Russia. Therefore, the job market for Indians in Russia is becoming more competitive.

From a legal point of view, traveling to

Armenia and Russia for Indians has the same complexity: both countries require an entry visa. However, for the migrants going to Armenia, recruitment agencies have already been formed to assist Indian migrants in obtaining a visa to enter Armenia. These agencies were formed back when Indian students needed the same entry visa to study in Armenia.

The Russian-Ukrainian war can also be a reason for Indian migrants not to go to work in Russia. The problem is that Indians usually transfer their earned money to India in US dollars. Figure 4 shows the volume of remittances from RA in US dollars and the number of migrants entering RA from India in 2020-2023.

It can be seen from the data of the chart that when the number of migrants entering RA from India started to increase sharply, the volumes of remittances from RA in US dollars also increased sharply. This indicates that Indians usually make remittances to their homeland in US dollars. Therefore, after the Russian-Ukrainian war, when the Russian financial system came under the influence of sanctions, it became difficult to transfer US dollars from Russia, and US dollar transfers

¹⁰ ՀՀ Կենտրոնական բանկ, Արտաքին հատվածի վիճակագրություն, ՀՀ բանկերի միջոցով արտերկրից ստացված փողանցումները ըստ արժույթների, 2019-2023:

ՀՀՎԿ, Հայաստանի ժողովրդագրական ժողովածու, Միգրացիա, ՀՀ սահմանային գրանցումներն ըստ անձանց կողմից ներկայացված փաստաթղթերի տրման երկրների, 2023:

through banks became impossible. Therefore, this circumstance can also be a reason for Indian migrants not to go to work in Russia.

In general, it can be said that working in the construction industry in Russia is economically more appropriate for job seekers in that field. As a result, Armenian migrants go to Russia and work there in the construction industry. However, for migrants, there are other factors that also

play a significant role in making the decision to migrate. Among such factors are the weather conditions, the presence of the diaspora, the state of competition in the labor market, the presence of recruitment agencies, etc. All these factors are the reason why Indian migrants prefer to come to Armenia and work in the construction sector, and not go to Russia, where they could get a higher salary for the same work.

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Ալիկ ԹՈՐՈՍՅԱՆ
ՀՊՏՀ ասպիրանտ

ՀԱՅԱՍՏԱՆ ԵՎ ԱՇԽԱՐՀ

ՄԻԳՐԱՑԻԱՅԻ ԽԱՉՄԵՐՈՒԿ. ԻՆՉՈ՞Ւ ԵՆ ՀԱՅԵՐԸ ՀԵՌԱՆՈՒՄ, ԻՍԿ ՀՆԴԻԿՆԵՐԸ՝ ԳԱԼԻՍ

Վերջին տասնամյակների ընթացքում գլոբալացման և տեխնոլոգիական գործընթացների հետևանքով փոփոխվել են համաշխարհային միգրացիոն հոսքերի քանակը և որակը: Այդ փոփոխությունները պատճառ են դարձել, որ միգրանտներ մատակարարող երկրները (օրինակ՝ Հայաստանը) դարձել են միգրանտներ ընդունող երկրներ: Հայաստանը, միգրանտների առումով, պատմականորեն դոնոր երկիր է, և հայ միգրանտները մեկնում են աշխարհի տարբեր երկրներ: Սակայն, վերջին տարիներին կտրուկ ավելացել է Հնդկաստանից Հայաստան ժամանող միգրանտների թիվը, որը Հայաստանին, միգրանտների առումով, դարձնում է ինչպես դոնոր, այնպես էլ ընդունող երկիր: Հայ միգրանտների մեկնելու հիմնական ուղղություններից է Ռուսաստանը, որտեղ նրանց մեծամասնությունը շինարարության ոլորտում զբաղվում է ցածր որակավորում պահանջող աշխատանքով: Հնդիկ միգրանտները Հայաստանում կատարում են նույն գործը: Առաջին հայացքից, սա անտրամաբանական է, քանի որ հայերն իրենց հայրենիքում մնալու և նույն աշխատանքը կատարելու փոխարեն մեկնում են Ռուսաստան, մինչդեռ հնդիկներն աշխատելու համար Ռուսաստանի փոխարեն նախընտրում են Հայաստանը: Նշվածի պատճառը

միգրանտների վրա ազդող տնտեսական և ոչ տնտեսական գործոններն են, որոնք ստիպում են վերջիններիս որոշում ընդունել:

Հիմնաբառեր. *միգրացիա, աշխատուժ, Հայաստան, Ռուսաստան, Հնդկաստան*

Алик ТОРОСЯН
Аспирант АГЭУ

ARMENIA AND THE WORLD

ПЕРЕКРЕСТОК МИГРАЦИИ: ПОЧЕМУ АРМЯНЕ УЕЗЖАЮТ, А ИНДУСЫ ПРИЕЗЖАЮТ

Глобализация и технологические изменения изменили количество и качество глобальных миграционных потоков за последние десятилетия. В результате этих изменений страны-доноры, такие как Армения, стали странами, принимающими мигрантов. Исторически Армения является страной-донором мигрантов, и армянские мигранты едут в разные страны мира. Однако в последние годы количество мигрантов, прибывающих в Армению из Индии, резко возросло, что делает Армению одновременно страной-донором и принимающей стороной мигрантов. Одним из основных направлений для армянских мигрантов является Россия, где большинство армян занято низкоквалифицированной работой в строительной отрасли. Индийские мигранты выполняют ту же работу в Армении. Это кажется нелогичным, ведь армяне не остаются и выполняют ту же работу на родине, а едут в Россию, а индийцы предпочитают не ехать в Россию, а приезжают работать в Армению. Причинами этого являются экономические и неэкономические факторы, влияющие на мигрантов, которые вынуждают мигранта принимать решения.

Ключевые слова: *миграция, рабочая сила, Армения, Россия, Индия*