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PREPARING AMERICA FOR THE WAVE OF RUSSIAN IMMIGRANTS

INTRODUCTION

This may become the Year of the Russian Immigrant. During it, history's largest peacetime movement of ethnic Russians to the West is likely to begin. The scale of the exodus may surpass even the emigration of 1918-1920, when, in the wake of the Bolshevik revolution, nearly two million Russians left Russia.

The Russians are leaving the Soviet Union for a variety of reasons: poverty, economic collapse, the disastrous state of public health care, and the absence of housing. But the decisive factor has been the implosion of the Soviet domestic empire, and with it the forced repatriation of hundreds of thousands of ethnic Russians from such outlying non-Russian ethnic republics as Azerbaijan, Tadzhikistan, or Uzbekistan.

Matter of Survival. The problem is that Russia cannot accommodate them. In the throes of the most severe economic crisis since the end of World War II, Russia is incapable of providing these refugees with jobs, housing, or even food. For many Russians, therefore, heading West may be a matter of survival. What will open the floodgates for millions of immigrants is a law that has been under discussion in the U.S.S.R.'s Supreme Soviet for over a year and is expected to be passed by this summer.

West European specialists on migration estimate that seven million will exodus from the Soviet Union.¹ Such estimates prompted ministers from the 24 member states of the Council of Europe to gather in Vienna in mid-January to discuss migration from the Soviet Union and Eastern Europe. Austria has already deployed 4,000 soldiers along its borders with Czechoslovakia and Hungary to control the wave of immigrants from the East.

Country of Choice. While Western Europe may be the first stop for the Russian exodus, the United States is the country of choice of most prospective Russian immigrants. Attracted, like the rest of the world, by the American dream of individual dignity and prosperity, the Russians will be trying desperately to get to America – legally or illegally.

How the West responds to this tidal wave of refugees will be a matter of great political, economic, and moral consequences. The immigrants bring with them enormous reserves of skills, energy, and hope. They also bring short-term problems. And one thing is almost sure: the Russians will be coming. America and Western Europe thus immediately and urgently should begin planning for the giant wave of Russians.

Toward this end, the U.S. should:

◆ ◆ **Develop a joint U.S.-West European immigration strategy to define responsibilities and division of labor in resettling the Russians in Western Europe and in the U.S.**

◆ ◆ **Create a special immigration category for such countries as the Soviet Union that previously prevented its citizens from leaving.** The U.S. immigration laws now prevent all but a handful of ethnic Russians from entering the U.S. because most of them do not qualify as refugees or immigrants under the current immigration laws. A new immigration category would open America's door for hundreds of thousands of Russians who currently do not qualify.

◆ ◆ **Create a resettlement fund to support Russian immigrants during their first six months in the U.S.** Funded by government and private sources, a Survivors of Totalitarianism Resettlement Fund should be created by the federal government to grant loans to Russian immigrants to help them adjust to American life. The amount of the fund should be \$4.2 billion, to be raised by selling special Liberty Bonds issued by the Treasury Department.

◆ ◆ **Create a private, non-profit corporation to administer the Fund.** Congress should appropriate \$30 million as seed money to set up the corporation. After this initial amount, the corporation, which might be called the Liberty Foundation, should receive no U.S. funds but should be financed exclusively by private donations and proceeds from the sale of bonds.

1 Bimal Ghosh, "The exodus that could explode," *Financial Times*, January 23, 1991.

WHY DO THEY LEAVE?

Among the factors pushing Russians to emigrate is the abysmal standard of living. The Soviet Union's personal consumption ranks 77th in the world, and its people are among the poorest.² Compared to the average American, for example, the Soviet citizen has to work ten to twelve times longer to buy meat, eighteen to twenty times longer to buy poultry, three times longer for milk, seven times longer for butter, ten to fifteen times longer for eggs, and two to eight times longer for bread.³

While 65 percent of Americans own homes, every third Soviet citizen, or more than 100 million people, has less living space than the meager Soviet "sanitary minimum" of nine square meters, or 97 square feet, per person. By contrast, the households classified as "poor" by the U.S. government have 405 square feet per person.

The urge to emigrate is made stronger still by the lack of prospects for improvement. In 1989, when Boris Yeltsin, now Chairman of the Russian Supreme Soviet, was in charge of Soviet housing construction, he stated that providing every Soviet family with a rented apartment by the year 2000 is as realistic as Nikita Khrushchev's promise, made in 1960, to build communism by 1980.⁴

Food Shortages. The already miserable standards of living are aggravated by the economic collapse and expedited by Soviet President Mikhail Gorbachev's half-hearted and inconsistent economic reforms. The economic interregnum, in which the stick of the command economy is already gone, but the carrot of the market has not yet materialized, has produced only further impoverishment, caused by shortages of food and galloping inflation. This January, a pound of beef cost between fifteen and twenty rubles at farmers' markets in Leningrad⁵ — or about one-tenth of the average Soviet monthly salary of 200 rubles a month. Even such staples as eggs, butter, milk, and cooking oil are either not available at all or can be purchased only after several hours of standing in line.

While food shortages have plagued the Russian heartland for six decades, the shortage now has spread to showcase cities like Moscow and Leningrad. The latter introduced food rationing on December 2, allotting each person per month 3.3 pounds of meat, 2.2 pounds of sausage, 2.2 pounds of cereals and pasta, 1.1 pounds of butter, and 10 eggs. Moscow is likely to introduce rationing as well.

2 V. Radaev and O. Shkaratan, "Vozvrashenie k istokam" ("Return to the source"), *Izvestia*, February 16, 1990.

3 A.S. Zaichenko, "United States-USSR: Individual Consumption," *S.Sh.A. (USA)*, December 1988, pp. 12-22.

4 *Literaturnaya Gazeta*, June 23, 1989.

5 *Izvestia*, January 4, 1991.

Empire Dissolution. While poverty and a stagnant economy provide a backdrop for the emigration from the Soviet Union, the decisive factor pushing hundreds of thousands, perhaps even millions, of Russians to leave is likely to be the dissolution of the Soviet internal empire. This leaves these Russians without a place they can call home.

According to the 1989 Soviet census, 25.7 million ethnic Russians live outside Russia. There they increasingly feel like unwelcome foreigners. This is especially true of the 9.7 million ethnic Russians in the Central Asian Muslim Republics of Kazakhstan, Kyrgystan, Tadzhikistan, Turkmenia, and Uzbekistan, and the 475,000 Russians in Azerbaijan. In the past decade, 1,633,000 more people left the Soviet Central Asian Republics than moved in. Apart from several hundred thousand ethnic Germans in Kazakhstan who went to West Germany, most of those who left were ethnic Russians and Ukrainians.

Following a number of legislative measures passed since 1989 by the Central Asian republics to increase their political, economic, and cultural independence from Moscow, the outflow of ethnic Russians has increased sharply. For example, anticipating a law making Farsi the state language of Tadzhikistan, more than 10,000 Russians moved out of that republic to Russia in the first half of 1989.⁶

Fearful Russians. Ethnic violence also contributes to the migration. Riots in January 1990 in Baku, the Azerbaijan capital, and a month later in Dushanbe, the Tadzhikistan capital, swelled the flow of Russians from Central Asia to Russia. Russian speakers were reported "besieging" the employment office in Dushanbe demanding jobs in Russia after the February riots.⁷ A special society, called "Migration," was established in Dushanbe to help Russians leave. Russian parliament Deputy Il'ya Konstantinov disclosed last summer that the parliament was swamped by letters from ethnic Russians "requesting help in moving to RSFSR [the Russian Republic] and finding work there."⁸ Following the 1989 and 1990 bloody riots in the Fergana Valley of Uzbekistan, 80,000 ethnic Russians were reported to have left Uzbekistan for Russia by fall 1990.⁹ So many Russians tried to leave that the waiting list for railroad containers, in which household effects are shipped, is reported to be "many months" long.¹⁰

The Russians are right to be scared. In Dushanbe, for example, rioters demanded the expulsion of all non-Muslims from Tadzhikistan. "The local

6 The language law was passed by the Tadzhik parliament on July 27, 1989.

7 *Kommunist Tadzhikistana*, March 15, 1990.

8 *RFE/RL Daily Report*, June 21, 1990.

9 *Literaturnaya Gazeta*, October 3, 1990.

10 *RFE/RL Daily Report*, May 11, 1990.

authorities 'forgot' about the Russians and threw us to the wolves. There was a veritable hunt for... the Russians," wrote an eyewitness of the Dushanbe riot.¹¹ A Russian who had lived in Dushanbe for thirty years wrote in a local newspaper: "We are reminded: you are in a foreign country, and from now on this factor is going to determine your existence here."¹²

SOVIET INTERNAL REFUGEES

Former Soviet Prime Minister Nikolai Ryzhkov in March 1990 estimated the total number of internal Soviet refugees to be 500,000. This included Russians from the non-Russian Republics and Armenians who had fled Azerbaijan. Two months later, Chairman of the Coordinating Committee for Refugees of the Supreme Soviet of the U.S.S.R. Petr Rudev reported 600,000 *bezhenzys*, or refugees. People's Deputy of the U.S.S.R. Galina Starovoitova said last November that there were over one million domestic refugees in the Soviet Union.¹³

The flow of Russian refugees could swell to mammoth numbers in the coming months. For example, 38 percent of the Russians polled in Ukraine this fall¹⁴ were against the republic's secession from the Soviet Union. This means that of the 11,340,000 million ethnic Russians in Ukraine, 4,300,000 million may choose to leave and go back to Russia if Ukraine becomes independent.

Anti-Russian feelings in the Central Asian Republic of Kazakhstan, meantime, have intensified so much that there is talk now among the ethnic Russians in Kazakhstan about the "Solzhenitsyn solution."¹⁵ It is so called because last July exiled Russian writer Aleksandr I. Solzhenitsyn suggested, in an essay entitled "How Can We Set Russia on the Right Path?" to split the territory of the republic into two separate entities: Russian North and Kazakh South. If the 1947 division of formerly British India into Hindu India and Muslim Pakistan, during which millions were forced to flee their homes was any lesson, Russia should expect at least several million refugees out of Kazakhstan's six million ethnic Russians.

Housing Waiting Lists. On the verge of economic collapse, plagued by unemployment, poverty, and shortages of everything, Russia cannot accommodate millions of refugees pouring in from Central Asia. By far the most difficult problem is housing. In Moscow, where most of the refugees seek food and shelter, the housing waiting list already has 344,800 families. These

11 *Novoye Russkoye Slovo*, March 24, 1990.

12 *Vecherniy Dushanbe*, March 1, 1990.

13 From a presentation at a conference on Soviet Nationalities in Washington D.C., November 16, 1990.

14 *Moscow News*, October 21, 1990.

15 See, for example, "A Border Through the Republic?" *Moscow News*, November 11, 1990.

families account for 12 percent of the Soviet capital's population. The Moscow City Council is preparing to ration food and clothing.

"Puny" Assistance. Today a refugee arriving in Russia is given a one-time assistance of 100 rubles for food and 200 rubles for clothes and footwear.¹⁶ With state stores empty, in the market now a carton of 10 eggs costing 12 rubles, a pound of meat 15 rubles and winter boots 300 rubles, it is no wonder that *Pravda* (January 27, 1990) called the refugee assistance "puny."

Refugees are left to sleep in government offices or sent to live in children's summer camps, which lack heat, hot water, and often indoor plumbing.¹⁷ The Ministry of Defense has placed in barracks the families of soldiers and officers evacuated from such dangerous places as Baku. There were already 35,420 families living in barracks in early 1990.¹⁸

The refugee's lot is made harder still by the notorious Soviet red tape: over sixty local and all-Union ministries are responsible for helping refugees.¹⁹ A law on refugees has been discussed in the Soviet parliament since January 1990, yet still has not been passed. Laments the popular weekly *Literaturnaya Gazeta*: "Our poverty-stricken state has gone to pieces and is incapable of fulfilling its obligations to its own citizens."²⁰

Bitter Feeling. The last straw prompting the displaced ethnic Russians to leave the Soviet Union may be psychological: the bitter feeling that they are not welcome back home in Russia. A poll taken last May in Moscow by the All-Union Center for the Study of Public Opinion found that only 21 percent of the respondents thought that refugees are entitled to assistance from the state. The Muscovites expressed fear that the refugees would deplete the Soviet capital's already dwindling resources, especially housing and food.

"The empire is splitting.... And those who became the first victims of the split are falling between the cracks," wrote a commentator in the July 25, 1990, *Literaturnaya Gazeta*. A Russian from Central Asia was quoted in March 1990 as saying: "In Tadzhikistan we are foreigners but in Russia we are not needed."²¹ The pro-reform *Moscow News* added on September 2, 1990: "A state which is reluctant to bear any responsibility for those who have become refugees in their own country... this state is naturally bound to lose its people."²²

16 *Pravda*, February 10, 1990.

17 *Literaturnaya Gazeta*, April 11, 1990. See also Francis Clines, "Russians Denied Refuge in Own Land," *New York Times*, April 24, 1990.

18 *Pravda*, January 27, 1990.

19 *Literaturnaya Gazeta*, July 25, 1990.

20 L. Grafova, "For whom the bell tolls..." November 14, 1990.

21 *Novoye Russkoye Slovo*, March 24, 1990.

22 Alexander Kabakov, "Farewell and forgive us."

THE EXODUS TO THE WEST

According to the September 9, 1990, issue of *Moscow News*, 500,000 Soviet citizens applied for exit visas in the first six months of 1990; but only 203,000, or 41 percent, were allowed to leave, because the current Soviet law recognizes "family reunification" as the only legal basis for emigration. The KGB chief Vladimir Kruchkov estimated last December that the number of emigration permissions would reach 460,000 by the end of 1990.²³ Under the present rate of rejection of 41 percent, this means that a total of 1,112,000 Soviets applied to emigrate in 1990. Since virtually all Armenians, Germans, and Jews who applied to emigrate in 1990 were allowed to leave, this means that most, if not all, of the 652,000 Soviets who applied to emigrate but were denied exit visas were ethnic Russians.

A new "Law on Exit and Entry of the U.S.S.R. citizens" has been under discussion in the Soviet parliament, or the Supreme Soviet, since January 1990 and is expected to be passed by this summer. The law will give every Soviet citizen the right to a foreign passport valid for five years for travel anywhere in the world for any reason. Only the narrowly defined "risks to national security," such as work on classified government projects, will be grounds to deny a Soviet an exit visa. (And the case even can be appealed in court.) Chairman of the Soviet State Labor Committee Vladimir Sherbakov estimated last November that up to three million Soviet citizens would search for work in the West this year.²⁴ Much higher is the figure given on the September 26, 1990, broadcast by the Television News Service, a Moscow television program. It estimates that there will be eight million emigrants in the year following the passage of the Law on Emigration.

WESTERN EUROPE AND THE RUSSIAN EXODUS

The inevitable exodus of ethnic Russians from the Soviet Union poses a serious moral and political dilemma for the West. It may try to wall itself off by restricting entry visas and by policing its borders. But short of bringing back barbed wire fences and watchtowers, those hated symbols of the vanquished communist regimes, the West is unlikely to stem the exodus.

The experience of West Germany proves the futility of police measures. Excluding ethnic Germans, who repatriated legally, over 180,000 emigrants from Eastern Europe came to Germany to seek asylum in the first eleven months of last year. So far only 5,000 — mostly Jews — are from the Soviet Union, with 10,000 more reported awaiting approval of their visa applications at the German Embassy in Moscow. This number undoubtedly will grow

²³ *Izvestia*, December 26, 1990.

²⁴ *RFE/RL Daily Report*, November 27, 1990, p.5.

several fold once everyone — not just Jews, Armenians, and ethnic Germans — can leave the Soviet Union permanently.

Trying to circumvent legal immigration procedures, most ethnic Russian refugees will travel to the West by trains, buses, and cars through the Eastern European states of Czechoslovakia, Hungary, and Poland. The latter shares a 540-mile border with the Soviet Union and is for this reason especially attractive to Russian emigrants. Preparing for a massive flow of immigrants, the head of Poland's Office of Refugees, Colonel Zbigniew Skoczylas, said this December: "We are making arrangements for this as though it were a second Bolshevik revolution. We expect Russians to come marching barefoot across the snow... like they did in 1917."²⁵

THE UNITED STATES AND THE RUSSIAN EXODUS

While the first wave of the great Russian migration will hit Western Europe, it will crest on American shores. The infatuation with America and things American that permeates Soviet society assures that the U.S. will be the Russian immigrants' country of choice. If Russians cannot gain U.S. permanent residence legally, they will resort to the same ruses that for decades have been practiced by would-be Americans from all over the world: illegally overstaying tourist visas or student visas, creating fictitious relatives and spouses to obtain residence permits, and even entering into the U.S. from Mexico and Canada, as did the Poles in the 1980s.

The exodus to the U.S. already has begun. Some 600,000 Soviet citizens have obtained immigration forms from the U.S. Embassy in Moscow since October 1989. As of June 1990, the Washington Processing Center in Rosslyn, Virginia, established to process immigration applications from the Soviet Union, had 150,000 applications for emigration by Soviet families. This represents between 375,000 and 500,000 men, women, and children.

U.S. Interests. In deciding what to do with Russians who want to come to America, Washington should be guided by its own interests. Chief among them is a peaceful evolution of Russia towards a law-abiding, democratic state. If the millions of displaced ethnic Russians remain in Russia without hope, the effect on Russia, at least in the short run, could be extremely detrimental. Like a million French *pieds noirs*²⁶ repatriates from Algeria, who fled following the collapse of the French colonial rule there in 1962, repatriates to Russia from the national republics will be extremely bitter. They almost surely will blame their misfortune on the regime that gave up the colonial empire. This bitterness may turn into anger as they see what awaits them in Russia: poverty, homelessness, and unemployment.

²⁵ *The New York Times*, December 26, 1990.

²⁶ "Black feet" (Fr.), the pejorative collective name of the French settlers in Algeria.

Potential Nationalist Reaction. Although the French repatriates from Algeria faced a far better economic situation than the Russians do today, many of them formed anti-democratic reactionary groups, such as Organization de l'Armée Secrète (OAS), which carried out a terrorist campaign in Algeria and France, including attempts to assassinate French President Charles de Gaulle. Similarly, thousands of Russian "*pieds noirs*" may become shock troops of a Russian nationalist reaction. They could back Stalinist groups like the ultra-nationalist and anti-semitic *Pamiat'* society. This could tip the Russian political scales toward a hard-line communist regime. With its nuclear weapons, such a regime would turn Russia into a mortal threat to the U.S. and a menace to world peace.

To prevent this happening by allowing emigration is desirable, but current U.S. immigration laws impede a solution to the Russian immigration problem. There are two ways for foreigners to settle legally in America: 1) to be granted refugee status and 2) to be admitted as immigrants.

At one time, Russians would have had little trouble entering the U.S. as refugees. They would meet the law's requirement that they demonstrate "a well founded fear of persecution." Having fled a totalitarian state, "fear of persecution" was regarded as almost automatic. Up to 50,000 Soviets can be accepted in the U.S. annually as refugees. One problem is that, with a relaxation of police controls inside the Soviet Union, decreasing numbers of Russians qualify as refugees. A second problem with granting the Russians a refugee status is the high cost. A refugee entering the U.S. is entitled to the same economic and social benefits as an American citizen. This means, for example, that an unemployed refugee is entitled to such welfare benefits and programs as cash support, food stamps, Medicaid, and vocational placement services. On the average, each refugee costs U.S. taxpayers up to \$7,500.

Limited Chance. If coming to America as refugees is increasingly problematic for Russians, there also is a limited chance to come as non-refugee immigrants. Up to 20,000 qualified immigrants from every country of the world may enter the U.S. each year. To qualify for permanent residence in America the prospective immigrants must be in one of the six so-called "categories of preference." Five of these categories require some sort of family links to the U.S. This is of little help to most Russians. Having been cut off from the rest of the world for seventy years, very few ethnic Russians have relatives in America. Nor does the sixth category help Russians; it gives preference to "skilled and unskilled occupations in which laborers are in short supply in the U.S."²⁷ Because of the backwardness of the Soviet economy few Russians qualify for this category of immigration.

²⁷ 1989 Statistical Yearbook of the Immigration and Naturalization Service, U.S. Department of Justice, September 1990.

TOWARD A NEW IMMIGRATION POLICY

Western democracies understandably are ill equipped to use force to prevent illegal immigration. As of last December, West European experts on immigration say that "people claiming to be refugees almost never get sent back because governments cannot face the outcry in the media and sympathy in the public, so what can you expect when Soviets turn up, partly as a result of Western pressure on Moscow to let Soviets travel?"²⁸ Indeed, with full European economic integration coming in 1992, replacing the Soviet-made barbed wire fences that used to cut Europe in two with those of Western making is something the West European governments are loath to do.

Although less accessible to prospective Russian immigrants, the U.S. soon will face the same problem. And, as in Western Europe, an attempt to seal America's borders by police measures will fail. Therefore, the U.S. should respond to the imminent exodus from the Soviet Union with an innovative and flexible immigration and resettlement policy. For years the U.S. demanded freedom of emigration from the Soviet Union. The 1975 Jackson-Vanik amendment, for example, has denied the Soviet Union Most-Favored-Nation (MFN) trade status until it liberalizes its emigration policy.

Since free emigration from the Soviet Union may become a reality, the U.S. appears to have won that battle with Moscow. Now it should take concrete measures that would help Russian immigrants to settle in the U.S. Without such measures, the Jackson-Vanik amendment and other steps to pressure Moscow would seem in retrospect a hollow and cynical propaganda exercise, intended more to score propaganda points than to help millions who were held in the Soviet Union against their will.

To assure an orderly re-settlement of those whose freedom to emigrate the U.S. has helped win, the U.S. should:

◆ ◆ **Develop a joint U.S.-West European immigration strategy, including cost sharing.** While the Russian immigrants' country of choice is America, it is Western Europe that will bear the initial brunt of the exodus because of its proximity to the U.S.S.R. If denied entry to America, most emigrating Russians would try to settle, legally or illegally, in Western Europe. Both political-ly and economically this could present a huge problem for Western Europe. It, therefore, would benefit West European countries to coordinate immigration policies with the U.S.

This could be done by cost sharing. Until now, the U.S. alone provided financial support for former Soviet citizens who left the Soviet Union and waited for their U.S. visas in Vienna and Rome. The average per person cost of providing food, housing, and transportation to the U.S. has been \$2,646. If

28 International Herald Tribune, December 13, 1990.

the U.S. decides to accept increasing numbers of Russian immigrants, the West European governments should support the Russians financially while they await entry to the U.S. West Europeans, for instance, could pay for food, housing and a plane ticket to the U.S. Since Germany is likely to host more illegal Russian immigrants than any other country of Western Europe, the German government's contribution to the resettlement of the Russians in the U.S. should be the largest.

◆ ◆ **Create a special immigration category for such countries as the Soviet Union that have restricted immigration.** The Immigration Act of 1990 raises the total number of immigrants allowed to settle in the U.S. from 490,000 a year to 700,000 for the years 1992 to 1994 and to 675,000 from 1995 onward. Would-be Russian immigrants, however, are not likely to benefit from the increase because 70 percent of the new immigration quota is allocated to those with family members in America, and another 20 percent for those with rare labor skills. With a few exceptions, prospective Russian immigrants have neither relatives in this country nor skills qualifying them for entry.

A bill (H.R. 3927) was introduced in the House on January 31, 1990, by Representative William O. Lipinski, the Illinois Democrat, to allot 200,000 immigration visas a year for five years to "prospective immigrants from countries that, since World War II, have traditionally denied freedom of emigration."²⁹ These immigration visas would not reduce the number given to immigrants qualifying from other countries, but would be given in addition to them.

Although the Lipinski bill died in the House Subcommittee on Immigration, Refugees and International Law, the Immigration Act of 1990 did establish the so-called "diversity" immigration category. Designed to "diversify" the immigrant population in terms of the country of origin, this category gives preference in immigration permits to citizens of countries from which no more than 10,000 people a year have come to the U.S. In most cases this has been due to a country's restrictive emigration policies. Citizens of those countries thus have few or no family ties to anyone in the U.S. The "diversity" program was designed to adjust for this. The trouble is that the number of immigrants that could enter the U.S. with "diversity" visas is very small: 40,000 for the years 1992 to 1994 and 55,000 from 1995 onward.

"Humanitarian Immigrants." To assure an orderly and legal entry of Russian immigrants, Congress can use the "diversity" precedent and create a special immigration category. It could be called "humanitarian immigrants," as suggested by the Refugee Policy Group, a Washington-based, non-profit private organization. Eligible for this category would be citizens of nations, such as Russia, that for decades prevented their citizens from immigrating to the U.S. Additional qualifying factors may include hardship due to the loss of

²⁹ *Focus on Immigration*, April 1990, p.3.

livelihood and shelter, as is the case with Russian repatriates driven from the national republics.

◆ ◆ **Create a resettlement fund to support Russian immigrants during their first six months in the U.S.**³⁰ While some Russian immigrants quickly will adjust to life in America, others will take longer. Many of these immigrants will not have relatives in America, will not speak English, and will not know how to compete in a free labor market. Facing these difficulties, many newly arrived Russians will end up on welfare, thus straining the U.S. welfare system. Accommodating up to one million new welfare recipients will cost \$7.5 billion (\$7,500 on average per refugee), will balloon the welfare bureaucracy, and increase waste and mismanagement. What is worse, automatic welfare entitlements for Russian immigrants will dampen their private initiative and thus delay their entry into the labor market, which is essential for quick and successful adjustment to American life.

For their own sake, Russian immigrants should be barred from receiving welfare benefits for their first five years in the U.S. The precedent for such a policy is the Immigration Reform and Control Act of 1986 which made amnestied illegal aliens ineligible for welfare benefits for five years from the day the amnesty was granted. Rather than putting Russian immigrants on welfare, the U.S. should create a fund for them, called, perhaps, the Survivors of Totalitarianism Resettlement Fund (STRF). This Fund would grant loans to Russian immigrants to be repaid within ten years of their arrival in the U.S.

Money for the STRF should be raised by selling "Liberty" bonds issued by the Treasury Department. Like the Series EE savings bonds, the interest on the Liberty bonds will not be subject to state and local income taxation. The interest payments will be deferred until the bonds mature (in five to twelve years). Likewise, the federal taxation of the interest will be deferred until the maturation date or at redemption. The Liberty bonds would pay market rates of interest, would be backed by the federal government, and would be redeemable at full value in ten years. By this time the Fund will be replenished by the first wave of Russian immigrants, who will have paid back their loans.

³⁰ The recommendation for a resettlement fund and a corporation managing it was made by members of the *ad hoc* Russian Immigration Task Force at a meeting on February 15 at The Heritage Foundation. Task Force members include: Stuart Butler, Director of Domestic Policy Studies, The Heritage Foundation; Edward Hudgins, Director, Center for International Economic Growth, The Heritage Foundation; Madeline Kirk, Center for Immigration Policy and Refugee Affairs, Georgetown University, and former Director, Tolstoi Foundation; Stephen Moore, Director of the Fiscal Studies, Cato Institute; Grover Norquist, Director of the Americans for Tax Reform; Eugenia Ordynsky, Executive Director of the Congress of Russian Americans; Robert Rector, Policy Analyst, The Heritage Foundation; Richard Swartz, Esq., Swartz & Associates; J. Marc Wheat, Director, Tax and Budget Policy, Citizens for a Sound Economy. The individual members of the Task Force do not necessarily endorse all points in the recommendations.

Public Service Ads. Advertisement for the Liberty bonds could be a public service by American corporations, especially by those with vast and active commercial interests in the Soviet Union, such as McDonald's Corporation and Pepsico, Incorporated. The costs of these, as just about all advertisements, would be tax-deductible as business expenses.

The amount of money needed for the STRF would be \$4.23 billion. This is an estimate of what is required to keep one million Russian immigrants above the poverty line for their first six months in America. The poverty threshold for a single person in 1989 was set by the U.S. at \$6,452 a year, for a two-person household at \$8,341, and for a family of four at \$12,675. Assuming that over three years one million Russian immigrants come to the U.S. and that half of them will be single, that one-fourth will consist of two-person households, and the rest will be small families (no more than four members), the total amount of money needed to support them for a half-year just above the poverty threshold would be: \$1.61 billion for single immigrants, \$1.04 billion for two-person households, and \$1.58 billion for households no larger than four persons, for a total of \$4.23 billion.

This is least \$3.27 billion less than the \$7.5 billion the resettlement would cost if the immigrants were entitled to welfare benefits. In addition to \$4 billion raised by the U.S., \$230 million of the STRF should be supplied by private donations.

Experience from Previous Waves. These assumptions about the kind of immigrant the U.S. can expect are based on experience. In previous waves of immigration, most notably at the turn of the century, the dominant age of immigrants was between 16 and 44. For example, among immigrants to the U.S. in the 1900s, 75 percent were in the 16-to-44 age group.³¹ More recently, too, the median age of the approximately one million immigrants legally admitted to the U.S. during fiscal 1989 was 30; this means that half of them, or just over 500,000, were no older than 30 years.³² It reasonably can be assumed that the composition of the impending Russian immigration would be the same: skewed toward young adults, at least initially, until those settled in the U.S. begin to bring over families they left behind.

Two decades of emigration from the Soviet Union have shown that such loans would be a profitable investment. Refugees from the Soviet Union adjust extremely well to life in the U.S. One indicator of the success is the high rate of eligibility for permanent residence, as determined by the Immigration and Naturalization Service. Of the former Soviet citizens who entered the

31 Julian Simon, *The Economic Consequences of Immigration*, Washington: Cato Institute, 1989, p. 33 (Figure 3.8).

32. 1989 *Statistical Yearbook of the Immigration and Naturalization Service*, p. 28 (Table 13).

U.S. in 1987-1988, some 95 percent were judged by the Immigration and Naturalization Service eligible for permanent residence in 1989. This is the highest proportion of permanent residents of any major ethnic refugee group.³³

Economic Success. Another indicator of rapid adjustment is economic success. Here, too, former Soviet citizens do very well. According to a 1989 survey, two-thirds of adult Soviet refugees were working within a year after arriving in the U.S.³⁴ The median household income of Soviet refugees who arrived between 1977 and 1981 was \$34,000 in 1988. This means that half of all families surveyed earned that much money or more. (By comparison, the U.S. median household income in 1988 was \$29,000.) With this income, half of all refugee families from the Soviet Union generated at least \$7,754 a year in direct federal taxes.³⁵

Most of those surveyed so far, predictably, have been ethnic Jews, since mainly they were allowed to flee the U.S.S.R. But these Soviet Jews were highly assimilated into Soviet society and thus little different from well-educated and skilled urban Russians — precisely those who would be the first to leave outlying republics and try to get to the U.S. Leading last year's Russian exodus from Uzbekistan, for instance, were 30,000 college graduates between ages 22 and 30.

◆ ◆ **Establish a private, non-profit corporation, with \$30 million in federal seed money, to distribute loans to the Russian immigrants, to manage and raise money for the Survivors of Totalitarianism Resettlement Fund (STRF).** Some \$30 million would be needed as seed money to set up a private, non-profit Liberty Foundation. This estimate is based on the amount appropriated by the Congress for the Neighborhood Reinvestment Corporation (NRC) for fiscal 1992. The NRC receives federal and non-federal funds. Because of similarities in the scale of operations and in such functions as organizing volunteer and semi-volunteer groups throughout the U.S. and providing them with technical assistance, the Liberty Fund probably would need the same size staff and the same funding. As the NRC, the Liberty Foundation could operate throughout the U.S., lending money to Russian immigrants through its subsidiaries.

The Liberty Fund also financially would manage the STRF. It would oversee investments made from the proceeds of Liberty Bond sales, help recruit and then advise local volunteer organizations, and base its representatives in cities, like New York, with high concentrations of Russian immigrants.

33 U.S. Department of Justice, *1989 Statistical Yearbook of the Immigration and Naturalization Service*.

34 A survey by New York Association for New Americans, Inc., October 1988.

35 The tax amount includes employee and employer shares of social security tax. The number is for a family of four and takes into account itemized deductions.

After the initial \$30 million investment, the Liberty Foundation would receive no more U.S. funds but would be financed exclusively by private donations and by income from the STRF's investments. This would prevent the Liberty Foundation from continuing to be a part of the U.S. budget after its mission had been accomplished. Congress at times has created many privately-run non-profit organizations, or "independent agencies," that after the initial appropriation have been financed exclusively or partially by private money. Among such organizations are the Commission for the Preservation of America's Heritage Abroad, the National Institute of Building Sciences, the Neighborhood Reinvestment Corporation, and the State Justice Institute.

◆ ◆ **Triple the number of immigration interviewers at the U.S. Embassy in Moscow.** After they apply for the refugee immigration status at the U.S. Embassy in Moscow, and after their applications have been processed by the Immigration and Naturalization Service (INS) in Washington and found valid, Soviet citizens are invited for an interview at the Embassy. This is to establish the authenticity of the claim for the refugee status. The Embassy's six interviewers called "adjudicators" collectively, daily interview an average of 91 applicants.

The INS now has at least 325,000 applications from Soviet citizens. Based on the past experience, at least 92 percent, or 299,000 of these, are likely to be found valid and the applicants eligible for an interview in the U.S. Embassy. At the current rate of processing, it will take 3,286 days, or nine years, to interview those who already have applied; and the number of applications, of course, keeps growing. The State Department at least should triple the number of interviewers at the U.S. embassy in Moscow to keep the backlog from increasing.

CONCLUSION

The Russian exodus from the Soviet Union is an inevitable result of the collapse of the Soviet totalitarian empire. Only two developments can stop the exodus: a restoration of totalitarian controls or a speedy economic and social recovery. Both seem remote today. States the reformist weekly *Moscow News*: "There is nothing to be done about all this — it is a penalty for our past: poverty, hatred, fear.... Our country has slaughtered tens of millions of its children. It has ousted — and is still ousting — hundreds of thousands. Emigration can be terminated in only one way: by making the quality of life in the native country better than in exile. Freer, more honest, more dignified and safer. And with enough to eat, at least."³⁶

Danger of Reaction. The Russian exodus could exact a steep economic, moral, and political price from the West. This might include a dramatic rise in

36 Aleksandr Kabakov, *op.cit.*

illegal emigration to Western Europe and America with all the attending ills: crime, poverty, unemployment. As important, left without an outlet, millions of Russian repatriates from the non-Russian republics, forced to resettle in Russia, might side with the reactionary forces opposed to democratization and improved relations with the West.

Avoiding such an outcome is in the U.S. interests, which are best served by a speedy and non-violent transition to democracy in the U.S.S.R. This is also a good chance for the Bush Administration to do something concrete about its professed fear of "instability" in the U.S.S.R. by trying to defuse one of its potentially most dangerous sources — the social dislocation caused by the migration to Russia of millions of Russians from the outlying non-Russian republics. Alleviating the Russian refugee crisis will reduce chances for large-scale violence and help put Russia on the road toward democracy and a productive economy.

U.S. Haven. To achieve this with minimal human suffering and to satisfy the U.S. interest in peaceful transition to democracy and a free market in the Soviet Union, the Bush Administration immediately should: begin working with its West European allies on a joint immigration strategy; liberalize immigration law to make America accessible to Russians who wish to emigrate; and create a resettlement fund to grant loans to Russian immigrants.

Opening the door to Russian immigrants, driven from their land by poverty, ethnic strife, and lack of economic opportunity, means continuing the American tradition of letting people from all over the world partake in the American dream. If given a haven in the U.S., the Russians will enrich America with the same resourcefulness and hard work as other refugee ethnic groups. They will take jobs that Americans will not take, create new jobs, provide new or better services, and generate tens of millions of dollars in taxes. Perhaps even more important, they will make America richer with gratitude and the love of freedom.

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