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Unemployment and the Unemployed in Russia: Features, Structure, Dynamics from 2000 to 2016

Andrei N. Ershov
Kazan Federal University, Kremliovskaya str, 18, 420008, Kazan, Russia

Aleksandra A. Salatova[*]
Kazan Federal University, Kremliovskaya str, 18, 420008, Kazan, Russia

Abstract
This article provided an analysis of statistical data on the dynamics and the changes in the structure of unemployment in the three Russian federal districts (Central, Volga, and North-Caucasian FD) from 2000 to 2016. The analysis also made it possible to distinguish the following features: 1. The differentiation of the ratio, but the similarity of the dynamics of urban/rural unemployment across all districts; 2. The absence of gender discrimination, moreover, during the crisis, women and men were evenly displaced from the labour market. 3. A slight difference in the average age of the unemployed in the districts (35-36 years - Central, Volga, 33-34 years - North Caucasus) and the general trend of its increase. 4. The largest group in the structure of the unemployed in all districts formed by individuals with a secondary general education. However, in the Central Federal District, there was a tendency for a gradual increase in the proportion of unemployed people with higher education. 5. The presence of a gap, with a tendency to its gradual reduction in all districts, between the levels of registered unemployment and calculated ones according to the methodology of the International Labour Organization. Thus, the structure of Russian unemployment changes in accordance with world trends was described while the trend to reduce unemployment was contrary to them.
Keywords: Unemployment; Unemployed; Globalization; Factors of globalizatio; Russian federation.

1. Introduction
Understanding the specifics of Russian unemployment provides an adequate transfer of international employment regulation experience to the Russian realities.

At the same time, the study of the Russian unemployment features should be carried out in the general context of the historical development of the country. The time of 2000-2016 is particularly interesting for some reasons. (Bakittizhamal *et al.*, 2018).

Firstly, for the 1980s generation; unemployment was like an abstract term (in the Union of Soviet Socialist Republics (USSR) unemployment was abolished officially in 1930). The generation of 1990s "grew up with unemployment" and came into the labor market in 2000s. They also felt the labor market competition on themselves and built their opinion on unemployment (Antúnez, 2003).

Secondly, in 2000s, the Russian economy recovered from the economic crisis of 1998, experienced the global financial and economic crisis of 2008-2009 which then, according to the official position of the Russian Federation, grew into a structural crisis that has continued to this day. During 2000-2016, the recovering and crisis stages of Russian labor market development were explored (Vakhitov *et al.*, 2017).

In this regard, the Russian unemployment characteristic features were given in a historical context, and in close connection with the economic and political processes.

2. Methodology
The features of Russian unemployment and the unemployed were identified based on the analysis of the Russian Federal State Statistics Service (Rosstat) socio-economic indicators for 2000-2016. In this article, the secondary analysis of the social surveys by WCIOM.ru and FOM.ru were also used.

3. Results and Discussion
The structure and the dynamics of unemployment in Russia had their own features due to specific historical way of being and public policy. Based on the statistical data analysis, the following features of Russian unemployed and unemployment taking place for the past 16 years were identified:

The Russian unemployed were various because national labor market was a set of independent regional labor markets. The main difference between Russia and Western countries was geographical characteristics. In this respect, huge territory with insufficient level of communication and transport systems creates significant difficulties for business development.

*Corresponding Author

The different development of Russian regions was reflected in the employment rate. The difference in unemployment rates between the federal districts may be around 4 times (Table 1).

Table-1. The Unemployment Rate (ILO methodology, %, by Rosstat)

Year	Central FD	Northwest FD	Volga FD	Ural FD	Siberian FD	Far Eastern FD	Southern FD	North Caucasus FD	Russia
1999	10,1	13,6	11,3	12,4	15,1	15,5	-	-	13
2000	7,8	9,6	9,8	10,1	12,8	12,6	-	-	10,6
2001	6	7,6	8,4	9,2	11,3	10,2	-	-	9
2005	4,3	5,4	7,4	6,7	9,3	7,9	8,4	17,1	7,1
2006	4	4,9	6,5	6,8	8,7	7,4	8,2	22,6	7,1
2007	3,1	4,1	6,1	4,9	7,6	6,6	7	19,2	6
2008	3,6	5	6,2	5,5	8,3	7,7	6,4	15,7	6,2
2009	5,8	6,9	8,6	8,1	10,5	9,2	8,6	16	8,3
2010	4,6	5,9	7,6	8	8,7	8,6	7,6	16,5	7,3
2013	3,3	4,3	4,9	5,7	7,2	6,5	6,5	13	5,5
2014	3,1	4,1	4,5	5,8	7	6,4	6,2	11,2	5,2
2015	3,5	4,7	4,8	6,2	7,7	6,3	6,6	11,1	5,6
2016	2,3	2,9	4,4	4,9	6,1	5,2	6,1	10,2	4,4

The highest unemployment rates were in the North Caucasus Federal District (NCFD). The sharp jump in the unemployment rate in 2006 was due to the beginning of the collection of statistical indicators on employment in the Chechen Republic. The crisis of 2008-2009 also had different impact on the dynamics of unemployment. The peak of unemployment rate had increased for Central (CFD) and Volga (VFD) in 2009, the downward trend for NCFD had also started in 2010. This was not only because of geographical difference, but differences in socio-economic levels of development.

Russian scientists summarized regional labor markets specifics and what should be done:
- There were differences in development of regional labor markets.
- The same factors had a different impact on labor markets in different regions.
- Uniform public employment policy did not consider regional specifics.
- Employment policy should be variable from region to region.

To this end, three federal districts were selected: North Caucasus (NCFD), Volga (VFD), and Central (CFD) - with high, medium and low levels of unemployment over the last 15 years. The main features identified were as follows.

3.1. Russia's Unemployed Did Not form a Homogeneous Marginal Social Class

In some Western countries, unemployment has increasingly become protracted. According to Eurostat, the level of long-term (long-term) unemployment rate in the EU increased from 33.5% of the total number of the unemployed in 2009 to 47.5% in 2013. The highest unemployment rate (74.9%) was recorded in the region Východné Slovensko (Slovakia) in this status for more than 1 year, and the lowest rate (12.4%) was reported in the Ovre Norrland (Sweden). About half of all long-term unemployed had been in that status for more than 2 years.

The results of long-term unemployment were a homogeneous social stratum of the unemployed. Its features were; distrust of the government, depressive mood, potentially aggressive behavior, and risks of being involved in criminal activities (Altindag, 2012). In addition, in view of the availability of social guarantees and significant material benefits, the unemployed citizens within the emerging layer were allocated to a separate group of "professional unemployed" - people who deliberately renounced further search of work and existing at the expense of benefits and subsidies to the state. Representatives of this group were often running this way of life for generations and formed a kind of community, occupying entire neighborhoods in the cities. The UK Channel 4 released in January 2014 a five-part documentary film "Street of Benefits", which told of the everyday life of residents of several streets of Bermigema, wherein 95% of the population were unemployed and received government subsidies. The film characters were busy with their humdrum affairs including petty theft and fraud and an antisocial lifestyle as well as violation of public order.

In Russia, there was no a homogeneous layer of the unemployed, occupying a marginal position for the following reasons.

Firstly, the level of long-term unemployment in Russia was in the range of 30% of the total number of the unemployed, which was below the European average (Figure 1).

Figure-1. The level of "Stagnant" According to Rosstat, Unemployment (% of Total Number of Unemployed Individuals with Experience of Employment)
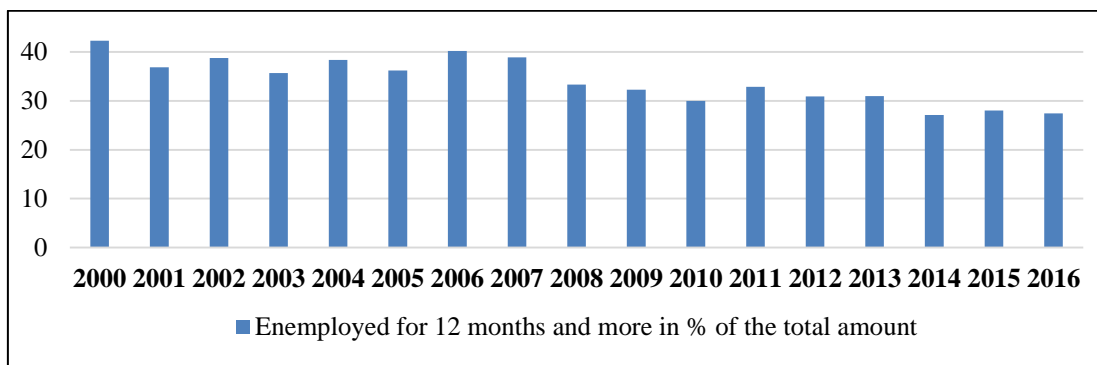
The Russian phenomenon of "professional unemployment" referring to a relatively low level of government subsidies to individuals, who have lost their job, is virtually absent. Secondly, the social position of the Russian unemployed is clearly defined as a marginal rather than difficult one because they represent different social strata, from the middle and the lower. In this respect, the difference between the unemployed working people manifested itself only in the fact that the latter spread their positions much more - from the higher layer. In other words, Russia's unemployed individuals sufficiently integrated into various social strata in their layered identity (Golenkova and Igithanyan, 2001).

Thirdly, unemployed stratum was heterogeneous in composition. Data for 2005 and 2010-2016 indicated the gender-age structure of the Russian unemployment covered all age groups. The biggest gap was reported between the unemployed aged 20-24 and 30-39 years; and it was only 5%. The gender structure of the unemployed also indicated the absence of gender discrimination. There were about equal shares of the unemployed with higher, secondary vocational, secondary general and basic general education. Regarding professional status, the greatest number of the unemployed were unskilled workers (15.5%), and in the second place; there were professionals in the field of trade, services, housing, and communal services (13.5%); and the third one - skilled workers (12.5%).

The largest group of the unemployed (26.7%) had no work experience. Furthermore, unemployed individuals consisted of at least three categories:
- Individuals who had lost their jobs and failed to find it in current economic circumstances;
- Individuals who had not been able to get jobs by health/sickness reasons;
- Individuals for whom unemployment was a conscious choice.

Fourthly, according to some sociological studies, the Russian unemployed assessed their own financial situation, the situation in the economy and society, the causes of social inequalities in general, as well as most employees (Gordon and Bedbugs, 2000; Zudina, 2011).

Thus, the Russian unemployed constituted a special uniform social stratum, which occupied a marginal position. Rather, they constituted an intermediate, fluid part of the economically active population, whose hallmark was lack of a permanent place of work.

3.2. Features of Russian Unemployed in Three Federal Districts

An analysis of unemployment structure and dynamics by types of settlement showed the majority were live in urban areas. This situation reflected the global urbanization trend, and did not mean better circumstances of "non-urban" labor markets (Ershov and Salatova, 2017). It should be noted that about 70% of Russian population live in towns and cities, and naturally the unemployment rate among the urban population is higher. However, this trend was valid only for the CFD and VFD. In the NCFD, urban/rural population ratio was the same and accounted for 49.1% and 50.9%, respectively. The urban unemployment rate was also much lower in comparison with other regions. The situation in the NCFD was atypical for Russia and deserved further explorations.

A feature of rural unemployment through all the regions was its relative stability during crisis periods. However, it might mean a stagnation of rural unemployment. In this case, Government was required to encourage entrepreneurships and mass creation of new jobs in small towns and villages to reduce the number of the rural unemployed.

From 2000 to 2016, the main trend in all federal districts under consideration was a decrease in the number of unemployed men and women (Figure 2). This was due to the general decline in the unemployment rate in the whole Russia.

**Figure-2.** Male/Female Unemployment Rates in 2000-2016 (Rosstat)
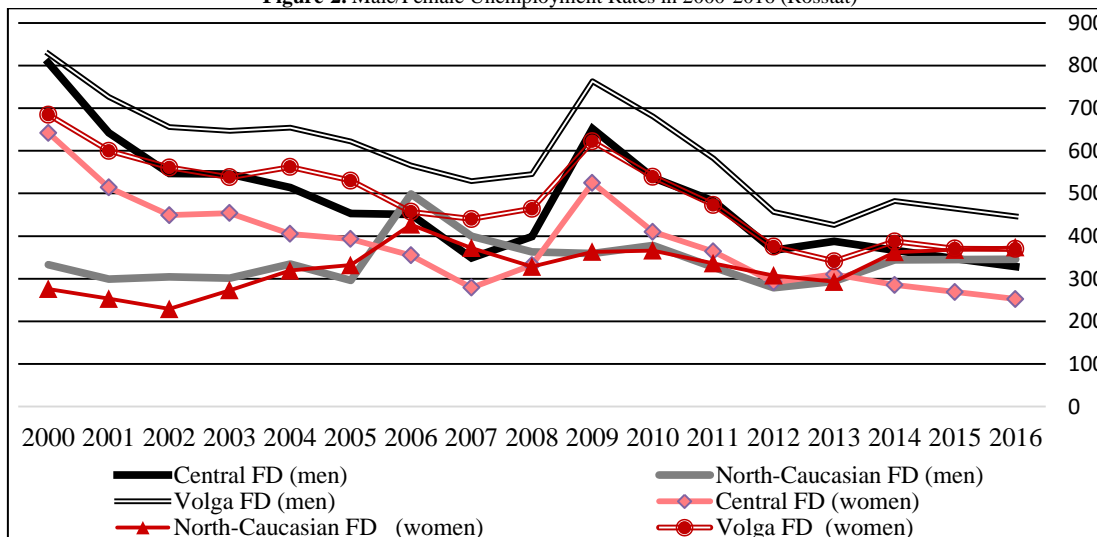
In the world, the level of female unemployment exceeds the unemployment in men. In Russia, this proportion had the opposite tendency. Figure 2 showed, since 2009 in the NCFD, there was a tendency to equalize the number of unemployed women and men. The role of the woman as housewife was becoming a thing of the past. Another positive trend was equal increasing male and female unemployment rates during economic crisis of 2008-2009.This may indicate the eradication of the prevailing stereotype values in men over women's professional competence. In addition to wage discrimination, another consequence of this stereotype was the mass dismissal of (voluntary and involuntary) women in times of economic crisis. However, there were certain "gender" differences between male and female unemployment. Some researchers (Kostikova, 2005) believe female unemployment have longer periods. Women often "leave" the labor market and prefer staying at home; so, they change the unemployed status towards being housewives. It can create an illusion of "employment". According to job searching, men and women prefer to turn to friends and relatives. The second most popular way for women is a public employment service.

There are also certain difficulties associated with the independent job-searching; the fear of the uncertainty, the need of social protection, or the desire of getting unemployment benefits. In contrast, men are searching for jobs by their own through ads in the media and Internet. To summarize, the labor market is becoming more civilized.

The average age of the unemployed in all the federal districts ranged from 32-37 years, which accounted for the blossoming of working age, the period of active building of a career (Figure 3).

Figure-3. The Average Age of the Unemployed 2000-2016 (%, Federal State Statistics Service)
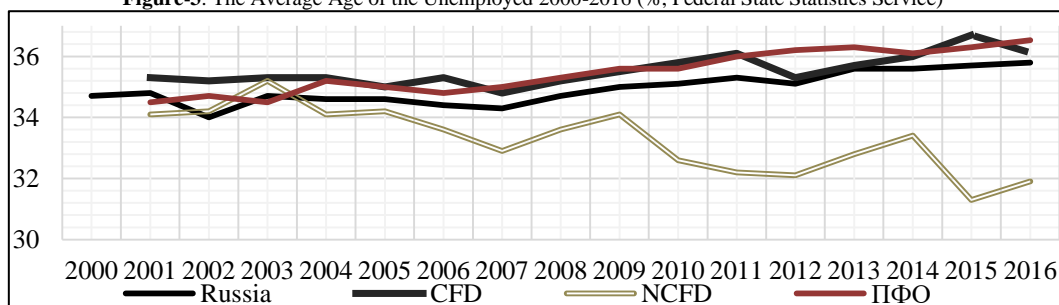
Indicators of youth unemployment (20-29 years) were consistently high. For example, among the total number of the unemployed between the ages of 20 and 29, there was one in five - 30-39. The lowest number of unemployed was the age category of 60-72 years. However, with the peculiarities of the age structure of the population, it was not connected with many age groups under consideration. According to the data of the population census of 2010, most Russians were aged 50-55 years and the next largest group of 23-27 years.

What causes the young people of working age to be unemployed? There are several causes of a different nature:

- High level of young people's claims: Ainley and Allen considered that the question "Why do young people fail to get a job?" is not correct. More correct question was: "Why do young people fail to get a job they want?" (Ainley and Allen, 2010). In this case, we are talking not about the lack of jobs, but of the youth desires to get prestigious, well-paid, and interesting jobs.

The high level of claims and lack of skills led to a long search of "dream job". All these caused a high level of youth unemployment.

- The lack of "youth" workplaces (without work experience/special skills requirements).
- The overall reduction of jobs according to the concept of the "end of work".
- The revaluation of the real economy needs in certain professionals.

The model of Western values and prestige, popularized during the Westernization of cultural and social spheres of life, is not conducive to the growth of the number of those wishing to get a job, "blue collar" – which requires special technical skill and routine activities, often in the industrial sector.

Alarming the emerging trend of gradual increase in the average age of the unemployed may be also indicative of the gradual displacement of the labor of older people market. As the main reasons for the relative "aging", the average unemployed person can push the growing needs of an innovative economy in the new professions and skills, and inertia in matters of professional competence of older persons. Hence, there is obsolescence of the professions, skills and professional competences.

Nowadays, level of education is still very important. In 2000-2016, the ratio of the unemployed with higher education was around 20-22%. The biggest group of the unemployed had secondary education (11 years of schooling) by 30-50% (depending on the region). According to Rosstat, among people with higher education, there were only 3.6% of the unemployed. The individuals without basic general education were also equal to 20%. However, tensions in the labor market for those with higher levels of education could exert pressure on individuals with lower levels. In other words, we could talk about the appearance of "overqualified" professionals, having higher qualifications than those required by their positions. This could lead to inadequate requirements to employees and further increase in unemployment among individuals with average and below-average levels of education.

There are two types of measuring the unemployed. The first is calculating by International Labor Organization (ILO) methods.

The second is the number of unemployed registered by Russian Public Employment Centers. The analysis of these two unemployment rates showed that most of the unemployed had preferred not to apply to the Governmental employment services for job searching (Figure 4).

Figure-4. Unemployment Rate in Russia (%)
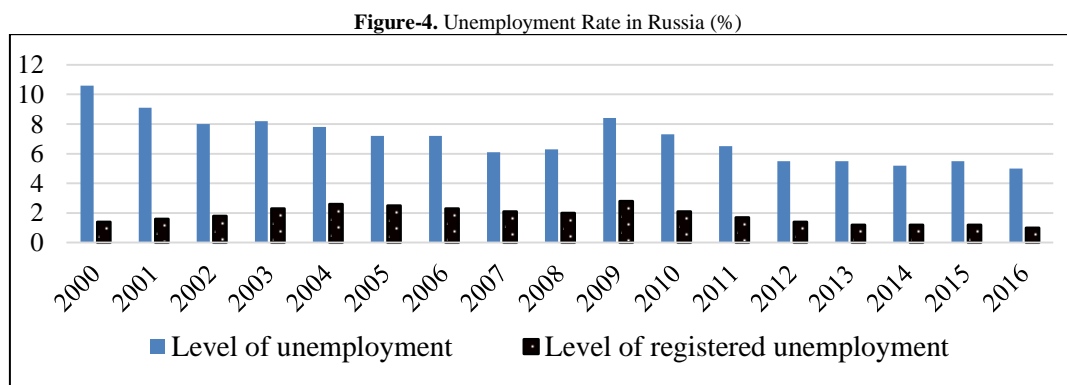
As illustrated, the gap between the levels recorded and the total unemployment would reach up to 10 times. Over the past 16 years, there was also a tendency of reducing the gap between the rate calculated by the ILO methodology and registered levels of unemployment. Thus, in Russia, the gap decreased from 7.5 times in 2000 to 4.5 in 2016. The situation was similar in all the federal districts: in CFD, it decreased from 7-fold gap in 2000 to a 5-fold in 2016; in NCFD - from 7 to 3-fold gap; and in VFD - from 6 to 5-fold gap. It could be the result of a decline in general unemployment rate.

4. Summary

The study of unemployment and the unemployed in Russia began in the 1990s. The three periods could be distinguished in the unemployment study: 1. 1992-1998: post-reform period of heightened public attention; 2. 1999-2008: post-transformation recovery period - attempts to explore the correlations between unemployment and the main socio-economic trends; 3. 2009-present: period of protracted economic and financial crisis - the themes of unemployment losing their actuality, even though Russians still feared firing and job-hunting difficulties. However, articles analyzing the present features of the unemployment and the unemployed in Russia were lacking. This study was thus conducted based on the results of the analysis of socio-economic development indicators and the statistical data by the FSSS for 2000-2016 for the CFD, VFD and NCFD. As a whole, the following features were identified.

The Russian unemployed did not form a social stratum. The large number of the unemployed was comprised of people living in cities; the number of rural unemployed was almost constant and did not fluctuate in crisis. The number of the unemployed men as women was reducing.

Data on gender structure of the unemployed revealed that the labor market was becoming more civilized; i.e. there was a female unemployment rate lower than male and there was no trend to preferential exclusion of women from labor market. The average age of the unemployed was increasing, possibly due to the innovation economy needs in new skills and professional inertia of older people.

5. Conclusion

The majority of the unemployed in Russia were living in urban areas (67% of the unemployed were in VFD and CFD regions), which reflected a global trend of urbanization. In the NCFD, urban/rural population rates were about equal (49.1% and 50.9%). Male and female unemployment rates were also decreasing trough all districts in 2000-2014. There was no gender discrimination during crisis periods. There were gender differences in mostly preferment

ways of work searching: women were turning to employment centers and men were looking for jobs by their own (through friends, the Internet). The average age of the unemployed varied between 32-37 years. However, the unemployed individuals in the NCFD were getting slightly younger (32-34 years). There was a rising tendency in the average age of the unemployed in all regions. In terms of education, the ration of the unemployed with higher education had remained lower than 20-22%. The proportion of the unemployed with secondary education in the CFD and VFD was also about 30% and it exceeded 50% in the NCFD in 2012-2013.

The main feature of Russian unemployed was that these individuals were not form a homogeneous marginal social stratum. The unemployed and the employed were living in the same socio-psychological and social-economic space, in contrast to Western countries wherein unemployment had become a lifestyle.

6. Acknowledgements

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