## ISSUE # 3

# DANIEL GÖLER

# A country on the move – migration and demographic crisis in Latvia

#### Expert article • 1812

ince regaining independence in 1991, Latvia has suffered massive population loss. At that time, the country had roughly 2.7 million inhabitants. Today, officials count almost 2 million. Between the censuses in 1989 and 2011, this decline was approximately 600,000 people, representing 22.5% of the population. This is by far the highest value in Europe. Latvia's shrinking population is a result of the interplay between natural and spatial population movements (Fig. 1 and 2). Both items are negative since years. Latvia is facing a persistent demographic crisis with problems such as fertility decline, ageing, out-migration, brain drain and regional polarization.

The decline of fertility is, similar to other post-socialist countries, a result of individual uncertainties in the early transition period. Since the end of the 1990s, the number of births and deaths evened on a constant level. The natural population loss is slightly less than 10,000 per year. Migration as the more volatile part of the demographic balance can be distinguished in several phases. The Soviet decades have been characterized by immigration by Slavic population. Vice versa, ethnic Russians were involved in the first emigration wave to Russia and other CIS. Due to declining emigration the migratory balance tended almost to compensate by the end of the 1990s. Then, the EU-perspective led to another increase of emigration. Destinations shifted to Western EU-countries. The loss of population by emigration between 2000 and 2008 amounted to more than 100,000 people.

However, annual GDP growth rates of up to 10% or even more indicate a dynamic economic development after Millennium. Then, the global crisis meant a dramatic break. The former Baltic Tiger was one of the most affected economies in Europe. 2009, the GDP dropped by almost 19%. Recession served as a push-factor and accelerated emigration; the full implementation of unrestricted movement inside EU in 2011 as another pull-factor did the rest. Intensified emigration, along with the natural balance, led in the crisis years 2008 to 2013 to a loss of population of another 200,000. A reversal of this trend is not in sight, just the opposite. Young, qualified and flexible Latvians search their perspective abroad. The related brain drain will show long-term consequences for the country's national economy.

Obviously, Latvia lived at the beginning of the new millennium far beyond its means. During the economic boom unemployment rate dropped to less than 5%. Incomes rose rapidly. Inflation and debt did the same. That's why Latvia was hit so hard by the crisis. In the light of economic downturn unemployment exploded to 20%. At the same time, the value of real estates plunged to almost 50%. The bursting of the housing bubble accelerated emigration. Mortgage loans at home now are covered with income gained by migrants abroad. However, the principal push factor for Latvian migrants is still the poor perspective on the domestic labor market.

There are several shifts regarding the main destinations of Latvian migrants. Of course, the CIS are, due to the 27%-minority of Russian population, still a relevant part of the migration system. But, after 1991 Latvia has quickly emancipated from the SU. A complete reorientation from an East- to a Western-centric migration system took place. Today, the majority of Latvians abroad live in the UK and Ireland as both granted full access to the labor market since 2004. Nevertheless, immigration of Latvians to Germany - well known for its restrictive immigration policy, but also for a robust labor market - has experienced an increase, due to the opening of the labor market for migrants from EU-8-countries in 2011. Until then, Latvian migration to Germany was predominantly female, not at least because of the demand for qualified workforce in health care. Now, this gender bias will be compensated by intensified immigration of males. Generally surprising may be the ability of Latvian migrants to adopt all these emerging challenges. From a scientific point of view, the elusive Latvian migration system may serve as a good example for the phenomenon of "liquid migration".

At least, spatial polarization inside the country is critical as well. Rural and peripheral areas are marked by emptying and ageing, accelerated by selective out-migration of young people. The provision of basic needs for a diminishing demand is put at risk. This is contrasted by rapid growth in the Riga agglomeration, mostly in the suburban fringe, where the need of spatial planning and regulation is obvious. All in all, the interdependencies of economy, migration and socio-demographic change constitute a geographic field of conflicts, which defines an enormous challenge for regional policy and spatial planning not only in Latvia, but also on the European level.



### DANIEL GÖLER

Full Professor, Ph.D. Germany Institute of Geography, Geographic Research on Migration and Transition Otto-Friedrich-University Bamberg Germany



Expert article • 1812

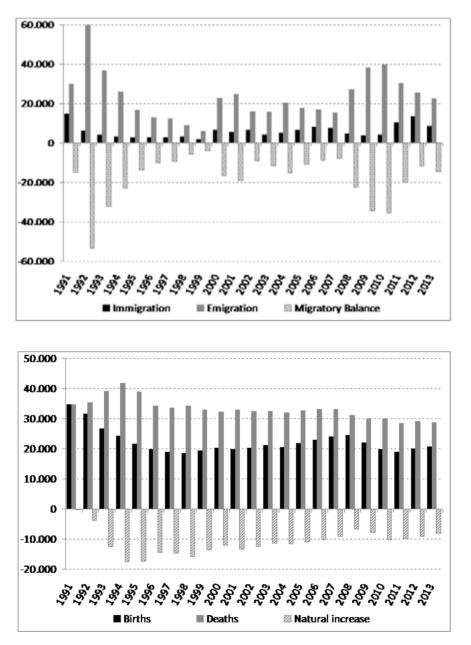


Fig. 1 and 2: Migratory balance and natural population development in Latvia 1991-2013 (data: Central Statistical Bureau of Latvia).



43