

A review of the impact of labor migration and structural changes on the global crisis

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Abstract

The paper examines the impact of labor migration and structural changes in Ukraine in the global crisis. The research shows the aggravation of the world situation under the migration effect caused by wars and armed conflicts. The paper synthesizes findings from existing studies and identifies the short-term and long-term impacts of migration from Ukraine on the global labor market. The influence of socio-economic factors on the migration process was analyzed as criteria for migrant origin and recipient countries. The requirements were chosen according to specific features. Policymakers are encouraged to adopt new policies to manage global migration based on international cooperation and compliance with the rule of law. The regulation of migration during the global crisis will be the focus of new policies adopted by international organizations.

Keywords: migration, structural changes, labor market, global crisis

Introduction

The paper aims to review existing approaches to the impact of migration and structural changes in Ukraine and places these findings in the broader context of global development challenges. Labor migration is defined as the movement of people from one country or region to another in search of employment opportunities. Depending on the situation and perspective from which labor migration and global development are viewed, these effects can be beneficial or detrimental. Labor migration leads to labor shortages, facilitates remittances, and encourages the transfer of skilled workers. Negative effects include brain drain and wage losses. To maximize the benefits of workers, governments need to implement effective management and labor market policies. Structural changes influence global development through the expansion of trade and production patterns.

This issue is critical to understanding global development and economic stability. The main global challenges are climate change, growing inequality and changes in the labor market caused by digital technologies. Global crises (e.g. geopolitical conflicts, economic recessions, global climate

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change) that have influenced migration patterns and structural changes over the last decade. The wars in Ukraine and the Middle East intensify migration processes and lead to instability in the global labor market. The emigration of labor, the low birth rate and the high mortality rate in Ukraine force us to think about a way out of the great demographic crisis, which has been exacerbated by the war. Labor migration in Ukraine intensifies competition in the labor market, especially among skilled workers. It is a source of replenishment for the budgets of countries receiving migrants.

This research methodology aims to examine existing studies and critically discuss the pros and cons of finding ways out of the current migration crisis. Managing the migration process requires a flexible approach for international organizations and governments. This study uses quantitative data on migration from international organizations and other secondary data. Research methods include descriptive statistics in the form of frequency analysis that describe and interpret migration data. The research is limited by the lack of original empirical analysis of migration and does not consider the study of cross-border migration and unskilled labor.

Technological advances in the economy are increasing productivity and improving the global economy. The introduction of automation, artificial intelligence, digital platforms, and changes in the supply chain improve economic development and the competitiveness of companies on a global scale. The processes of deindustrialization in developed countries and industrialization in developing countries are leading to economic diversification and economic development. Investment in education and skills development contributes to the creation of new sectors and technological progress in the labor market.

This work aims to summarize theoretical approaches, analyze structural change's impact on the labor market, review the economic and social consequences of migration, and propose a new migration policies adoption.

1. Overview of the literature

The article examines the basic theories on the impact of labor migration and structural change on global development. The study provides insights into the current problems facing the structural and institutional characteristics of our economies and societies. The causes of migration are existing global imbalances, large differences in prosperity, conflicts and wars.

People are forced to migrate in search of employment opportunities, higher wages, and better living conditions. Labor migration has a significant impact on demographics, labor markets, industry, and global development.

The study provides an overview of migration theories and summarizes the findings of the literature sources. *The neoclassical migration theory* considers the differences in wage levels between the migrants' countries of origin and destination as the cause of population migration. This theory emphasizes the economic factors in the decision-making process of labor movement from countries with lower wages to areas with higher wages and better employment prospects. Labor economics and cost-benefit analysis focus on comparing the benefits and costs of people staying in their home country with lower wages versus moving to a country with higher wages.

This theory states that under the influence of economic progress, the wage gap narrows and incentives to migrate disappear. It ignores the influence of social, cultural, and political factors on labor migration. This approach lacks analysis of the unemployment rate, which limits our understanding of migration. The neoclassical approach assumes that the quantity and quality of all productive resources are the same in all countries. This theory supposes perfect information about the labor market and full employment. This analysis defines the policies of receiving countries and the extent to which migrants are treated and protected. Advanced countries grant legal protection to certain groups on humanitarian grounds.

The causes of migration include existing global imbalances, great differences in prosperity, conflicts, and wars. People are forced to migrate in search of employment opportunities, higher wages and better living conditions. Labor migration has a significant impact on demographics, labor markets, industry, and global development.

The pull and push theory analyzes the migration of population from rural areas due to overpopulation in agriculture as a pull factor and the demographic aging of the population as a push factor. Nyaoro (2023) defined the pull and push factors of migration in the decision-making process. Labor mobility, skills development and education, career training are factors that encourage people to migrate to other countries and accept new residences there. The push-and-pull models explain the socioeconomic process encouraging people to move out of their countries of origin to a new location, to avoid armed conflicts and better living conditions, advance their careers. The pull and push theory does not explain migration from countries with higher wages to countries with an average or lower level of development.

The new economics theory of migration proposes that the decision-making process is collective, involving all family members. According to the theory of the New Economy, labor migration flows from capital-poor/labor-rich countries to capital-rich/labor-poor countries. The goal of the migrants' decision-making process is to optimize their opportunities for work and income.

Migrants are unique people with their own identities, talents, cultures, and preferences. They have different skills and talents. Innovation and productivity gains can be attributed to migrant

workers. Destination countries have similarly complicated cultures with a wide range of constituents, interests, and decision-making processes, any of which may compete. Migrants' remittances play a vital role in decision-making.

Receiving countries consider the positive impact of labor migration on the economies of receiving countries. Most studies on the economic impact of migration assume that border controls are comparable to trade barriers and show that increased migration boosts global GDP far more than trade liberalization (Belaid and Slany, 2018).

Alwrekia, Mihi-Ramirez and Melchor-Ferrer (2023) determined the effects of the enormous influx of migrants brought on by the Syrian crisis and official development support. The results indicate that refugees have an insignificant effect on the labor market in their host nations. Additionally, self-employment has a beneficial, but limited, impact on the income level of the working poor (Alwrekia *et al.* 2023). The new economics theory does not explain migration from countries with similar economic conditions and ignores political stability factors.

A variation in the new economic theory of migration is *an effective job creation policy*. This approach examines fundamental theories of the effects of labor migration and structural changes on global development. This research sheds light on the contemporary issues facing the structural and institutional peculiarities of our economies 'and societies. Vakhitova and Fihel (2020) affirmed an effective job-creation policy targeting foreigners. They conclude that the most recent improvements in overall economic indicators did not result in substantial immigration levels. The authors pointed out the need for systematic measures to actively enhance the inflow of foreigners into the country and streamline hiring practices in industries when labor is scarce. The comparison of expected benefits and costs allows migrants to choose a country for migration. Migrants try to realize their professional skills and earn higher salaries. The approach of an effective job creation policy does not consider migrants' psychological factors when making migration decisions.

A people-centric approach justifies the distention of migration through investments in human capital at the micro level. The theory focuses on market factors, but it does not support the impact of international competition on the labor market. This theory emphasizes the effects of labor-market variables and individual human factors. A people-centric approach to migration acknowledges that migrants and refugees are people, who must make complex decisions and should be treated with fairness and respect (World Development Report, 2023). They advance their interests as sovereign states and as participants in the global community. People's decisions to cross borders have an impact on the growth and well-being of both the origin and destination countries.

The literature review highlights the problem of global economic crises and labor migration caused by Russia's full-scale war against Ukraine, which resulted in 8,087,952 million refugees and over six million internally displaced people (IDPs). Migration has negative effects, resulting in the brain drain and outflow of high-skilled specialists from the country. The positive effect of labor migration leads to an increase in labor supply and affects wage levels and overall competitiveness of the labor market in country receiving migrants. Labor migrants increase the value-added to their host countries.

Institutions such as recruiting agencies, individual smugglers, non-governmental organizations (NGOs), and community-based support networks constitute the foundation of shaping migration flows in the *institutional theory of migration*. These organizations assist in countering the challenges of illegal human trafficking. The institutional framework improvement includes the definition of rules, norms, behavioral forms for interaction between migrants and native people, and mechanisms enhancing their implementation. The advantages of the theory include the analysis of a broad spectrum of factors affecting migration and revealing the essence of migration as a complex process. International organizations regulate the flow of migrants. Darvas (2023) described the advancement of the institutional framework of the EU between the global fiscal crisis and the pandemic crisis because of strict banking regulations, uniform euro-area banking supervision, the establishment of crisis management agencies, and a stronger emphasis on macroeconomic surveillance. The Institutional theory of migration does not explain the causes and consequences of migration and the discrimination practices in the workplace.

The Transition theory of migration reveals the key stages of migration transition and focuses on immigration flows and the integration of foreign labor in the recipient country's labor market. These processes are reflected in Martin and Taylor's (1996) model of mobile transformation. The management of migrant flows proposes a complex understanding of migration patterns and consequences for host countries. This approach ignores the effects of global trade and capital movements, focuses on domestic causes, and assumes the same linear route for migrants. De Haas (2010) reviews "transition" theory that is better able to capture the patterns and trends of actual migration movements. He outlines the relationship between economic and human development associated with the highest overall number of migrants. The author explains the U-curve effect on emigration.

Sulaiman (2020) stressed the need for additional theoretical investigations into the factors, patterns, and effects of the migration phenomenon of the skilled labor force. Additionally, skilled migration is growing and has a significant impact on both sending and receiving countries.

Further research demonstrates the existence of a combined approach to migration, trying to unite the economic, psychological, and social characteristics that foster people to migrate. De Sherbinin *et al.* (2022) support a dual strategy that builds on the current theory while also employing strategies such as grounded theory (Charmaz, 2014), who inductively develops theory through the analysis of empirical data. The current global crisis is likely to have deep-reaching effects. The assumption has been made that migrants will be a safety net for developing economies by providing labor during expansion and leaving during recession (Castles and Vezzoli, 2009). Kumpikaite and Zickute (2012) proposed an approach of a single integrated push-and-pull model that influences migration.

The analysis of migration theories in the labor market reflects the diversity of approaches for the recipient and migrant countries of origin. These theories outline the strengths and weaknesses of migrants' decision-making processes. Migrants focus their attention on their social connections and networks. Structural changes in national economies influence migrants and affect a decrease in employment in their home countries. The labor market in recipient countries could be unbalanced if labor self-regulation is absent.

2. Methodology

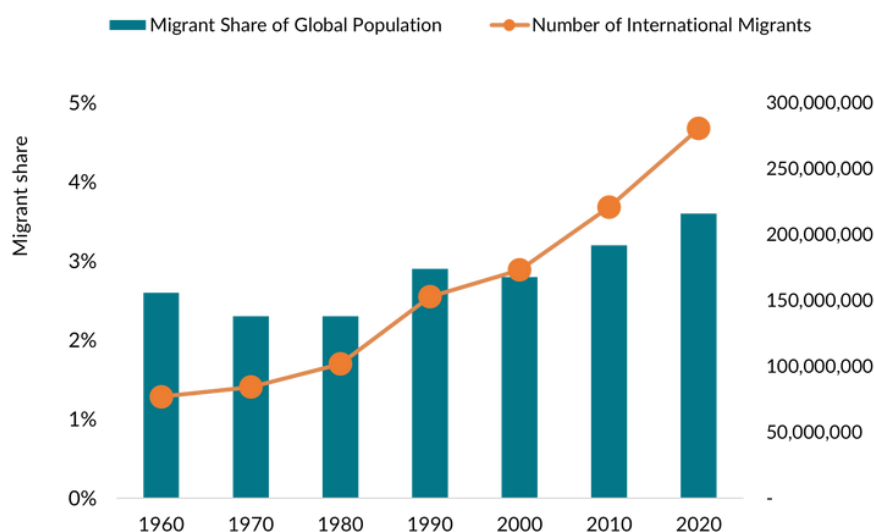
This study proposes to determine how labor migration and structural changes affect the global economy. This methodology uses an interdisciplinary approach. It allows the study of the migration process and proposes methods for regulating and improving migration policy. Migration impacts demographics, labor markets, and industries. This approach is based on a qualitative review of the existing literature and secondary data. The criteria used for selecting the studies reviewed were based on data from international organizations. These sources were analyzed based on statistical indicators characterized by the inflow and outflow of people from the country, remittances etc. Potential gaps in secondary data exist because of the impossibility of assessing the illegal flows of migrants. Our research combines existing approaches to the impact of migration and structural changes and contextualizes these findings within the broader framework. This study considered the impact and consequences of economic, social, and political factors on migration.

3.1. The effects of migration on global development

The effects of migration on global development and their impacts on recipient nations and migration senders were estimated through surveys analysis of international organizations. This study uses data from surveys of international organizations, including the International Labor Organization (ILO), United Nations Conference on Trade and Development (UNCTAD), the World Bank, and the International Organization for Migration. The ILO surveys (2022, 2024) outlined that anticipated crises exacerbate labor market disparities due to their disproportionate effects on specific groups of employees and firms. These publications mark the expanding gap in the labor market between emerging nations (ILO Monitor on the World of Work, 2022, World Employment and Social Outlook. Trends 2024, 2024.).

Migration is a reaction to both shocks, such as conflict and violence, as well as global imbalances, compared to wide disparities in welfare. Figure 1 illustrates a comparison of the migration share of the global population, and the number of international migrants illustrates the tendency of a growing number of international migrants (See Fig. 1). The World Development Report (2023) asserted that around 20% of the 184 million people reside outside their place of origin and are refugees. 43 percent of the people live in low- and middle-income nations. Most nations, regardless of their income level, serve as both origin and destination countries (WDR, 2023). One in every seven people worldwide is a migrant. International migration has surged by 107 million over the past two years (Hernandez *et al.*, 2023).

Figure 1. Comparison of the migration share of the global population and the number of international migrants (numbers)



Source: World Migration Report 2022, 2022

Figure 2. The top 20 destination (left) and origins (right) of international migrants in 2020

Source: World Migration Report 2022, 2022

Figure 2 displays the top 20 destinations (left) and origins (right) of international migrants in 2020 and shows that the top destinations of international migrants were the USA, Germany, Saudi Arabia, the Russian Federation, and the United Kingdom. These countries were India, Mexico, the Russian Federation, China, and the Syrian Arab Republic. The comparison data show that countries could accept migrants as well as their country of origin. The World Migration Report 2023 identifies the impact of migration on the destination migrant country and illustrates the need for improvement in the alignment of the abilities and qualities of all migrants with the demands of the societies where they will settle.

The migration benefits for destination countries are higher when migrants receive higher wages and transfer remittances to their home countries. Qualification recognition, skill proficiency, and access to the job market are prerequisites for the broad opportunities for migrants abroad.

3.2. Structural changes impact on the labor market

Structural changes include a change in the industrial production structure, the destruction of large enterprises and supply chains, the loss of part of the labor force, and fluctuations between skilled and unskilled jobs. Low employment corresponds to low- and lower-middle-income countries, while industrialized countries have reached their peak in manufacturing activity. After achieving its peak, the manufacturing share starts to decline steadily, whereas the part of the service sector starts to increase.

The assessment of structural changes in the inclusiveness and sustainability of socioeconomic development depends on the country. Both the relative supply of skills and skill-based technological changes tend to increase income inequality, although not in all countries (Nomaler, Bart and Adriaan, 2021).

The concept of structural transformation substantiates the transfer of resources (both labor and capital) to more productive economic activities (Felipe, 2015). Nomaler, Bart and Adriaan (2021) analyze how structural change affects well-being and observe the growing trend in living standards increase. Scientists have concluded that structural changes will increase or decrease inequality in the labor market. They prove that structural changes tend to increase inequality. Shustova (2011) verifies the effect of immigration flow on the composition of the economy and its various sectors and examines how structural changes affect the labor market.

Another approach describes the intensity of structural shifts in investment and labor. They stimulate changes in the production structure, investment policy, and labor market organization. The structural shifts in the Ukrainian economy increased the structural changes that smoothed the transition to the neoeconomy and transfer to the service sector. (Grynevych and Zirko, 2014). Vitas (2023) argues that the economy's structure is a complicated process, thus changes to it shouldn't happen too quickly or uncontrollably. Only then can structural reforms lead to economic progress.

Kovtun *et al.* (2019) point out the discrepancy between supply and demand in the labor market, a low level of innovation, and the inertia of transformational processes in the transition to the post-industrial stage of production. Olishevych and Lukianenko (2017) analyze changes in the level of employment in the region as a whole and separately in agriculture and industry. A comparative analysis of employed shares in Ukrainian and European economic sectors shows significant differences between them. The fundamental characteristic of the Ukrainian economy is the substantial overabundance of the agricultural and trading sectors relative to the construction, industry, transport, financial, real estate, and healthcare sectors.

Donovan and Schoellman (2021) assert the existing large sectoral productivity gaps in developing countries. This finding suggests (but does not show) that labor allocation is inefficient.

Many authors identify policy measures that enhance labor productivity under structural changes. Dustmann *et al.* (2022) found out that the minimum wage raised wages but did not lower employment. The reallocation of low-wage workers accounts for up to 17% of the wage increase induced by minimum wage.

Swiston and Barrot (2011) explored the relationship between structural changes and growth and estimated that the degree of structural efficiency by one standard deviation increases growth by ½ percent.

Pariboni and Tridico (2020) explore channels that operate through both the demand and supply sides of the economy, with a special focus on labor market flexibilization and transformations in the productive structure of the economies involved.

The employment share in manufacturing could decrease because of higher productivity growth. However, higher productivity boosts demand for a given income, a feature intensively studied in computer technology (Aiginger, 2009).

The structural policy debate highlights the predominance of the approach to the interdependence of economic growth and economic development based on the sectoral structure of the economy (Nosova, 2022).

Mulska (2022) conceptually characterized the migration process as dynamic, structural changes, related knowledge transfers, and consequences. Increased migrant activity leads to risks, losses, systemic threats, and structural changes in the countries of migrant origin. Migration threatens the labor force, including brain drain transfers, destabilizes the economy, reduces labor supply and productivity, and results in SME bankruptcy.

Structural changes in both the origin and destination countries of migrants have an impact on the migration process. Chung Tsung-Ping (2018) reveals the effects of structural change and job creation on sustainable development. The first focuses on the nation's economic sector changes with income levels. The second proposes the impact of manufacturing industrialization on industries. Both methodologies mark technological development, product innovation, resource efficiency, skill improvement, and the learning process. UNIDO report (2017) discusses the relationship between structural change and economic growth.

Structural changes in the labor market result in the redistribution of labor from labor-intensive to technologically advanced sectors. This causes changes in the demand for certain skill sectors and the loss of jobs in specific professions.

3.2. Effects of migration and structural changes in the labor market

An evaluation of the literature demonstrates the existing imbalances caused by structural changes in the labor market. The forecast for the world's labor trends reflects an unfavorable situation in terms of both job quality and employment creation, which has significant consequences for inequality. In the coming years, the shrinking and continued aging of the EU population is negatively reflected in EU development.

Real earnings declined by 2023 in the great majority of G20 nations where pay data were available, indicating that salary increases were insufficient to keep up with inflation. (World Employment and Social Outlook, 2024). The existing imbalances in labor supply include unemployment, under-employment, and job gaps. Demand-side inconsistencies include labor shortage, skill shortage, and skill mismatch. Whether and how quickly these imbalances can be corrected depends on how labor markets respond to them.

The study of the effects of migration on the development of institutions in countries of migrant origin indicates the influence of emigration in general (i.e., people who emigrate can voice their opinions from abroad) and the transmission of norms from the host country to the home country. Using various institutional quality metrics, the occurrence of both impacts is confirmed. When skilled emigration is considered, the impact becomes more pronounced (Beine and Sekkat, 2013).

Nyaoro (2023), Hernandez (2023), Ecker (2023), Laederach (2023), and Maystadt (2023) outline the empirical models of migration that stimulate structural changes in countries of migrant origin and destination. These models display migrant movements but do not propose a mechanism for the reduction or management of migration flows.

A growing body of literature assumes that the existing relationship between migration and structural transformation leads to the creation of new activities and businesses with high value-added, labor productivity, and increasing returns to scale. The subject of how migration and structural changes affect economic development is crucial given the current state of global uncertainty, the considerable risk posed by the COVID-19 epidemic, and Russian military aggression in Ukraine. Egan (2021) explored the interconnection between labor migration and structural changes. The author emphasizes the migration injustice between wealthy migrants and citizens, who are responsible for the alleviation of inequality among poor migrants and considers the collective policy responses of non-governmental organizations and labor unions. Bistrina (2019) proposes a policy to protect the national interests of European countries. This policy has features of flexible solidarity procedures, rules, and practices.

The study of the effects of migration and structural changes revealed their complementary characteristics. Both processes enhance skills, education, training advancements, labor flexibility, and effective labor market policies. A summary of the analysis of migration theories suggests various scenarios for the basic needs of refugees in cases of armed conflict or in search of migrants for better life conditions and well-being. The analysis of migration and structural changes demonstrates the transformation of labor market organization under the effects of sectoral structural changes and shows the change from the predominance of industry and agriculture toward a growing share of the service sector.

Most theories agree that migration has a favorable impact on world development, including skills development and training, cultural interaction, and the interchange of ideas. It proposes that new job structures based on the hiring of low-cost labor will appear under the effects of increasing labor migration. One of the decisions could be the adoption of new systems of global migration governance by policymakers based on international collaboration and the rule of law by taking lessons from the crisis experience. Countries in the European Union and other economically developed nations should suggest migration policy initiatives to encourage opportunities for the local population in education, job development, and a favorable business environment in low-income nations.

4. Labor migration in Ukraine: economic and social consequences

After Ukraine gained independence in 1991, the migration process began. The nation's net migration indicator showed an excess inflow compared to outflow until the early 2000s in Ukraine. World Bank data on net migration confirmed a high inflow of 204,389 thousand people in Ukraine in 1992. The indicators dropped to -222,324 thousand in 1994 and increased to 68,840 in 2012. The trend of fluctuations in net migration indicators estimated (The World Bank Data, 2022).

Following the seizure of Crimea by Russia and the start of hostilities in Donbass in Ukraine in 2014, the number of migrants increased. Net migration was 65,667 in 2014 in Ukraine and fluctuated to 831 thousand in 2021. The number of emigrants reached 6.1 million in 2020. Due to the full-scale war in Ukraine on February 24, 2022, people forced to leave their homes and ways of life, resulting in a significant population displacement in Ukraine. Approximately 8.05 million Ukrainians have fled their country, with Poland, Germany, and Czechia hosting the largest number of refugees from Ukraine (See Table 1). Table 1 presents the statistical data of the International Organization for Migration of countries accepting refugees from Ukraine in 2023 and confirms that the Russian Federation's aggression against Ukraine caused the outflow of people to cause humanitarian disasters (Nosova, 2023). The data of the OCHA (2023) determined that about 17.6 million people left their homes and are in urgent need of humanitarian assistance and protection. This group of people includes 5.1 million internally displaced people (IDPs), 5.9 million Ukrainian refugees across Europe, and 4.8 million returnees. Eighty-three percent of Ukrainian refugees are women, children, and individuals over 60. Internally displaced persons (IDPs) number over 6 million in Ukraine.

Table 1. Countries accepting refugees from Ukraine

№	Countries	Refugees from Ukraine in 2023 (million)
1	Belarus	0.022
2	Chechia	0.504
3	Estonia, Latvia, Lithuania	0.178
4	Germany	0.923
5	Great Britain	0.199
6	France	0.119
7	Italy	0.173
8	Moldova	0.107
9	Poland	1.580
10	Romania	0.108
11	Russia	2.850
12	Slovakia	0.108
13	Spain	0.173
Total		8.050

Source: Representation using data of the International Organization for Migration (2023), retrieved from <https://ukraine.iom.int/data-and-resources> (2023).

Table 2. Expected consequences of migration processes

№	Criterion	Migrant-origin countries	Authors	Migrant-recipient countries	Authors
1	Employment	decrease	Khan (2021), Hao <i>et al.</i> (2020).	increase	International Migration (2020)
2	Unemployment	decrease/increase	Gundogmus and Bayir (2021)	increase/decrease	Hai and Duc (2023)
3	Skills	decrease	Nathan (2014)	increase	Biavaschi <i>et al.</i> (2020)
4	Remittances	increase/decrease	Future of the World. Policy Brief. No 146. United Nations (2023)	decrease/increase	Refugees and Migrants (2023)
5	Demographic Issue	decrease	Perch (2020)	increase	World Development Report (2023)
6	Cultural diversity	decrease	Yerezhepova (2016)	increase	Rapoport, Sardoschau, Silve (2020)

Source: Author's approach

The International Labor Organization estimates that 2.75 million of the total number of refugees are of working age. Of these, 43.5%, or 1.2 million, were employed before the crisis began and either quit their jobs or lost them during the conflict. Over 87% of these refugees who were previously

employed held full-time positions. Eighty-eight percent of those surveyed were employed by businesses, while the remaining 12% were self-employed.

The advanced (tertiary) level of education is held by two-thirds. Only 15% of people were employed in low-skilled jobs, compared to half (49%) in high-skilled ones (ILO Brief, 2022). In the report from the United Nations Organization, 4.8 million Ukrainians lost their jobs in 2022. Twelve jobseekers are currently applying for one vacancy at the State Employment Center in Ukraine.

Ukraine's society is under tremendous strain from Russian attacks on vital infrastructure that started in October and destroyed 50% of the country's energy sector. With the Ukrainian economy predicted to downturn in 2023, an estimated eighteen million Ukrainians urgently require domestic humanitarian assistance. In addition to the terrible effects on the economy, the conflict has already resulted in environmental harm worth more than \$37 billion (ICMPD Migration Outlook 2023, 2023).

To determine the effects of migration on global economic development, we defined criteria for migrant origin and recipient migrant countries. We examined the expected outcomes of migration processes for countries (see Table 2). Table 2 demonstrates the author's approach to the possible scenarios of migration based on analysis of reviewed publications.

The criteria were selected based on specific factors. Migration negatively affects employment and leads to brain-drain of talented young people from migrant-origin countries. Majority researchers underline the positive effects of migration on the economic growth of migrant destination countries (Khan, 2021, Hao *et al.*, 2020). Gundogmus and Bayir (2021) asserted that the effective reallocation of labor, and labor migration, raises earnings and productivity by enabling workers to benefit from improved employment. The empirical results display employment enlargement, job creation in manufacturing or service sectors, and productive gains in migrant recipient countries. Hao *et al.* (2020) stated that immigration policies in China lead to structural transformation, reallocation of resources to higher productivity, and reduced internal movement between sectors and the labor force in provinces. Gundogmus and Bayir (2021) provided the empirical findings that there is no statistically significant relationship between immigration abroad and unemployment.

Hai and Duc (2023) illustrated in the empirical results that migration lowers unemployment in forty-seven Asian nations. The outflow of skilled workers and population level decline aggravate economic performance in countries. This research has led to the identification of important policy implications. Hai and Duc (2023) propose the need for significant educational reform in low-income and low-middle-income nations to prepare their workforce for a wave of migrant workers who leave their home countries in search of better economic opportunities. Biavaschi *et al.* (2020) justified that in almost every OECD nation, migration's skill bias improves welfare; nevertheless, the benefits in

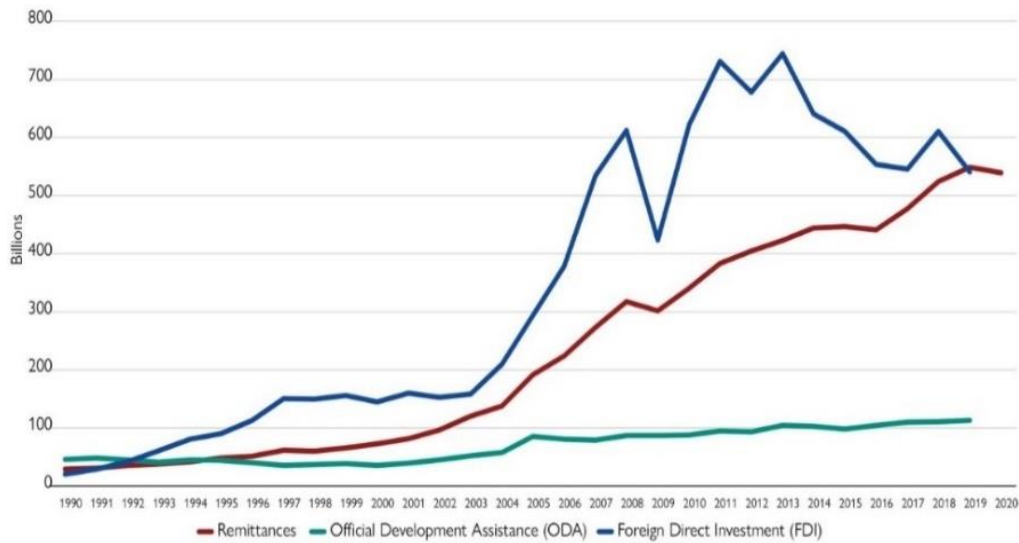
non-OECD nations are less pronounced. In many nations, they are negative, but in those with significant migration-related externalities, they are positive. The authors prove that the skill bias has an unmistakably favorable global effect. Yerezhepova (2016) called into question the accountability of government officials and business executives who have worked to both prepare highly skilled and competitive individuals and to establish the conditions necessary for them to stay and benefit their nation. Nathan (2014) argued that the benefits that talented diasporas and different cultures generally offer the skilled workforce. Consistent with social-cultural positive outcomes for migrant recipient countries, migration results in population rise, educational issues improvement, and other cultural diversity issues development. The employment growth enhances the inflow of young people, skills improvements, demographic rate rise, and cultural development in these countries. Rapoport *et al.* (2020) analyzed cultural similarity throughout nation pairs and noted changes within country pairs over time. Although migrants certainly contribute to cultural convergence and diffusion, the main purpose of their actions is to spread cultural norms and values from their host nations back to their home countries, often known as cultural remittances.

The received results enable us to ascertain the effect of various factors on labor migration. The importance of each criterion is also contingent upon the immigration source nation, labor costs, and socioeconomic circumstances in the area. Remittances' effects on a recipient country's economic progress are ambiguous. It can weaken the competitiveness of the remittance-receiving countries in international markets by increasing the consumption of non-tradable products, raising world prices, appreciating the real currency rate, and reducing exports. The share of international remittance flows to low and middle-income countries was growing constantly with some small fluctuations compared to foreign direct investment (FDI) flows reduction and stable flows of official development assistance flows from 1990 to 2020 (See Fig. 3). Figure 3 shows the data on international remittance flows to low- and middle-income countries from 1990 to 2020.

From 2008 to 2023, remittances to Ukraine averaged 2237.86 USD million; they peaked at 3671.00 USD million in the fourth quarter of 2021 and fell to a record low of 1218.00 USD million in the first quarter of 2010.

According to World Bank data, Ukraine had record-high inflows of USD 18.2 billion last year, making it the largest beneficiary of remittances in Europe and Central Asia before the Russian invasion in 2022. However, compared to the monthly average in 2020–2021, the National Bank of Ukraine observed a 10% decline in the volume of private remittances transferred to Ukraine from January to July 2023 (See Fig. 4). Figure 4 presents data on Ukraine remittances and shows that the volume of transfers decreased after the beginning of the large-scale war in Ukraine.

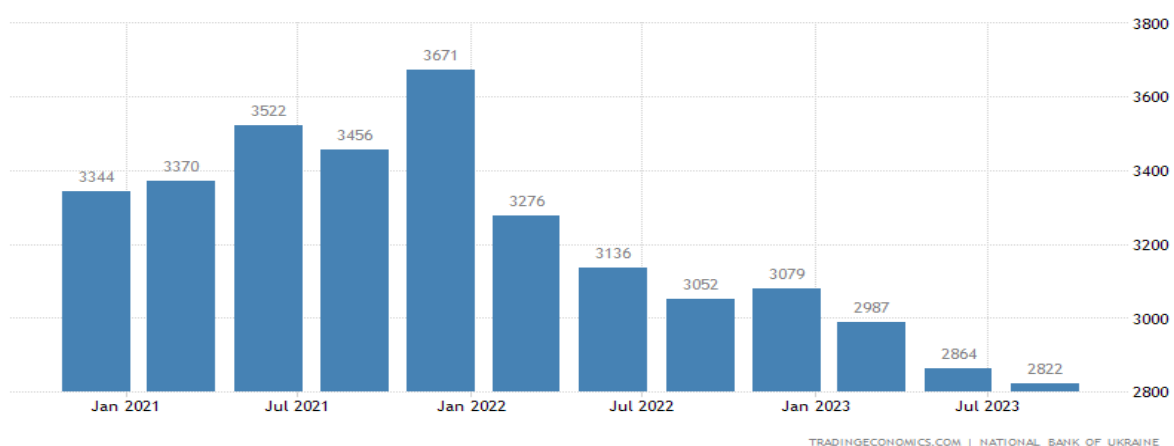
Figure 3. International remittance flows to low- and middle-income countries (1990-2020)



Source: World Migration Report 2022, 2022

In the first quarter of 2024, remittances to Ukraine fell to 2634 USD million from 2790 USD million in the fourth quarter of 2023. The lowest number of remittances made up 1218.00 USD million in the first quarter of 2010. The economist considered that the amount of money transferred from the European Union to Ukraine could increase from 15% to 20% if the situation stabilizes in the Ukrainian labor market.

Figure 4. Remittances received by Ukraine



Source: Trading Economics, retrieved from <https://tradingeconomics.com/ukraine/remittances>

The United Nations Refugee Agency conducted a study for Ukrainian refugees hosted in Europe and elsewhere in 2022 with 4,800 responses. This research proved the difficulties that migrants encounter and their short-term goals. Most new entrants are educated, prepared to work, and

eager to aid in the growth of their home nations, but they require consistent support. The urgent needs include language classes, official acknowledgment of credentials, and childcare so that parents can work outside the home (Refugees and Migrants, 2023). Reintegrating into the workforce will help refugees become less dependent on social security.

The assessment of Gradus Research Company of war consequences highlights that more than one-third of Ukrainians have left their permanent homes, the majority of whom were women and children. Of these, 82% relocated domestically or to Ukraine, while 18% went abroad. The Eastern areas are home to most migrants; however, other regions also have substantial movement activity. The percentage of Ukrainians who have jobs but are not engaged in the working process is falling as more and more people start working again. At the same time, 78% of the population has seen their income decline. Ukrainians constantly show high commitment to supporting the government, the military, and one another. Two-thirds of citizens frequently give money to military and humanitarian needs responded 64% (Social Trends 2023, 2023).

The new tendency of the labor market shows the lack of vacancies for high-skilled jobs in Ukraine in 2023. The number of vacancies is growing in building, sales, and services. The most necessary jobs for SMEs are sales manager, sales manager assistant, driver, cook, and accountant. The study of the labor market conjuncture identifies that the IT sector had actual growth in 2022 in Ukraine. During that period, the average salary in the financial sphere increased by more than 16% related to informational technologies amplified by 12-22%. (Shevchenko and Nekrashuk, 2023).

Companies implement the strategy to ensure wage growth. The companies provided financial assistance to support workers during the war in Ukraine. Managers have taken a wait-and-see approach and are analyzing the market dynamics. Few companies are pursuing a wage freeze strategy, watching the labor market dynamics. This approach does not apply to the category of critical workers. The comparison data of skills in the world's estimations proves the competitive character of the labor force in the global markets.

Global Skills Report (2023) describes the competitiveness of the labor force in Ukraine. Ukrainian workers are among the world's top employees. Ukrainians came in at number 21 on the general qualifying scale, ahead of Great Britain, Georgia, Hungary, Spain, and the Baltic states. Ukraine ranked eighth in the world's technical proficiency, behind Indonesia, Singapore, Japan, Denmark, Switzerland, and Belarus (See Table 3). Table 3 provides the data of regional skill proficiencies produced by Coursera, which reveals the competitiveness of the labor force in Ukraine and high proficiency in some qualifying scales with advanced countries of the world.

Table 3. Regional Skill Proficiencies

Global Rank	Country Name	Business (%)	Technology (%)	Data Science (%)
1	Switzerland	96	99	77
2	Spain	48	100	97
3	Germany	93	84	92
4	Luxembourg	98	58	95
7	Slovakia	80	90	76
8	The Netherlands	87	83	84
9	France	65	88	89
10	Belgium	83	75	91
11	Denmark	95	65	85
12	Italy	89	86	64
13	Sweden	77	82	83
14	Austria	86	71	82
15	Ukraine	54	94	67
17	Finland	71	80	81
54	Romania	35	56	53

Source: Global Skills Report 2023. (2023). Coursera, retrieved from <https://www.coursera.org/skills-reports/global/get-report/pdf/gsr-2023>

The research findings support the idea that the development of a favorable and secure economic, social, and cultural environment in the nation is a precondition for the emergence of the factor, which motivates individuals to return to their home countries. Governments must implement favorable measures to encourage residents to stay in their nations by enhancing work opportunities, training programs, skill development, and providing social and cultural activities.

The research results of expected outcomes of the migration process for migrant-origin countries and migrant-recipient countries confirm ambiguous results. Governments, international organizations, and nonprofit organizations (NGOs) must improve labor migration policies for creating affordable institutional environment. They need to address the economic, social, and educational requirements of underdeveloped nations while considering economic and socio-cultural issues.

The lack of original empirical analysis of migration is considered a limitation of this paper. These limitations can affect the conclusions drawn about the relationship between labor migration and structural changes. The inconsistency of statistical data on migration is explained by the absence of a standard definition of “country of residence for migrants.” The future research of migration will be based on empirical data of migrants applied in statistics. This analysis can give more complete information about international flows and outflows of migrants.

The government policy elaboration and adoption for returning Ukrainian refugees include the creation of security and safety conditions, a safe workplace, an innovative growth strategy, and a sizable amount of government assistance (housing provision and infrastructure development).

Conclusions

Economic, social, political, and health-related factors affected the relationship between migration, structural changes, and global crises. World turbulences are exacerbated or responded to through the labor movement, affecting migrant-origin and migrant-recipient nations. Controlling the effects of migration during times of crisis is crucial for global development. The adoption of effective regulations and an international collaboration strategy can provide transparency, flexibility, and stability in the labor market. The existing system for regulating migration processes based on international cooperation and the rule of law must be modernized.

The structural changes have led to the redistribution of labor between labor-intensive and technologically advanced sectors. This outcome changes the demand for certain skill sectors, causes job losses in specific professions, and affects migration.

The study results provide credence to the theory that enhancing factors that drive people to return home is a crucial factor in regulating labor migration flows. It requires the formation of a secure and favorable social, cultural, and economic environment in the country. Governments must put forward supportive policies to entice citizens to remain in their countries by expanding employment possibilities, offering training programs, fostering skill development, and suggesting social and cultural events.

Conducting migration policy aimed at protecting economic interests including attracting labor to unfilled sectors of the economy. EU countries need to have a coordinated migration policy to attract labor. Consider professional qualifications and work skills in economic sectors to create conditions for self-realization in the host country.

The EU countries and other economically advanced countries should propose migration policy actions to stimulate education for the local population, job creation, institution settings, and attractive business environment in low-income countries. International organizations need to improve the mechanism of migration regulation and solutions to humanitarian problems.

The paper offers a critical review of the literature, emphasizing the gaps and inconsistencies in current research, and suggests a direction for future studies that may include original data analysis.

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