

Russia's Centennial Exodus

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Abstract

Russia's assault on Ukraine not only changed the contours of world geopolitics; it deeply affected the fabric of Russian society, provoking a massive exodus of self-made and independent-minded people from the country. Both the scope and the motives of this outflow make it comparable with the one that happened around a century ago after the Bolsheviks consolidated their control over Russia. Once again, Russia has lost over a million people who share Western values, are familiar with the latest cosmopolitan habits, and can participate in the most advanced sectors of the global economy.

The author argues that this outflow undermines considerably Russia's human and social capital while it might contribute to rejuvenating the European economy; as evidence, he addresses the effects of the new Russian exodus on post-Soviet countries, Turkey, Serbia, Montenegro and the United Arab Emirates, where most of the "relocants" settled in 2022. He also stresses that, as in the 1920s, Western countries can profit more from those Russians who want to integrate into the host societies and contribute to them economically than from the Russian opposition abroad whose "revolutionary struggle" against the Russian regime will be no more effective than that of the Russian emigrants of the 1920s.

European politicians, he argues, should therefore welcome the newcomers as "Russian professionals" rather than "professional Russians", regardless of the attitude to Russian politics that they champion.

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Introduction

The history of Russia evolves in “balance wheel” mode, with authoritarian rule giving way to softer rule, or autarkic decline being replaced by cosmopolitan renewal.¹ One of the swings of this pendulum gained force in the early 2000s; one might have predicted back in 2013 that the year would mean for 21st century Russia almost the same as the year 1913 meant for it back in the 20th century.² It was hard to imagine how close these similarities might appear. But, after eight years of Russian aggression against Ukraine, with the growing sense of a new civil war being under way, and after a new surge in Russian emigration that may exceed the exodus of a century ago, the feeling of “eternal return” becomes very strong.

Facing this new exodus, which might soon become even larger than that of the early 1920s, European politicians and political analysts should address the most vital issues it poses: first, there is a desperate need to understand who are the people fleeing Russia and how (or whether) they may integrate into European societies if allowed to enter; second, there is a huge question concerning the best strategy to deal with Putin’s Russia—either to seal its borders, or to encourage his subjects to leave the country; and, last but not least, the question arises as to whether there an opportunity to change Russia in the future with the help of those who decided to leave it, for some time at least, after it turned into a brutal dictatorship. A further question that should be answered is whether the Russian emigration may become a driver of economic growth for the welcoming nations. It would be a huge mistake to believe that the current Russian emigres, still concentrated mostly in the post-Soviet nations, pose less of a challenge for Europe than the refugee flows provoked by the consequences of the “Arab Spring” sometimes were—but this flow of emigres is different and therefore demands different approaches and different treatment.

1. V. Inozemtsev, “The Pendulum Effect”, *Riddle Russia*, April 17, 2018, available at: <https://ridl.io>.

2. V. Inozemtsev, “Trinadcatyj god” [The thirteenth year], *Moskovskij Komsomolec*, September 3, 2013, available at: www.mk.ru.

“Russian Professionals” and “Professional Russians”

Before 2022, most of those with Russian ethnic and/or cultural roots could be divided into two categories, which can be called “Russian professionals” and “professional Russians”.³ The first were those who chose to resettle in Western countries to advance their careers and to integrate into new societies; the second were those who either found themselves outside Russian borders in 1991, or were taken abroad as children, as their families migrated to Europe, and retained strong elements of Russian identity. The Russian professionals evolved into a vital element of the host societies (just recently it was revealed that the UK’s largest taxpayer in 2022 was a Russian emigrant, mathematician Alexander Gerko, a 43-year-old Moscow State University alumnus and founder of the XTX digital trading platform),⁴ while the professional Russians developed into politically active groups of supporters of the “Russian world”, strongly leaning toward the far-right parties of Western Europe (we will elaborate on this issue below) and openly hostile to the political institutions of many of the post-Soviet societies (e.g. in Latvia, a quarter of century after the dissolution of the Soviet Union, more ethnic Russians adopted Russian rather than Latvian citizenship, fueling concerns they might be used by the Kremlin as citizens who should be “protected”, even by military means).⁵

The recent “wartime emigration”, the flow that began after Russia’s full-scale invasion of Ukraine, consists mostly of those who had not previously thought of moving out of Russia; this distinguishes them from those who moved to the West in the period 2012–15, after the failure of Russia’s short-lived “modernization” attempt under

3. W. Inosemzew, “Wer gehört zur ‘russischen Welt?’” [Who belongs to the “Russian world?”], *Internationale Politik*, No. 6, November-December 2014, pp. 94–101, available at: <https://internationalepolitik.de>.

4. R. Watts, “The Tax List 2023: The United Kingdom’s 100 Biggest Taxpayers Revealed”, *The Times*, January 27, 2023, available at: www.thetimes.co.uk.

5. “‘Pâtoj kolonnoj’ nazval ruskuû čast’ Latvii byvšij ministr inostrannyh del strany” [Former Minister of Foreign Affairs of Latvia calls Russians in Latvia a “fifth column”], *Pskov News Line*, May 5, 2013, available at: <https://m.pln24.ru>.

Medvedev and Putin's return to the Kremlin. Contrary to the latter, who sold their assets in Russia, bought houses and apartments in Europe and arranged all necessary resident permits, the most recent emigrants rushed to border crossing points without much money and even without visas. Thus, for the first time ever, Russians headed in huge numbers to countries less affluent than Russia itself. These new emigrants consist predominantly of males and are much younger (those below 45 account for 86 percent of the group)⁶ than the Russian population on average (40.5 years as of January 1, 2022, according to official data),⁷ better educated (80 percent of all new emigrants were college-educated compared to 27 percent in Russia on average)⁸ and significantly wealthier than average Russian citizens (with less than 1 percent of all Russians fleeing the country, almost 11.5 percent of personal savings recorded in Russian banks at the end of 2021,⁹ 4 trillion rubles,¹⁰ were transferred abroad in 2022). However, it is not only these visible features that make the new Russian emigration unique, but also the worldview, values and aspirations that characterize those who left Putin's Russia.

The majority of the new Russian emigrants come from cities of 500,000 inhabitants or larger,¹¹ and consider themselves part of what might be called a globalized upper middle class accustomed to elevated living standards.¹² They have at least some foreign travel experience, know foreign languages, are much tolerant to other cultures than average Russians, and are familiar with the contemporary global "digital culture". It is, therefore, not difficult for them to integrate into the new societies; there are many reports that not only have the new Russian emigres started to learn languages

6 "Â uehala, čtoby ostat'sâ čelovekom'. Emigraciâ ili evakuaciâ?" ["I left to stay human". Emigration or evacuation?], *Radio Liberty*, April 7, 2022, available at: www.svoboda.org.

7. Official figure taken from Russia's Statistical Agency: "Čislennost' naseleniâ rossijskoj federacii po polu i vozrastu" [Population of the Russian Federation by sex and age], *Rosstat*, January 1, 2022, available at: <https://rosstat.gov.ru>.

8. B. Grozovski, "Emigration 2022: A School of Democracy for Russian Citizens", *Wilson Center*, April 8, 2022, available at: www.wilsoncenter.org.

9. Official figure taken from Russia's Central Bank statistics: 34.9 trillion rubles as of January 1, 2022, at: www.cbr.ru [in Russian] (website accessed on March 22, 2023, currently unavailable).

10. P. Šukin, "Rossiâne ustanovili rekord po vyvodu sredstv za rubež" [Russians set a new record in overseas transfers], *Lenta*, February 13, 2023, available at: <https://lenta.ru>.

11. "Nadežda tol'ko na čudo". Sociolog o nastroeniâh nesoglasnyh" ["There's only hope for a miracle." A sociologist on the mood of dissenters], *Radio Liberty*, January 25, 2023, available at: www.svoboda.org.

12. The landmark case that can be mentioned here is that of a young Russian woman arriving in Haifa who was upset by the absence of pumpkin latte in local coffeeshops. On this subject, see: R. Fahrutdinov, "Otkuda pošel mem 'tykvennyj latte' i čto on označael?" [Where did the "pumpkin latte" meme come from and what does it mean?], *Vzglâd*, October 27, 2022, available at: <https://vz.ru>.

spoken in the host countries, even those that are very different from Russian, such as Kazakh or Georgian,¹³ but also that demand for lessons in Turkish, Georgian, and Armenian in Moscow has soared.¹⁴ Most of the newcomers had been engaged in some kind of entrepreneurial activity at home, and are setting up new businesses abroad or engaging in the local business community (in Georgia for example, the number of new companies incorporated by Russian citizens in 2022 exceeded that in 2021 by more than 10 times).¹⁵ Very few of the emigres are applying for any kind of social security benefits, asking for political asylum (in France, Russians do not even come close to the five countries that top the list of the most active political asylum-seekers, filing only 2,600 thousand petitions out of the total number of 131,000 in 2022),¹⁶ or relying on any other form of assistance from the host countries. Those nations that are less developed than Russia have already discovered how beneficial this “peaceful invasion” is; the economies of Kazakhstan,¹⁷ Georgia¹⁸ and Armenia¹⁹ recorded 3.2, 10.1 and 12.6 percent growth, respectively, in 2022, while at the start of the year the projected rates stood 2–4 times lower,²⁰ and their currencies appreciated versus the dollar by 11–23 percent during the past year.²¹

The last, quite important point concerns the way the Russian emigres anticipate their new status. Most of them do not call

13. “V Kazahstane—vzryvnoj spros na kursy kazahskogo âzyka” [There is an explosive demand for Kazakh courses in Kazakhstan], *Lada*, December 3, 2022, available online: www.lada.kz.

14. I. Bričkalëvitč, “Vyâsnilos’, kakie âzyki predpôdčitaût izučat’ rossijskie relokanty: nazvany šest’ favoritov” [It is revealed which six languages Russian migrants prefer to learn], December 1, 2022, available at: www.mk.ru.

15. “V Gruzii zaregistrovano 17 000 rossijskih kompanij. Bolee poloviny iz nih byli zaregistrovany posle načala vojny v Ukraine—TI” [There are 17,000 Russian companies registered in Georgia. More than half of them were registered after the start of the war in Ukraine—TI], *Netgazeti*, November 8, 2022, available at: <https://ru.netgazeti.ge>.

16. “Les premières données de l’asile 2022 à l’Ofpra sont disponibles [Chiffres provisoires]” [The first data on asylum 2022 at Ofpra are available (Provisional figures)], *OFpra*, January 17, 2023, available at: www.ofpra.gouv.fr.

17. “Po itogam 2022 goda VVP Kazahstana uveliçilsâ na 3,2%” [By the end of 2022, Kazakhstan’s GDP has increased by 3.2%], *Kapital*, February 17, 2023, available at: <https://kapital.kz>.

18. “V 2022 godu ekonomika Gruzii vozrosla na 10,1%—‘Sakstat’” [Georgia’s economy grew by 10.1% in 2022—Sakstat], *Netgazeti*, January 31, 2023, available at: <https://ru.netgazeti.ge>.

19. K. Melikân, “VVP Armenii vyros za 2022 god na 12,6% na fone skačka eksporta i importa na 64-78%” [Armenia’s GDP grew by 12.6% in 2022 amid a 64-78% jump in exports and imports], *ArmInfo*, February 20, 2023, available at: <https://finport.am>.

20. A. Terentiev, “Ekonomičeskie čudesa: kak rossijskaâ emigraciâ vliâet na sosednie strany” [Economic miracle: how Russian emigration affects neighboring countries], *Forbes Russia*, November 19, 2022, available at: www.forbes.ru.

21. “Russia’s War Turns Neighboring Currencies Into World’s Best”, *Bloomberg*, December 21, 2022, available at: www.bloomberg.com.

themselves either “migrants” or “refugees”. This may be because the first word has been applied in Russia to guestworkers from poor nations, and the latter to those men and women who flooded Europe after the “Arab Spring”. They have therefore invented a special term, *relokanty* (релоканты)²² to describe people temporarily relocated to another place. This term differs also from the notion of “displaced persons”, thus focusing on the fact that they were not forcefully moved but freely chose their status. Such an attitude reflects the hope that their current condition will not last long. When the first wave of these people left Russia a year ago, few of them believed they would stay away from home for more than three months; in October the newcomers were even more optimistic since they dreamed that Putin’s regime would collapse soon due to internal resistance.²³ None of this happened, and the mood of Russian emigres has changed; now most of them are prepared to stay abroad for one year or longer, and some realistically note that they will not be able to return “for as long as Putin is alive”.²⁴ But the most important thing here is that their attitudes to Russia and to the Russians residing there have not changed much; unlike with the emigrants of 1920s, the current wave are not politically opposed to Russia as a society since they do not see it changing as much as it did after the Bolsheviks’ victory when the entire social structure collapsed and “class enemies” were exterminated *en masse*. The new emigrants are strongly critical of Putin, but more than half of them are still closely connected with their friends in Russia and believe in Russia’s ability to change for the better in the foreseeable future. The new Russian diaspora would hardly abandon their hopes to return to Russia, as their predecessors in the 1920s did quite soon. Putin, a kleptocratic autocrat who represents neither the Russian people nor even a significant part of them, is believed to be the source of the problem, while a century ago the emigrant Russian nobles and intellectuals generally realized that they had been expelled by the entire nation.

22. N. Kostenko, *et al.* “The Russian Rhizome: A Social Portrait of New Immigrants”, *Re:Russia*, January 1, 2023, available at: <https://re-russia.net>.

23. I. Žegulev, “Bog s nimi, valim otsûda” [God bless them, let’s get out of here], *Wilson Center*, December 13, 2022, available at: www.wilsoncenter.org.

24. E. Aliabieva, “Emigranty 2022-go ne planirûût vozvrašat’sâ v Rossiû. Kak izmenilas’ ih žizn’ za polgoda? Rezul’taty bol’shogo issledovaniâ” [Emigrants in 2022 have no plans to return to Russia. How has their life changed in six months? Results of a large study], *Bumaga*, December 23, 2022, available at: <https://paperpaper.io>.

Exodus Effects on Russia

The massive outward migration of 2022 affected more than 1 percent of Russia's workforce and posed many challenges for the economy even while the country's leadership claimed that it did not threaten overall economic progress.

First, it should be mentioned that the relocants' exodus caused substantial capital outflows from Russia; they were immediately estimated as between \$20 and \$30 billion, with the figures constantly rising toward the already mentioned 4 trillion rubles. The Bank of Russia later released statistical data confirming that Russian citizens possessed more hard currency deposits abroad than they kept in the Russian banks—which happened for the first time since the data were collected.²⁵ This capital flight was important not so much in terms of absolute numbers as for having been initiated by the upper middle class who maintain the demand for housing, luxury goods and restaurant and hospitality services, especially in Russia's largest cities. The results can easily be seen in Moscow where more than 60 percent of new apartments, whether under construction or recently completed, are unsold,²⁶ while the developers readily offer 20 to 30 percent discounts on new housing.²⁷ The same applies to the restaurant and hospitality services: after the "partial mobilization" was announced last September, the number of visitors to upscale Moscow restaurants dropped by 30 percent and the average bill lost around 20 percent of its value.²⁸ In general, one may say that the entire sector that produces luxury and upscale goods and services experienced a strong blow.

Secondly, the emigration came as a surprise to many service industries, including the wholesale and retail trade. After the start of

25. "2022 god. Obzor rossijskogo finansovogo sektora i finansovyh instrumentov" [2022 review of the Russian financial sector and financial instruments], Bank of Russia, 2023, available at: www.cbr.ru.

26. "Ob"em nerasprodannogo žil'a v Moskve u zastrojšikov dostig 10 mln kvadratnyh metrov" [The amount of residential real estate unsold by developers in Moscow reaches 10 million square meters], Business FM, April 11, 2023, available at: www.bfm.ru.

27. V. Lunkova, "Padenie sprosa i skidki: glavnye trendy na rynke novostroek Moskvy—2022" [Declining demand and discounts: main trends on the Moscow real estate market 2022], RBC, December 30, 2022, available at: <https://realty.rbc.ru>.

28. A. Zaharova. "Posešaemost' dorožih restoranov Moskvy upala na 30% za dve nedeli" [Attendance at expensive restaurants in Moscow fell by 30% in two weeks], RBC, October 9, 2022, available at: www.rbc.ru.

the war and the first sanctions, Russian retailers reoriented their supply chains to Turkey, China, the United Arab Emirates and other destinations, hiring tens of thousands of new sales managers, almost all of them young males. Most of these efforts collapsed in September 2022 as they either fled the country or became unable to travel abroad. In services such as editing, movie production, design and many others up to a half of the male workforce disappeared, causing both rapid feminization of the labor force²⁹ and a rise in wages as the professionals become scarce. It would not be an exaggeration to say that, for the first time ever in large Russian cities, the labor market was controlled by employees rather than employers; the number of vacancies soared to record highs, which, of course, made it difficult for entrepreneurs to run their regular business.

Thirdly, and this issue is mentioned extremely often, the outflow of professionals affected the Russian IT business the hardest; no fewer than 100,000 software engineers left the country.³⁰ By the end of 2022, it was said that one of six IT professionals employed by Russian companies provided her or his services from abroad³¹—and this trend is still in the making; for some time, remote work was tolerated, but, since early 2023, companies have been ordering their employees to return (e.g. MTS, the leading mobile-phone operator, ordered that all employees working from foreign countries be banned from using corporate networks by June 1, which in effect means being fired unless they return to Russia).³² The growing lack of IT professionals is an issue of which the importance has been recognized in Russia at the highest level.

Fourth, and not least importantly, is the effect of the exodus on Russian education, science and culture. It should be noted that many university professors, teachers, scholars, writers, artists and performers were not so much threatened with either mobilization for military service or prosecution by the secret services but rather felt uncomfortable in the new Russia where anyone can be accused of

29. T. Baranova, “Feminizaciâ i deficit molodyh kadrov: čto proishodit na rynke truda Kubani” [What’s going on in Kuban’s labour market], *South Business Newspapers*, November 22, 2022, available at: www.dg-yug.ru.

30. A. Zlobin, “Glava Mincifry soobšil o 100 000 uehavših iz Rossii ajtišnikov” [The Minister for Digital Development says 100,000 IT professionals left Russia], *Forbes Russia*, December 20, 2022, available online: www.forbes.ru.

31. M. Šakirova, “16% IT-specialistov rossijskih kompanij rabotaût iz-za rubeža” [16 percent of all IT professionals employed by Russian companies work from abroad], *Forbes Russia*, February 12, 2023, available at: www.forbes.ru.

32. “MTS s iûnâ zapretit svoim sotrudnikam udalennno rabotat’ iz-za granicy—istočniki ‘Spektra’” [Starting from June, MTS will prohibit its employees from working remotely from abroad—Spektra sources], *Spektr*, April 13, 2023, available online: <https://spektr.press>.

“discrediting the armed forces” or be designated as a foreign agent. Since the war started, dozens of scientific and educational projects in state-run universities have been ended,³³ and hundreds of scholars fired. Western foundations have assisted at least several hundred leading Russian experts in moving abroad,³⁴ while the best found new positions by themselves. The authorities have no intention of calling them back—on the contrary, they have opened criminal cases against people such as Konstantin Sonin,³⁵ a leading Russian economist currently employed by the University of Chicago. The same applies to artists and performers. Well before the current war, Marat Gelman, organizer of the *SlovoNovo* art festival, estimated that most of the best-known Russian artists and writers permanently resided outside Russia;³⁶ they have now been joined by hundreds of others; for example, Liya Akhedzhakova, the 84-year-old People’s Actress of the Russian Federation, expelled from the theater where she had served for 45 years and who moved to Israel,³⁷ and Alla Pugacheva, the most famous Soviet pop star, whom the authorities are trying to investigate on allegations of providing financial support to the Ukrainian armed forces,³⁸ who also resides outside Russia. All these cases are well known, but their economic effects seem remote as the Russian economy has been indifferent to innovation for decades, and the degradation of Russian professional education has been so obvious in recent years that the loss of the best teachers will not be mentioned in the coming years.

Last, but not least is the demographic issue since the war began; overall fertility rates are now at their lowest levels since 1993, with Russia losing 0.6–1 million people a year, even when excluding the

33. A. Marohovskaâ, I. Dolinina, “‘Ran’še nikomu v golovu ne prihodilo sčitat’ obrazovanie ugrozoi bezopasnosti” [‘Before, it never occurred to anyone to consider education a security threat’], *Važnye istorii*, April 8, 2022, available online: <https://istories.media>.

34. Y. Balahonov, “Utok mozga. Rasskaz o tom, kak učēnye opât’ uežžauit iz Rossii” [Brain drain. The story of scholars leaving Russia once again], *Proekt.media*, March 27, 2023, available online: www.proekt.media.

35. “Na ekonomista Konstantina Sonina zaveli ugovnoe delo o ‘fejkah’ pro armiu” [Economist Konstantin Sonin is under criminal investigation for spreading ‘fake news’ about the Russian army], *Meduza*, March 25, 2023, available online: <https://meduza.io>.

36. L. Usova, “Naša rodina—russkij âzyk: Marat Gel’mān podvodit itogi ‘SlovoNovo’” [Marat Gelman: ‘The Russian language is our Motherland’], *Zima Magazine*, October 2, 2019, available online: <https://zimamagazine.com>.

37. L. Pačkova, “Liâ Ahedžakova ušla iz ‘Sovremennika’” [Liya Ahedzhakova quits the ‘Sovremennik’ theatre], *RBC*, April 9, 2023, available online: www.rbc.ru.

38. “Genprokuraturu poprosili proverit’ Pugačevu na predmet finansirovaniâ VSU” [Prosecutor General’s Office was asked to investigate Pugacheva for financing the Ukrainian army], *Izvestia*, April 12, 2023, available online: <https://iz.ru>.

emigration that intensifies the process.³⁹ The experts familiar with the issue suggest that the country would need to attract not less than a million people annually just to stabilize its current population numbers,⁴⁰ which looks problematic. But, to be clear, the current outflow from Russia creates only structural, not systemic risks for the Russian economy; the latter are caused much more by the government's orders squeezing out Western investors, rising taxes, and the imposition of additional bureaucratic pressures on the business community.

However, of course, the Kremlin appears not to tolerate the growing outflow of people from the country, and tries to both stop it and to bring some emigrants back home. These efforts can be divided into two. On the one hand, the authorities try to attract much-needed professionals (like those experienced in IT), offering them long-term contracts, increased wages and even mortgages subsidized for 30 years.⁴¹ Of course, all this has little effect since the IT engineers realize how vulnerable their position would be and how more complicated their careers in the West might be thereafter. On the other hand, the government has been consistently trying to deprive the emigrants of permanent sources of income originating from Russia (like those coming from rental agreements, other kinds of property use, or shareholder dividends).⁴² Those living abroad already suffer from the fact they lost their resident status in Russia and now should be paying elevated income taxes—at 30 percent⁴³ instead of 13 or 15 percent depending on income amount. However, both deputies and bureaucrats in Moscow have been talking about prohibiting real-estate deeds and a ban on money transfers. This would put all emigrants into a new “lower caste” of Russian society (because they extract most of their income from Russia, except some software engineers and employees of Western companies who were “evacuated” to their headquarters, and journalists and civil society

39. E. Šerbakova, “Predvaritel'nye demografičeskie itogi 2022 goda v Rossii” [Preliminary demographic results for 2022 in Russia], *Demoscope Weekly*, March 14, 2023, available online: www.demoscope.ru.

40. I. Sizov, “Migrantov vključili v prognoz” [Migrants were included in the forecast], *Kommersant*, April 13, 2023, available online: www.kommersant.ru.

41. “Lgotnaâ ipoteka dlâ IT-specialistov v Rossii” [Subsidized mortgages for IT specialists in Russia], *TAdviser*, April 18, 2023, available online: www.tadviser.ru.

42. “Nakazaniâ dlâ uehavših. Kak predstaviteli rossijskoj vlasti sporât o sankciâh dlâ pokinuvših voûûsuû stranu” [Penalties for those who left. How Russian officials are arguing about the adoption of sanctions against those who left the country at war], *BBC News Russian*, December 29, 2022, available online: www.bbc.com.

43. N. Stepanova, “NDFL s nerezidentov RF v 2023 godu” [Income tax paid by non-residents of the Russian Federation in 2023], *Nalog-Nalog*, January 13, 2023, available online: <https://nalog-nalog.ru>.

activists funded by Western governments or NGOs).⁴⁴ Just recently, the Kremlin introduced another bunch of measures that might become very troubling for at least some emigrees; a new law adopted by both the State Duma and the Federation Council in mid-April states that, if a Russian citizen who might be called for military duty (i.e. all healthy men aged between 18 and 55) gets a writ, which can now be distributed electronically, to his mailbox at the *Gosuslugy* (“Official services”) website, he is immediately deprived of the right to leave the Russian Federation, and within 20 days will be banned from getting loans, buying or selling real estate, organizing business entities, or registering himself as a private entrepreneur.⁴⁵ The next step, which looks highly probable,⁴⁶ would be to block these people’s bank accounts and payment cards so as to reduce their ability to get funds from Russia. Therefore, it looks like the Russian leadership has decided to permanently exclude from Russian society all those who chose to quit the country temporarily because of the war.

Most probably, the Russian economy will counter the effects caused by the recent emigration, but primarily because the government deliberately chose a path of demodernization, and most of those who moved abroad simply aren’t needed in the autarchic and state-led economy that President Putin is building these days. Even if such people stay at home, their chances of participating fully in their country’s economic development are very small. By losing new emigrants, Russia is opting for a 1–1.2 percentage point decrease in its GDP and to deprive itself of huge human capital which, in Putin’s world, simply doesn’t count in the way that energy resources, money and soldiers do.

44. V. Inozemtsev, “A New Segregation: Russians Living Abroad Are Becoming Russia’s Lower Caste”, *MEMRI*, February 9, 2023, available online: www.memri.org.

45. “Gosduma prinâla zakon ob elektronnyh poveskakh” [The State Duma adopted a law on electronic summonses], *Interfax*, April 11, 2023, available online: www.interfax.ru.

46. A. Ponomareva, “Begite kuda ugodno’. Blogery obsuždaût zakon ob elektronnyh poveskakh” [“Run anywhere.” Bloggers are discussing the law on electronic summons], *Radio Liberty*, April 12, 2023, available online: www.svoboda.org.

How Should Europe Deal with the Russian “Relocants”?

How should European politicians address the new Russian “relocation”? Before the war, Europe had been for decades the primary destination for Russian emigrants. According to official statistics, between 2012 and 2021, consulates in Russia issued almost 38 million Schengen visas and 2 million national visas for Bulgaria, Croatia and Romania,⁴⁷ and the latest available data suggest that close to 1 million of them remained valid as of September, 2022.⁴⁸ By the end of 2021, over 850,000 Russian passport-holders resided in EU nations⁴⁹ and in the UK on a permanent basis.⁵⁰ Most of them went to these European countries to further their career and to integrate into local societies, but the Russian diaspora in Europe remained the only one that continuously channeled money from its home country to the EU, while all other ethnic communities massively wired funds to their relatives and dependents living outside the union. After the Russian attack on Ukraine, attitudes started to change; with air traffic halted and visa issuance dropping fast, the number of Russians arriving in the EU fell dramatically. Moreover, thousands of wealthy individuals opted to move to destinations such as the United Arab Emirates, Israel and Turkey after sanctions were imposed, and more than \$67 billion of Russian private assets were reported frozen in the EU,⁵¹ UK⁵² and Switzerland⁵³ by the end of 2022.

47. K. Foltynova, “Closing Doors: How Europe Is Restricting Russians From Traveling”, *Radio Free Europe*, October 13, 2023, available online: www.rferl.org.

48. “Schengen Visas”, *EU Delegation to the Russian Federation*, November 24, 2022, available online: www.eeas.europa.eu.

49. “Number of People Living in Europe With Russian Citizenship in 2021, by Country”, *Statista*, February 2022, available at: www.statista.com.

50. “Number of Russian Nationals Resident in the United Kingdom from 2008 to 2021”, *Statista*, September 2021, available at: www.statista.com.

51. A. Nardelli, “EU Urged to Make Banks Report Size of Frozen Russian Assets”, *Bloomberg*, May 3, 2023, available online: www.bloomberg.com.

52. A. Macaskill, “Britain Has Frozen 18 Billion Pounds Worth of Russian Assets”, *Reuters*, November 11, 2022, available at: www.reuters.com.

53. H. Miller, “Swiss Say Its \$8 Billion of Frozen Russian Assets Is ‘Only a Fraction’ of Total”, *Reuters*, December 1, 2022, available at: www.bloomberg.com.

The inflow of Russians fleeing Putin's Russia after the start of the war was a minor issue for the European Union nations. It's hard to find any proper statistical data, but research by Russian activists suggests that not more than 6–8 percent of all who left the country went to EU nations⁵⁴ (even this figure might be an exaggeration since many Russians possess long-term Schengen visas requiring them to leave the region after 90 days of stay, before applying to return,⁵⁵ so many of those who entered European countries either in March or in October last year might not be there right now). Most of the studies conclude that more than a half of the Russian diaspora are now located in four post-Soviet republics, Georgia, Kazakhstan, Armenia and Kyrgyzstan, and if one adds Turkey, Israel, Serbia and Montenegro, the share would exceed 80 percent.⁵⁶ So, the new Russian emigration still “remains at the gates” of Europe—but this may not last for long.

First, it's hard to believe that self-made and entrepreneurial Russians are entirely satisfied with their current conditions in Armenia or Kyrgyzstan. Of course, these countries offer some important benefits, such as the chance to use Russian in everyday communications, quite affordable pricing for common needs, and, finally, the visa-free travel and simple procedures for getting residency permits. All this is important during the first months in exile, but as the Russian emigres realize they will need to stay abroad for years, to get new jobs or start their businesses, and to settle in a way that allows them to bring their wives and children from Russia, the post-Soviet countries will hardly be seen as the best place to stay. Serbia and Montenegro these days also cannot offer much beyond a temporary refuge. Therefore, one may be fairly sure that the more westerly and central European countries will soon face growing demand for placement by Russians. The story would thus repeat the previous one between 1921 and 1926 when Russian emigrants in Turkey, Greece and Serbia moved to Paris, Berlin and Prague; official data provided by the League of Nations suggested that there were 950,000 Russian emigres in Europe.⁵⁷

Second, it should be mentioned that, as of early 2023, there is a huge difference between the “new” Russians who are already inside

54. D. Kasânčuk, “Skol'ko rossiân v 2022 godu uehalo iz strany i ne vernulos” [How many Russians left the country in 2022 and did not return?], *The Bell*, December 30, 2022, available at: <https://thebell.io>.

55. K. Foltynova, “Closing Doors: How Europe Is Restricting Russians from Traveling”, *op. cit.*

56. D. Kasânčuk, “Skol'ko rossiân v 2022 godu uehalo iz strany i ne vernulos”, *op. cit.*

57. S. Reed, “The Russian Refugee Crisis of the 1920s”, *British Library European Studies blog*, December 10, 2015, available at: <https://blogs.bl.uk>.

the European Union and those who are not. Since the first weeks of the war, as the Kremlin started its wide campaign against the Russian free press and Russian anti-war activists, Europe became the main destination for the Russian “opposition” (this term should be used rather cautiously since it would be better applied to an organized political movement inside the home country, while those critical of Putin’s regime might better be called “pro-democracy activists”).⁵⁸ Most of the Russian independent media outlets have been relocated to Europe, with new positions opened for Russian journalists such as *Dozhd’ TV* broadcasting from Amsterdam⁵⁹ or the new Russian media channel accommodated by *Bild* magazine in Berlin.⁶⁰ The *Free Russia Forum* is headquartered in Vilnius,⁶¹ former Russian State Duma and regional deputies organize their congresses in Poland,⁶² and new research centers advocating a democratic transformation of Russia are now to be seen in Prague, Brussels, Berlin and Helsinki. These protest actions should be respected, but they are mainly addressing the same Russian audience that has already proved many times its inability to challenge Putin’s regime and that is now concentrated outside Russia’s borders more than ever before. The Russian emigres who hate Putin are now positioning themselves as proponents of Ukrainian victory over Russia and are increasingly seen in Russia as traitors—a fact that is often mentioned even by many other devoted critics of the regime.⁶³

58. S. Parhomenko, V. Inozemtsev, “‘Sut’ sobytij’ s Sergeem Parhomenko i Vladislavom Inozemcevyim” [“The Essence of Events” with Sergei Parhomenko and Vladislav Inozemtsev], *EchoFM*, March 10, 2023, available at: <https://echofm.online>.

59. N. Camut, “Russian independent TV Rain gets license to broadcast from the Netherlands”, *Politico*, January 10, 2023, available online: www.politico.eu.

60. C. Senft, “Maksim Kurnikov (‘Echo Moscow’) Joins BILD as Lead Editor”, *AxelSpringer*, June 21, 2022, available online: www.axelspringer.com.

61. “About the Forum”, *Free Russia Forum*, September 20, 2019, available online: www.forumfreerussia.org.

62. “The Russian Oppositionists Unite, Adopt Political Program”, *Kyiv Post*, November 9, 2022, available online: www.kyivpost.com.

63. G. Golosov, “Pomožet li oppozicii voennoe poraženie Rossii?” [Will Russia’s military defeat help the opposition?], *Holod*, March 15, 2023, available online: <https://holod.media>.

Great Value for Europe

For the European Union to focus on the most politicized part of the new Russian diaspora more than on its least politicized part looks far from optimal. Those Russians who haven't been engaged in organized opposition activity and seem indifferent to Russia's policies but fled from their country spontaneously in February-March and September-October of 2022 should be considered of great value for Europe, for at least three reasons.

The first reason is a purely economic one. The effects of the new Russian "relocation" to the post-Soviet nations suggest that these entrepreneurial people, possessing quite a lot of money and even more of initiative, can transform the business community in other countries while sharing the values and habits of the younger generation of Europeans. It should be added that, if Western governments wish to weaken Putin's Russia, they should keep their doors wide open for the Russian professionals trying to escape from the ageing empire. While in Russia the government is set to raise taxes, increase arbitrary pressure on business, control the internet and thus ruin independent IT businesses, the European authorities should welcome those Russians who can prove they have enough funds for living and doing business and who would agree not to apply for any kind of welfare assistance for, for example, three years after being allowed to settle in Europe. This might contribute significantly to European economic growth and innovative activities while creating a continuous transfer of wealth from Russia to Europe as the emigres realize they have no place to return to, and start to sell any assets they own in Russia while they can still do so. The annual inflow of funds in this case might rise to \$20–30 billion for several years to come if 400–500,000 "new" Russians are allowed to move to EU countries and are granted permission to work and open their businesses there. There is no other external source of growth of such magnitude that the European Union could use, unless it chooses to attract different kinds of dirty money from around the world (the funds the Russian emigres can bring might exceed the proceeds from issuing all types of "golden visas" or

passports promoted by EU countries since 2010,⁶⁴ in just several years).

Second, by welcoming the “ordinary” Russian emigres instead of political activists and media anchors, the European authorities will build the foundations for long-time trust between Russians and Europeans. These days, Putin’s propaganda depicts the Western world as one that hates all Russians, and the European policy of closing Europe’s borders to most Russians while opening them to those who are attacking not only the Kremlin but all Russian society, or welcoming either Ukrainian victory or even the dismemberment of Russia reinforces this perception. European policymakers should consider that those relocated from Russia to other countries maintain strong ties with their relatives and friends in Russia; up to 60 percent of them communicate with them daily, each reaching from one to four people.⁶⁵ This means that, with 500,000 people going to Europe, and being happy to do so (which will happen almost for sure), up to 2–4 million Russians remaining in Russia will receive trusted information about the real state of affairs, suggesting that anti-Russian feeling is not widespread in Europe, and the Kremlin’s propaganda is lying to the Russian people. What seems even more important is that, if Russia starts to change,⁶⁶ most of these people will return to their country and might become a driving force for change, while the political activists now based in Europe will not be allowed to return even if the regime changes mildly, and therefore will stay in Europe and thus be as ineffective in transforming Russia as they currently are.

Third, and this also might be quite important, the Russians already living in Europe developed a political position shaped for years by Kremlin propaganda. As a result, pro-Russia sympathies are evident in many countries, especially in Germany where the correlation between the share of ethnic Russians in local communities and the votes cast for both extreme right and extreme left parties, such as *Alternative für Deutschland* and *Die Linke*, is notably high.⁶⁷

64. See, e.g.: “Europe’s Golden Visas: Five highly pursued EU residency programs”, *Nomad Capitalist*, February 15, 2023, available online: <https://nomadcapitalist.com>.

65. N. Kostenko, *et al.* “The Russian Rhizome: A Social Portrait of New Immigrants”, *op. cit.*

66. This does not mean there is hope for a pro-democracy revolution in the coming years, but President Putin might be deposed by members of his inner circle so that Russia is put back on course for a slight liberalization and restoring basic relations with the West. On this subject, see: V. Inozemtsev, “The Prospect Of A Coup d’Etat In Russia”, *MEMRI*, November 23, 2022, available online: <https://www.memri.org/>.

67. I. Panagiotidis, “Russkoâzyçnye izbirateli v Germanii—kto oni?” [Russian-speaking voters in Germany: who are they?], *Quorum*, May 3, 2019, available online: www.initiative-quorum.org.

The existing Russian communities in many European countries are backing numerous anti-EU and anti-Ukrainian rallies; those opposing the supply of Ukraine with weapons and financial assistance usually outnumber those supporting Ukraine's cause.⁶⁸ With the arrival of "new" Russian emigres—the first significant portion of those who were forced to leave Russia, predominantly due to political reasons—the current mood inside the Russian communities in Europe may start to change. This seems to be a quite important issue for European domestic policy since, for example, in Germany there are more than 2.1 million voters of Russian descent,⁶⁹ most of whom tend to blame the EU for its "anti-Russian" position. The influx of people with a far more realistic vision of Russian politics, based on their personal experience, would have a bigger effect on the Russian communities than any number of anti-war conferences and new *YouTube* or *Telegram* channels featuring the leaders of the Russian emigrant "opposition".

68. "Protest in Berlin Over Arming Ukraine Against Russia Draws Thousands", *Reuters*, February 25, 2023, available online: www.reuters.com.

69. I. Panagiotidis, "Russkoâzyçnye izbirateli v Germanii—kto oni?", *op. cit.*

Conclusion

In summary, in the early 2020s, Europe is facing a Russian exodus that may well match the one that happened a century ago in the early 1920s. At that time, European countries welcomed more than a million Russians (with up to one and-a-half million remaining in independent Baltic states) stripped of most of their assets and their previous citizenship, and possessing few valuable skills. The 2020s Russian emigration differs radically from the previous one: its members do not consider themselves as outcasts, share almost all contemporary European values, and are well educated and set up for a professional or entrepreneurial career. They are linked to Russia by thousands of ties, feel the mood of Russian society, and, in the main, possessing a deep understanding of the nature of Putin's regime and moved by a desire to make Russia a modern livable country, wish to return there. Alienating them, as the Europeans have been doing since the beginning of the Russia-Ukraine war by discontinuing visa issuance, imposing restrictions on entry and denying access to financial services, looks like a grave miscalculation by the Western political class. This miscalculation is becoming even more damaging as the relocated Russians realize they will not return home any time soon and start to look for a more permanent and comfortable place to stay.

During the past year, Western governments opposed Putin's Russia by imposing sanctions aimed at depriving it of money, critical imports and technology, and supplied Ukrainian military forces with ammunition needed to repel the Russian aggression. But no-one in the West has paid attention to the task of depriving the Russian rulers of their people, of those who provide competitive goods and services, who invent new techniques, who earn money for themselves as well the state budget, and who, last but not least, might be recruited into the Russian army and sent to Ukraine to kill and destroy what was built by previous generations. Hundreds of thousands of young and self-made Russians voluntarily left their country, being either unhappy with Putin's policies or simply threatened by them. The best policy for Europe would be to incorporate them into Western societies, invite more people to follow, create a Russian community that fully shares European values, and be ready to "export" them back to Russia. Russia was not a genuine European country before Peter the Great's reforms nor after the Bolshevik revolution, but it

was part of Europe during the 200 years in between simply because it was transformed, managed and ruled either by Europeans (not only the greatest empress of the 18th century, Catherine the Second, but a significant part of both the military and administrative elite of that time was foreign-born) or by people raised in Europe or by European tutors. Those Russian Europeans who are now knocking on the doors of Europe, will, if allowed to enter, soon become European Russians—the only force that may bring Russia back into Europe and, therefore, into the modern world.



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