



RUSSIA'S DEMOGRAPHICS IN 2018

The Federal State Statistics Service (Rosstat) of the Russian Federation reported that the number of the country's residents as of January 1, 2019 equaled 144.439 million people, which is 88,000 people less than a year ago. Thus, over the course of 2018, the population of Russia decreased for the first time during the last decade. Such strictly negative demographics is explained by a combined effect of all components of demographic data. Although the number of deaths was lower than in previous years amounting to 1.817 million, the number of births dropped to 1.599 million hitting the minimum since 2006. Such a difference between the birth and death numbers led to a natural population decline of 218,000 people, which is the largest natural population loss in Russia since 2010. However, what makes 2018 so special is that unlike in previous years this natural population decrease was not offset by a net migration inflow, which eventually led to an overall decrease of the population of Russia.

The Rosstat report was not surprising for demographers since fundamental demographic rules and simple statistical estimates predicted an abrupt downshift of the population growth after 2015. Russia is considered to be a country that completed the first demographic transition. However, Russian demography is a rather unique case with falling birth rates and high death rates, which cannot be fully classified into existing four stages of demographic transition. Thus, in 2018, the birth rate per 1,000 people amounted to 10.9, whereas the death rate was at 12.4. These key demographic indicators of Russia are very similar to those of many Eastern European countries that also experience a demographic decline. The fertility rate, or the number of children per woman, in Russia is equal to 1.62, which is roughly the same as in many European countries.

However, there are a number of factors that make Russia very different from European and other more economically developed countries. For instance, Russia is an extreme case among all countries in the world in terms of relative numbers of male and female populations. The number of males for each female in a population is known as 'sex ratio', and for Russia this ratio is 0.86, which makes it one of the top five countries

with the most imbalanced sex ratios in the world. Interestingly, in Russia the sex ratio at birth is 1.06. However, after the age of 25, which roughly when most of males start to marry and participate in the labor force, the mortality among males starts to rise sharply. Thus, for the most economically active age group of 25-54 the sex ratio becomes 0.96. After the age of 55, it becomes 0.75, and after 65, it dramatically drops to 0.45. These indicators produce a very negative demographic effect making Russia an outlier in demographic statistics.

Another specific feature that makes Russian demography very unusual is the wavelike pattern of the number of births and deaths, which is a remnant of the population shock of World War II. The recent constant increase of the number of births that lasted from 2005 to 2015 was due to the previous demographic wave of the 1980s, which in turn was a function of the rapid population growth after the war. In fact, wave-shaped patterns of birth and death rates make the demographics of Russia rather predictable. Throughout the period from 1992 to 2012, the number of deaths exceeded the number of births substantially. The difference between these fundamental factors gradually decreased, and by 2012, the birth and death numbers equalized and remained at the same level until 2016. Thus, 1.94 million births registered in 2015 marked the peak of the cycle of growth for the birth rate as it was expected by demographers. It is now clear that from now on, we can observe a reversal of the previous trend, and the natural population decline will accelerate during the next 20-25 years. The population between 25 and 34, which is the reproductive age group, started to decline in 2015 – exactly when the number of births stopped its growth. The size of the 25-34 age group is now 23.9 million people, whereas the size of the 15-24 age group that will determine the number of births within the next 10-15 years is only 14.2 million. Hence, the number of births is expected to decrease by 30-40% during 2020-2035.

Another important factor revealed in the demographic statistics for 2018 is the sharp decrease of the number of immigrants that from 2011 up until 2017 ensured the overall growth of the population of Russia offsetting the natural decrease. In 2018, the inflow

of net migration of 124,900 people was not able to cover the natural loss of 218,400 people leading to a net decrease of the population by 93,500 people. Interestingly, the decrease of the migration net inflow is largely due to the increasing outflow of the population (+16.9% compared to 2017) rather than the decreasing inflow of the population (-4.0% compared to 2017). The CIS countries are the main source and recipient countries as they are responsible for both migration flows providing 90% of the inflow and 86.6% of the outflow of migrants. Although there is only an insignificant change in the number of people coming to Russia from the CIS countries (-2.6%), more people left Russia and went to other CIS countries (+19.0%) compared to 2017. In other words, although there is still a positive net migration inflow from the CIS countries, Russia is losing its traditional migrant sources, especially Kyrgyzstan and Uzbekistan.

The projections based on demographic estimates do not give reasons to suggest that the population of Russia will grow within the next 10-15 years. According to the Rosstat's medium scenario, by 2031, the population of Russia will decrease slightly from current 144.4 million to 141.6 million. The positive scenario predicts that the population of Russia will reach 151.6 million by 2031, whereas according to the negative scenario, the population will continue to shrink and drop to 130.8 million by 2031. All three demographic scenarios of the Rosstat coincide very closely with the projections made by the UN. However, it is important to note that these estimates are yet to take into account the disappointing demographic statistics of 2018, and most experts nowadays point out that the probability of the negative scenario is rising very rapidly. It becomes clear that the natural growth of the population of Russia within the next couple of decades is practically impossible because in demographics scenarios for the near future are pretty much predetermined by current factors that are very irresponsible to existing stimulus measures. However, the factor of migration is indeed a variable that is sensitive to exogenous factors, and Russia should concentrate on stimulating both natural and immigration factors to improve its demography.

Politics, Foreign Affairs, and Security

- The 7th Global Baku Forum was held in Azerbaijan's capital under the theme "New Foreign Policy of the World". During the three-day event, 550 participants from 55 countries, including five sitting presidents, one prime minister, and 42 former heads of state and government, exchanged views on international policy trends and searched for new mechanisms to address global issues.
- During the bilateral consultations between the foreign ministries of Turkey and Turkmenistan held in Ankara, the parties discussed issues related to political, trade, economic, cultural and humanitarian relations, as well as regional and international topics of mutual interest. In particular, the diplomats of the two countries considered the agenda of the next meeting of the Turkmen-Turkish Intergovernmental Commission for Economic Cooperation.
- According to a press release issued by the Turkish Foreign Ministry regarding the fifth anniversary of the 2014 Crimean status referendum, Turkey does not recognize Russia's annexation of Crimea committed "in violation of international law". Ankara reaffirms its support for the sovereignty and territorial integrity of Ukraine and pledges to continue supporting Crimean Tatars.
- The 54th meeting of the Turkey-EU Association Council was held in Brussels for the first time in almost four years. The parties addressed foreign policy issues and regional developments, and exchanged views on different aspects of bilateral relations, in particular, the accession negotiations and related political and economic criteria, the alignment with EU legislation, and the visa liberalization dialogue.
- A series of clashes occurred between the residents of Kyrgyz and Tajik villages located near the border of Kyrgyzstan and Tajikistan over the construction of a bypass road by the Kyrgyz side. The authorities of the two countries have launched a joint investigation into the conflict that left two Tajiks, one of whom held a dual Tajik-Russian citizenship, dead.
- Kyrgyzstan and India held a week-long joint military exercise called Kanzhar (Dagger) 2019 at the Kyrgyz-Indian center for mountain training located at the Edelweiss training ground in Balykchy. Under the exercise scenario, the special units of the two countries conducted a special operation to identify, localize and destroy illegal armed groups in high mountain conditions.
- The Chiefs of Staff Committee of the CIS Member States Armed Forces held its regular meeting in Moscow. In particular, the participants addressed issues related to the development of the CIS integrated air defense system and its adaptation to solving aerospace defense tasks, cooperation in the use of unmanned aviation and countering unmanned aerial vehicles.

Economy, Finance, and Energy

- The 7th meeting of the Heads of Customs Administrations of the Turkic Council was held in Astana hosted by the State Revenue Committee of Kazakhstan's Ministry of Finance. The parties reviewed customs cooperation activities since the last meeting in May 2017, discussed the Council's initiatives, and signed the memorandum of understanding on cooperation in the field of customs enforcement.
- The first Central Asian Economic Forum themed "Central Asian Cooperation: Prospects for Mutually Beneficial Development" was held in Tashkent. High-ranking government representatives of the five Central Asian states discussed prospects for further developing regional cooperation, increasing mutual trade, expanding opportunities in the fields of transport and communications, and strengthening the region's tourism appeal.
- The 10th session of the Joint Intergovernmental Kazakh-Turkmen Commission on Economic, Scientific-Technical and Cultural Cooperation was held in Astana. The representatives of the government agencies of the two countries reviewed the implementation of the existing interstate agreements and discussed the priority directions for deepening economic, trade and humanitarian ties between Kazakhstan and Turkmenistan.
- The delegation of Turkmenistan headed by Deputy Prime Minister and Foreign Minister Rashid Meredov visited Pakistan to meet with high-ranking officials and hold political consultations. During the talks, the parties addressed a wide range of bilateral cooperation issues, focusing on regional energy projects and transportation corridors, and signed a host government agreement on the TAPI gas pipeline construction project.
- President of Kyrgyzstan Sooronbai Jeenbekov stated that the country would have to step up work on the construction of the Kyrgyz segment of the fourth ("D") branch of the Turkmenistan-China gas pipeline. The construction is scheduled to commence by late 2019, and the project with an estimated cost of \$1.2 billion will have a three-year implementation period.
- According to the State Science and Technology Committee of Belarus, in 2018, the country's exports of high-technology products increased by 20% amounting to nearly \$14 billion. Integrated circuits and medical equipment were the most popular Belarusian high-technology products abroad. High-tech products accounted for 33.2% of the total exports of Belarus in 2018, which is 1% higher than in 2017.
- During the business forum held in Tokyo, Georgia and Japan signed a memorandum of understanding on the insurance of exports and investments, which is expected to contribute to the expansion of Japanese businesses in Georgia. The memorandum covers a number of areas, including manufacturing, tourism, energy, transport and logistics, telecommunications and high-tech, trade and export facilitation, public property management, and construction policy.

Society and Culture

- Two separate meetings of authorized representatives of the Caspian littoral states were held in Ashgabat. The first meeting was devoted to discussing a draft intergovernmental agreement on cooperation in conducting search and rescue operations in the Caspian Sea, while the second meeting dealt with a draft agreement on cooperation in the field of scientific research in the Caspian Sea.
- The 5th meeting of the Council of Ministers of Education of the Turkic Council was held in Bishkek. The delegations of the Council's member states discussed activities of the Union of Turkic Universities, reviewed the implementation of the school partnership project and the exchange program for education specialists and schoolchildren, and addressed issues related to the Turkic Academy.
- Kyrgyzstan's State Service for the Execution of Sentences and the OSCE Program Office in Bishkek signed a plan of activities to cooperate in preventing violent radicalization in prisons and implementing the National Penitentiary Strategy for 2018-2023. The parties also aim to promote social rehabilitation and reintegration programs for former prisoners convicted of crimes of terrorist and extremist nature.
- Representatives of 57 countries and more than 20 international organizations attended the Third Brussels Conference on Supporting the Future of Syria and the Region organized by the EU and the UN. As announced by First Deputy Foreign Minister of Kazakhstan Mukhtar Tleuberdi during the forum, Astana plans to restore the Al-Farabi Cultural Centre in Damascus built by the Kazakh Government in 2012.
- The EU Delegation to Kazakhstan launched two projects aimed at supporting and protecting the rights of the country's socially vulnerable groups, especially disabled people and migrants. The two-year projects titled "Inclusive Kazakhstan" and "Enhancing Legal Protection of Migrants Rights in Kazakhstan" will be funded under the European Instrument for Democracy and Human Rights program.
- The National Olympic Committee of Kazakhstan and the UNESCO Cluster Office in Almaty signed a memorandum on bilateral cooperation. The document is aimed at promoting a healthy lifestyle, physical education, sports, and the Olympic movement in Kazakhstan, including among the most vulnerable groups of the population, as well as at combating the use of doping in sports.
- President of Turkey Recep Tayyip Erdogan inaugurated the Bilkent City Hospital in Ankara, which is considered Europe's largest hospital. The medical facility that is equipped with 3,704 beds, 131 operation rooms and 904 outpatient clinics, can receive 30,000 patients and treat 8,000 emergency patients daily when in full capacity.