

COVID-19, the Global Financial Crisis, and the Regulation of Labor Migration

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Abstract

The development of globalization processes in the world economy allows reconciling supply and demand for staff regardless of the employee's country of origin and leads to international labor migration. The experience of highly developed countries shows that a country's economy and its subsequent growth largely depend on the effective recruitment and use of skilled labor. The COVID-19 pandemic has led to a drastic restriction on population mobility and, consequently, worsened the economic and social situations in countries where labor migration was a widespread phenomenon. The ensuing economic crisis has not only altered trends in labor migration but has also brought new challenges to its legal regulation. The article aims to determine the features of migration trends and policy in the COVID-19 environment, examine them in the context of new regulations adopted to protect the labor rights of migrants under the current circumstances, suggest effective measures to regulate the situation in the labor market, and address the economic crises in the countries of destination and origin. The examination of this issue involved a complex methodological framework where the general scientific dialectical method was central to the research. The conducted research provides a foundation for overcoming the social and economic crises caused by COVID-19, which contributes to its practical significance.

Keywords: migration, international migration, COVID-19 crisis, migratory flow, labor migrant, economic crisis

EDITOR'S NOTE

The bulk of this article was drafted by a group of Ukrainian labor and administrative law scholars during the height of the COVID-19 pandemic. The authors cite various statistics and predictions made at the time regarding the ensuing financial crisis and its effect on international labor migration. Although we now have a clearer picture of the pandemic's impact on the global economy and employment, this piece provides a snapshot of what international labor migrants were facing at the time, perhaps an area that did not receive as much attention during the pandemic's peak. The article also provides some excellent recommendations for improving what is truly a tangled and tragic web of global and national labor migration rules and policies. Finally, and perhaps most importantly, the article offers insight into the migrant work situation in Ukraine before the pandemic hit and before the February 2022 Russian invasion. Indeed, Ukraine was on the receiving end of a double whammy—first, the pandemic, and then the Russian invasion—as described below in the authors' own note. As I indicated in the opening "Editorial Comment" for this issue, I am grateful to these authors for contributing their article, as it is truly a testament to

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the same resilience and resistance that their compatriots have exhibited since Russia launched its unprovoked attack on their country.

AUTHORS' NOTE

The date of February 24, 2022, dramatically changed the lives of millions of people. Immediately preceding this date, COVID-19 was one of the most significant problems for international migrants because of the disease's threat to human life and the ensuing global economic downturn. These circumstances prompted severe restrictions and long-term lockdowns that destroyed many countries' economies. Moreover, the able-bodied segments of the population were still unable to cope with the consequences of the disease to provide 100% efficiency in the workplace. Even though the demand for workers in European countries held steady, it only increased after the first wave of the pandemic. However, Russia's full-scale invasion into the territory of Ukraine exacerbated the problems of civilized humankind, these being: the European labor market's unreadiness for such a large number of emigrants (the vast majority of whom were women, the elderly, and children); many countries' unpreparedness to meet the needs of able-bodied emigrants; a logistical "time bomb" due to the Russian aggressors' shelling; the high potential for a hunger crisis; and a large number of Ukrainian refugees who were acutely infected with COVID-19. And some countries still cannot decide on a clear definition for the Ukrainian people fleeing the war. Are they immigrants, migrants, or refugees? A quick response to a large influx of emigrants, ensuring their human rights and freedoms, and resolving economic problems by offering employment to working refugees—these and other theses presented in the article are the basis for overcoming the negative consequences of the current economic crisis and restoring the economy.

INTRODUCTION

Today, international migration has become a global process that has affected people in all countries and on all continents. In the process of any State's development and transformation, migration affects public life and plays an important role in the development of socioeconomic relations, which, in turn, affects political development. Migration processes are reflected in migration policy, which has its own characteristics in each country. Along with international migration's traits, such as globalization, the uneven development of different regions, the demographic situation in host countries, the movement of foreign direct investment, and the development of transport and communications, a tremendously important factor is a State's official policy on migration.¹ Due to the fact that the act of international migration encompasses all countries and regions, it makes the latter interdependent on migration flows, so changes in the migration policy of one country can affect the migration situation in other countries as well. To some extent, migration policy affects the quantitative and qualitative parameters of migration flows—specifically, their direction and the ratios of legal to illegal migrations.

At the same time, both the world and migrants in particular have faced a novel and additional barrier, the COVID-19 pandemic, which has dramatically affected all forms of human mobility. It is the COVID-19 crisis, the most acute of modern society, that is the main problem for international migrants, along with its consequences: the threat to human life, global economic decline, a reduction of migration flows, and an international medical crisis. National governments face the additional challenge of finding solutions to offset economic downturns.² Further, international migration processes during the COVID-19 crisis have been characterized by a weak demand for labor and hence an overall decline in employment; persistent and severe travel restrictions; and declining income.

The current situation requires that migrants' interests and needs be fully guaranteed by relevant state policies. As migration—and labor migration in particular—is an important component of today's global economic, political, and social life, there is an urgent need for a flexible, clear, and comprehensive policy on effective migration management. Countries of origin and destination must be united in their migration policies, and their governments

¹ O. Reznik, O. Getmanets, A. Kovalchuk, V. Nastyuk, and N. Andriichenko, "Financial Security of the State," *Journal of Security and Sustainability Issues* 9, no. 3 (2020): 843–852, https://jssidoi.org/jssi/uploads/papers/36/Reznik_Financial_security_of_the_state.pdf.

² O.M. Yaroshenko, O.V. Moskalenko, A.M. Sliusar, and N.M. Vapnyarchuk, "Commercial Secret as an Object of Labour Relations: Foreign and International Experience," *Journal of Legal, Ethical and Regulatory Issues* 21, no. 1 (2018): 1–10.

must consider not only economic factors but also the human and social dimensions of the evaluation of human labor. Regular migration channels should remain open, and information on migration opportunities and risks should be available to all migrants to prevent illegal forms of migration and human trafficking.³

Migration must be viewed as an incentive for economic recovery. Migration management policies should maximize the benefits of migration and take migrants into account when designing or implementing these policies. Cooperation between countries of destination and origin is necessary to ensure flexible and clear policies that promote migration flows and protect the rights of migrants. Several researchers have devoted their work to the problems of the international regulation of labor migration processes and the formation of migration policy, including O. Malinovskaya,⁴ A. Grubinko,⁵ V.V. Lagodienko and O.V. Shvets,⁶ and O.M. Yaroshenko et al.⁷ The aim of this article is to identify and evaluate the main measures of migration policy and the legal regulation needed for combating the effects of the current economic crisis, for recognizing effective ways to regulate the labor market and employment, and for developing measures to address the economic crisis in both the destination and origin countries.

MATERIALS AND METHODS

The methodological basis of the study is a set of methods and techniques of scientific knowledge. To achieve this goal, we used general and specific research methods. Methods of analysis and synthesis, theoretical generalization, historical, scientific-analytical, systematization, and classification were used to identify the scientific and theoretical foundations of international migration. Among them are general scientific methods, methods of management science, political science, economics, sociology, and jurisprudence, as well as special methodological principles for studying the processes of labor migration.

The main component of this system is the general scientific dialectical method, which contributed to the consideration and study of the problem in the unity of its social content and legal form and the implementation of a systematic analysis of the legal regulation of labor migration in the global economic crisis. With the help of the logical-semantic method, the conceptual apparatus is deepened, and the basic concepts and essential characteristics of labor migration are defined. System-structural and comparative-legal methods allowed us to study the organizational and legal issues of the regulation of labor migration. The use of sociological and statistical methods contributed to the generalization of legal practice and analysis of empirical information related to the research topic. With the help of a formal-legal method, the legal regulation of labor migration was studied, and suggestions for improvement were formulated.

Comparative analysis of facts and phenomena of labor migration management in European countries and their synthesis allowed us to explore the problematic aspects and ways to address the legal regulation of labor migration in the context of the COVID-19 crisis. Program-targeted methods became the basis for the development of the proposed scientific and practical recommendations for improving the current legal regulation of labor migration and developing an effective model in the context of economic transformation.

The logical method was used to reveal the content of the concept of “migration.” Statistical and sociological methods were used to confirm and substantiate the theoretical conclusions regarding the legal regulation of labor migration. The comparative legal method was used to characterize the economic crisis and its impact on the

³ K. Tomashevski and O.M. Yaroshenko, “Problems of Labour Legislation Codification in Belarus and Ukraine: History, Current Situation and Prospects,” *Transition Studies Review* 27, no. 2 (2020): 41–50.

⁴ O. Malinovskaya, “Migration and Corona Crisis,” *Migration* 6, no. 220 (2020): 17–18.

⁵ A. Grubinko, “Defining Trends in the Migration Policy of the European Union in the Context of the Latest Challenges to Regional Security: Political and Legal Aspects,” *Current Issues of Jurisprudence* 4, no. 24 (2020): 5–12.

⁶ V.V. Lagodienko and O.V. Shvets, “Current Trends of the State Regulation of International Labor Migration,” *Business Inform* 12 (2020): 231–237.

⁷ O.M. Yaroshenko, N.M. Vapnyarchuk, S.V. Lozovoi, G.O. Yakovleva, and O.A. Yakovlyev, “General-Compulsory Medical Insurance: World Experience,” *Journal of Advanced Research in Law and Economics* 9, no. 5 (2018): 120–128; O. M. Yaroshenko, A.M. Sliusar, O.H. Sereda, and V.O. Zakrynytska, “Legal Relation: the Issues of Delineation (on the Basis of the Civil Law of Ukraine),” *Asia Life Sciences: The Asian International Journal of Life Sciences* 21, no. 2 (2019): 719–734; O.M. Yaroshenko, N.M. Vapnyarchuk, Yu.M. Burnyagina, N.V. Kozachok-Trush, and L.V. Mohilevskyi, “Professional Development of Employees as the Way to Innovative Country Integration,” *Journal of Advanced Research in Law and Economics* 11, no. 2 (2020): 683–695.

formation of labor migration flows and to conduct an analysis of the global experience in regulating labor migration. To solve the tasks set forth in the study, a theoretical analysis of the scientific literature and reports of international organizations in the fields of economics, migration, and demography was undertaken. The documentary and factual bases of the study were national and foreign statistics, current legislation, and international legal standards governing relations in the field of labor migration.

RESULTS

A characteristic feature of the current stage of development of international economic relations is the international migration of labor, which has developed very rapidly in recent decades. For example, since 1970, the number of migrants in the world has more than tripled to 3.6% of the world's population.⁸ Modern labor migration is indeed one of the most complex subsystems of international economic relations, which in some way affects the world economy and is the focus of many economists. With the development and changes of the role of migration processes in international economic relations, and the appearance of many publications and studies on both international migration and international labor migration, the interpretation of the concept of migration has changed. E. G. Ravenstein proposed one of its first definitions: to him, migration was “a permanent or temporary change of residence.”⁹

Today, migrant workers make up 4.7% of the world's labor force—164 million workers, almost half of whom are women.¹⁰ The International Labour Organization (ILO) has called the impact of the COVID-19 pandemic on migrants “a crisis within a crisis.”¹¹ The ILO is concerned about the fate of millions of migrant workers who have lost their jobs during lockdowns in their destination countries and have been forced to return to their countries of origin, where they also find an economic downturn and rising unemployment. The International Organization for Migration (IOM) emphasizes that the COVID-19 pandemic has reminded us that our health, nutrition, and well-being depend on the safe and orderly movement of people.¹² When countries have closed due to lockdowns, migrant workers have continued to care for the elderly and the sick, run grocery stores, and transport goods. The European Union (EU) estimates that immigrants make up an average of 13% of workers in key sectors, and in some areas, such as mining, construction, cleaning, and home care, up to one-third of workers were born outside the EU.¹³

The coronavirus epidemic has hampered the flow of labor migration, as quarantine restrictions have prevented millions of people from earning a living either within their own countries or abroad, leaving their families without expected income and employers without the necessary labor force. Restrictions on migration have a negative impact on economic development. The World Bank, in April 2020, estimated that due to declining migrant earnings during the quarantine and economic downturn, international private remittances, the vast majority of which are migrants' money sent home to their families, will fall by almost 20% in 2020, with remittances to low- and middle-income countries falling 19.7% to US\$445 billion.¹⁴ This could ultimately affect the well-being of 800 million people dependent on remittances and create serious problems for migrants' countries of origin, where remittances play an important role in stabilizing the balance of payments and are an important financial source for

⁸ “World Migration Report 2022,” International Organization for Migration (2021), at pp. 23, 192, <https://publications.iom.int/books/world-migration-report-2022>.

⁹ A. Boyko, G. Vlasova, S. Omel'yanchyk, O. Bondar, D. Moroz, and R. Karpenko, “Political and Legal Aspects of Regulating Transnational Labour Migration,” *International Journal of Advanced Research in Engineering and Technology* 11, no. 5 (May 2020): 153, 155 (referencing E.G. Ravenstein, 1885).

¹⁰ “COVID-19: Protecting Workers in the Workplace: ILO Warns of COVID-19 Migrant ‘Crisis Within a Crisis,’” International Labour Organization, News (June 24, 2020), https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_748992/lang-en/index.htm.

¹¹ *Ibid.* (quoting Manuela Tomei, Director, ILO Conditions of Work and Equality Department).

¹² See generally, “World Migration Report 2022,” *supra* note 8.

¹³ “Face to Face with Migration,” VoxUkraine (December 17, 2020), https://lb.ua/economics/2020/12/17/473254_vichnavich_z_migratsiieyu.html.

¹⁴ “World Bank Predicts Sharpest Decline in Remittances in Recent History,” Press Release (April 22, 2020), <https://www.worldbank.org/en/news/press-release/2020/04/22/world-bank-predicts-sharpest-decline-of-remittances-in-recent-history>.

economic development.¹⁵ Reducing migration also creates problems for destination countries because they lose labor the economy needs.¹⁶

According to a June 2020 IMF forecast, the world's GDP will decline by 4.9% in 2020.¹⁷ Developed economies will be hit even harder—their GDPs are predicted to shrink by 8%.¹⁸ For emerging economies, the prediction is for a -3% growth rate.¹⁹ Thus, for the first time, for all regions of the world, the economic forecast is negative.²⁰

To this economic crisis is added a “catastrophic blow” to the labor market.²¹ According to the ILO, as a result of the COVID-19 pandemic, in the third quarter of 2020, working hours will decline by 7.2%, and in the fourth quarter, by 4.6%, equivalent to the loss of 130 million full-time jobs.²² Measures will be needed to stabilize the economy and address full and productive employment, including tax and material incentives, and to ensure the continued operation of small and medium-sized businesses in the context of the COVID-19 crisis. And this does not require point solutions just for migrants, but rather a comprehensive approach. World trade has also been hit hard, falling by 3.5% in the first quarter of 2020 alone.²³ In general, for the year, the decline is predicted to be almost 12%.²⁴

The consequence of the COVID-19 crisis, which we can see today, is a large-scale blow to the global economy. If, in 2008, the financial crisis began with disruptions in the U.S. real estate and financial markets and spread only after a certain delay, the COVID-19 pandemic has had a more radical and drastic effect. The coronavirus crisis immediately and completely disrupted domestic economies while evaporating supply and demand.²⁵

Given the objective need for workers, many destination countries have introduced various measures to protect and assist migrants. First, there has been the question of settling the legal status of foreigners who, as a result of quarantine, can neither return home nor settle their status in a foreign State. In Portugal, for example, a temporary migration amnesty was declared to ensure access to medical and social assistance for all those in its territory, which also extended to asylum seekers who applied for refugee status in the country on March 18, 2020. In Italy, a country that was severely affected by COVID-19, mass legalization of migrants engaged in agriculture and domestic services was announced.

¹⁵ M. Kuzheliev and I. Britchenko, “Theoretical and Methodological Aspects of Formation of Corporate Control System in Ukraine,” *Ikonomicheski Izslედvania* 25, no. 2 (2016): 3–28; see also, Pedro de Vasconcelos, “COVID-19: The Decline of Global Remittances Puts Rural Families at Risk,” International Fund for Agricultural Development Blog (June 9, 2020), https://www.ifad.org/en/web/latest/-/blog/covid-19-the-decline-of-global-remittances-puts-rural-families-at-risk?p_i_back_url=%2Fen%2Fsearch%3Fq%3DCOVID%2Bremittances.

¹⁶ A.M. Danzer and B. Dietz, *The Economic and Social Determinants of Migrants' Well-Being During the Global Financial Crisis* (Bonn: Institute of Labor Economics [IZA], 2018), 15–19; O.M. Yaroshenko, N.M. Vapnyarchuk, Yu.M. Burnyagina, N. V. Kozachok-Trush, and L.V. Mohilevskiy, *supra* note 7.

¹⁷ “World Economic Outlook Update, June 2020: A Crisis Like No Other, An Uncertain Recovery,” International Monetary Fund, <https://www.imf.org/en/Publications/WEO/Issues/2020/06/24/WEOUpdateJune2020>. For comparative purposes, in April 2022, the IMF estimated the decline in 2022 will be 3.6%. See International Monetary Fund, “World Economic Outlook: War Sets Back the Global Recovery” (April 2022), <https://www.imf.org/en/Publications/WEO/Issues/2022/04/19/world-economic-outlook-april-2022>.

¹⁸ *Ibid.*

¹⁹ *Ibid.*

²⁰ “The Economic Crisis Will Be Deeper. What Does this Mean for Ukraine?” BBC News Ukraine (June 24, 2020), <https://www.bbc.com/ukrainian/news-53163733>.

²¹ *Ibid.*

²² “ILO Monitor: COVID-19 and the World of Work. Seventh Edition: Updated Estimates and Analysis,” International Labour Organization (January 25, 2022), https://www.ilo.org/wcmsp5/groups/public/-/dgreports/-/dcomm/documents/briefingnote/wcms_767028.pdf.

²³ “The Economic Crisis Will Be Deeper. What Does this Mean for Ukraine?” *supra* note 20.

²⁴ *Ibid.*

²⁵ L.A. Kinish, “*The Impact of the Corona Crisis on Global Migration Flows*,” (Kyiv: Kyiv National University of Trade and Economics, 2021), 31–33. In total, the IMF forecasts that the global economy will lose at least US\$12.5 trillion due to the coronavirus crisis; see “IMF Sees Cost of COVID Pandemic Rising Beyond \$12.5 Trillion Estimate,” Reuters (January 20, 2022), <https://www.reuters.com/business/imf-sees-cost-covid-pandemic-rising-beyond-125-trillion-estimate-2022-01-20/>. For the IMF's current GDP figures, see “Real GDP Growth,” accessed October 23, 2022, https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/AZE?year=2022.

In Italy, legalization will affect between 300,000 and 500,000 people, who will be given the right to legally remain in the country for six months to look for work and conclude an employment agreement.²⁶ If a contract is signed, the residence permit will be extended for the term of the contract's validity. Most European countries have allowed migrants whose visas or residence permits have expired during quarantine to stay legally in the country until the restrictions are lifted, plus thirty days more to settle their situations. In Poland, agrarian unions, construction associations, meat processors, etc. have asked the government to create conditions for the continued employment of Ukrainians. The government's exit program provides for the possibility of foreigners, who have worked under employment contracts at enterprises forced to cease their activities due to COVID-19, to receive 80% of their salaries, and for those who have concluded a contract with the employer (the majority of Ukrainians) to also receive 80% of the minimum salaries.²⁷

Large Polish recruitment agencies offer migrants with expired documents to obtain free residence permits for up to three years. Moreover, at their own expense, these agencies have set up several points where employees can have a mandatory observation period before starting work. It was recently announced that seasonal agricultural workers arriving in Poland would be released from a fourteen-day isolation. The governments of Austria, Belgium, Great Britain, Denmark, Israel, Germany, Norway, the Czech Republic, Finland, etc. have expressed interest in resuming the intake of Ukrainians for seasonal work in their countries. Negotiations are underway to organize the transportation of workers and provide them with all social guarantees. In the absence of regular transport, migrant workers are transported by charter flights. Previous crises in the world economy have demonstrated that under crisis conditions, as labor demand in destination countries decreases, so does the intensity of migration. However, it is not so much about the return of migrants to their homeland, but rather the reduction in the arrivals of new contingents of foreigners. This is particularly true of the current crisis, with its severe restrictions on human mobility on a global scale. At the same time, it is easier and faster to resolve the crisis within a particular country rather than at a global level, which consequently manages to save migrants.²⁸

The problem of the impact of migration on unemployment and wages, a result of the current economic crisis, has been squarely placed on the global agenda. Rising unemployment has forced a number of European countries to tighten entry conditions, especially for second-level migrant workers, and to allow them only in areas where there are staff shortages and no competition from locals. Italy imposed stricter restrictions on the influx of construction and industrial workers, seasonal workers, and those applying for tourism vacancies, as these industries have been hit the hardest by the crisis.

Declining production and closure of enterprises in a crisis exacerbate competition among job applicants. In times of crisis, migrant workers are forced to accept lower wages and worse working conditions to keep their jobs. Home remittances will be reduced, and they often exceed the total amount of foreign aid to developing countries. This will likely have long-term consequences for the economies of countries that send migrants and increase the number of people living below the poverty line.²⁹ However, in the event of a sharp reduction in the influx of legal migrants, there is a real danger of increased illegal migration with a totality of consequences, including rising crime and social tensions.³⁰

In recent years, Ukraine has faced unforeseen political and economic problems that have directly affected the migration situation. Therefore, there is a need for appropriate systematization of regulations and the formation of a single, highly codified set of regulations, especially relating to the formation, the delineation of powers and procedures of the state migration service, and other public authorities and local governments. The need for systematization and streamlining is also indicated by the existence of various public authorities that need to coordinate their

²⁶ I. Mykola, K. Tetiana, K. Ruslan, D. Ihor, and P. Volodymyr, "European Standards for the Protection of Social Rights of Labor Migrants," *Journal of Legal, Ethical and Regulatory Issues* 22, no. 6 (2019): 1–8.

²⁷ V.I. Kifyak, M. I. Vasilchuk, and D.Yu. Skriblyak, "The Problem of Labor Migration in Ukraine and Ways to Solve It," *Black Sea Economic Studies* 37 (2019): 169–173.

²⁸ O. Malinovskaya, *supra* note 4.

²⁹ See World Bank Group, "Poverty and Shared Prosperity 2020: Reversals of Fortune," World Bank (2020), at 94, <https://doi.org/10.1596/978-1-4648-1602-4>; see also Daniel G. Mahler, Christoph Lakner, R. Andres Castaneda Aguilar, and Haoyu Wu, "The Impact of COVID-19 (Coronavirus) on Global Poverty: Why Sub-Saharan Africa Might be the Region Hardest Hit," Data Blog (World Bank Blogs) (April 20, 2020), <https://blogs.worldbank.org/opendata/impact-covid-19-coronavirus-global-poverty-why-sub-saharan-africa-might-be-region-hardest>.

³⁰ A. Grubinko, *supra* note 5.

joint activities (state migration service, employment service, local government, public administration, internal affairs, etc.).

The expansion of regional powers (local self-government bodies of the *oblast*³¹ level) in the field of migration is of great importance for the regulation of migration processes—namely, granting the relevant powers to local self-government and regional state bodies (regional councils and their executive committees). This will give them the authority not only to independently study the problematic issues of migration in the region but also to determine appropriate programs to regulate regional migration processes. And the most important objective is to provide opportunities for certain programs to regulate migration processes, employment, etc. to create appropriate funds (financial and property) with an independent determination of their amount and scope (based on the local budget) and to take equal measures to combat illegal migration (including deportation).

Given this urgency, there is a need to improve migration policy, taking into account the peculiarities of economic processes. Due to the fact that Ukraine is integrated into the world economy and is actively part of socioeconomic and political processes at the international level, it is appropriate, in our opinion, to improve the regulation of the international labor migration of economically active populations. Careful study of the phenomenon of international labor migration is necessary from all standpoints—namely, obtaining complete and reliable statistical and analytical information on the dynamics of migrants during different periods of time. In this regard, it is advisable to create a single database on migration to ensure deeper research in the field and the implementation and application of its results on state policy.³²

There is a problem with public awareness of Ukraine's migration processes. Ukraine has an imbalance in the labor market between labor supply and demand. There are also violations of labor legislation by both employers and employees. Comprehensive public information on the state of the labor market, changes in legislation, and sanctions against violators could reduce both the imbalance and the number of offenses. Development or adjustment of the State's existing migration policy should impact recommendations on legislative regulation; the development of effective measures to regulate the national labor market; the improvement of financial instruments for migrants' money transfers; and the improvement of administrative tools for migration control. The next step in the migration policy development process is to monitor and analyze the opportunities and threats posed by global labor market factors.

To understand the potential opportunities and threats in the long run, migration professionals must first monitor and analyze major trends in the global economy. These include demographic, economic, political, legal, and sociocultural changes. The situation in the world economy is not static and can change greatly over time. Therefore, it is necessary to study the dynamics of the global labor market, paying particular attention to how labor migration trends are likely to change. Then, decisions must be made on the migration policy to implement it so that the State benefits and at the same time supports and controls the rights of migrants—both those who are in the country and those citizens who are abroad. A key factor in the success of a policy is the State's ability to implement it effectively. And this depends on whether the strategy is consistent with resources, public administration, coordination, and control systems. Researchers should develop a strategy that is consistent with existing resources, knowledge, and procedures or seek to create new structures and systems that are consistent with the selected policies. For example, an attempt to develop and implement a state migration strategy without taking into account international norms and standards will not be successful.³³

Also, the current financial crisis and a number of other threats have directly determined the need for States to pay attention to the protection of their financial interests, and the issue of financial security has become particularly relevant at both the national and international levels. In particular, appropriate financial support strategies are being implemented, law enforcement agencies are being reformed, and new law enforcement agencies are being created to minimize negative trends in the financial sector.³⁴

In our opinion, in order to mitigate the long-term impact of the COVID-19 pandemic, it is important to develop an effective national policy and coordination system that will promote regulated circular migration, maximize benefits from well-organized labor migration, strengthen the protection of Ukrainian citizens abroad and the

³¹ The *oblast* is a first-level administrative division in Ukraine.

³² R. M. Skupskyi, L.S. Melnychuk, and M.Y. Shcherbata, "Methodological Aspects of Labor Potential Use and Regional Demographic Problems," *Scientific Bulletin of Polissya* 1, no. 2 (2017): 103–109.

³³ V.V. Lagodienko and O.V. Shvets, *supra* note 6.

³⁴ O. Reznik, O. Getmanets, A. Kovalchuk, V. Nastyuk, and N. Andriichenko, *supra* note 1.

foreign migrants in Ukraine, establish an appropriate system for supervising employment mediation abroad, and expand opportunities for the socioeconomic reintegration of returned migrants into local communities.

The coronavirus crisis brought many issues to the forefront at the same time: the threat to human life, the global economic decline, the forced restriction of movement, and the international medical crisis. To overcome the socioeconomic impact of the COVID-19 pandemic, countries need to adhere to the following recommendations: stimulate the economy and employment; support enterprises, in particular small and medium-sized businesses by providing financial, tax, and other benefits; pay special attention to such groups as migrant workers, especially those employed in important sectors of the economy, such as construction, manufacturing, and agriculture to avoid imbalances; protect workers in the workplace; actively finance the health sector; and create and maintain social protection systems.

DISCUSSION

The consequences of the current economic crisis have significantly affected the activities of the International Labour Organization. The ILO is now seeking effective means to enable each country and its employment sector to withstand the crisis's negative effects and to further develop job growth. The development of the global and national economies in the context of the international crisis poses many complex and fundamentally new problems for economic science and practice that need to be understood and resolved. Among the predicted consequences of the crisis, scientists point out falling real GDP; a reduction in household spending and contributions to fixed capital formation; a change in the direction of foreign capital expenditures; the falling value of national currency against the hard convertible currencies of industrialized countries; inflation in the form of uncontrolled rising prices; and a devaluation of the market value of bonds.

A prudent migration policy can be an important lever for overcoming, or even preventing, the negative effects of future economic crises. However, to do so, countries must agree to a partnership on a common migration policy. Migration policies are often unsuccessful because governments neglect social factors and forget that migrants are not just economic actors who migrate to maximize profits. The ILO responded immediately to the current situation by studying the effects of the economic crisis on employment and working conditions.³⁵ The ILO's goal is to protect migrant workers, and this objective automatically obliges the organization to propose measures that would strengthen the protection of migrants during the economic crisis. Examples of such policy measures follow below.

- 1) A modified labor migration policy in destination countries aimed at encouraging voluntary returns is needed. The demand for labor in specific sectors and the need for certain professions must be considered. Ignoring sectoral and occupational demand may in the future force migrant workers to migrate illegally. Destination countries must derive a system of economic incentives that would benefit migrant workers equally and without discrimination. This will ensure the most efficient functioning of labor markets, a better use of labor, and a reduction in the burden on social security systems. Destination countries should pay particular attention to the integration of migrant women and their families into civil society.³⁶
- 2) A clear system is needed to combat xenophobia and hostile attitudes towards migrant workers that undermine social cohesion and stability. When applying labor legislation, it is necessary to carefully ensure that legal working conditions are guaranteed and to respect migrant workers' right to work. Labor laws and labor migration policies should include the provisions of international standards. As part of efforts to stop illegal migration, human rights must be clearly respected—not only civil rights but also economic, social, and cultural rights. Countries of origin must derive and apply effective measures for the reintegration of migrant workers. An active labor market and employment policy must be used for this purpose. Countries of origin should intensify and expand their support for the protection of the rights and freedoms of their migrant workers in the countries of destination.

³⁵ See, e.g., "ILO Monitor: COVID-19 and the World of Work. Second Edition: Updated Estimates and Analysis," International Labour Organization (April 7, 2020), https://www.ilo.org/wcmsp5/groups/public/-/dgreports/-/dcomm/documents/briefingnote/wcms_740877.pdf.

³⁶ V.V. Lagodienko and U.Ya. Andrusiv, "Regional Economic Policy in the Conditions of Disproportion: Ways of Minimization," *Ukrainian Journal of Applied Economics* 3, no. 2 (2018): 81–89.

- 3) The new migration policy should include procedures for developing special measures to be applied in times of crisis. International cooperation should be one of the main pillars of these procedures. The participation of social partners will help increase the effectiveness of such policies. When developing measures to improve labor migration, countries of origin and destination can benefit significantly if guided by the provisions of international conventions and treaties, especially in the field of labor law. Financial resources should be transferred to countries whose economies and living standards have been particularly affected by the decline in remittances from migrant workers.³⁷

The intensification of the negative consequences of the economic crisis and new reforms of migration policy may lead to the following: a reduction of migrants' rights and the levels of their social protection; an increase in discrimination and hatred towards foreigners; an increase in competition in the labor market between national workers and migrant workers; and an increase in protectionism for migrant workers by their country of origin. Many countries are taking the effects of the economic crisis into account and implementing changes in their own migration policies, which in most instances are not beneficial to migrant workers since governments forget that the migration policy of the country of origin does not play a less important role. In addition, information is an important factor in migration flows, and therefore transparency and the free movement of employment information are the main components of a successful migration policy, especially during the economic crisis. Members of the public in destination countries need to be educated about the positive socioeconomic contributions of migrants to minimize the potential for discrimination and xenophobia. At the same time, countries of origin now have an even greater responsibility to fully inform their citizens about the realities of market employment and the risks and costs of regular and irregular migration.³⁸

The economic crisis has differentiated effects on the employment of migrant workers and migration opportunities. According to the ILO recommendations, a number of measures need to be taken to implement an effective migration policy—namely, to strengthen the social protection of migrant workers and to promote their social security.³⁹ Very often, it is migrant workers who are not provided sufficient social protection in the destination country, and in most cases, this applies to illegal migrants. Countries of origin and destination can work together to ensure that such workers are protected and their rights upheld, thus encouraging voluntary return. In the long run, it is necessary to consider the demand for labor in certain sectors to meet labor needs on a regular basis; the crisis enables countries of origin to create decent opportunities in the national labor market to encourage the return of national labor migrants.

Until recently, the goal of many countries was to attract highly skilled migrants, providing them with incentives and benefits, such as permanent residence and family reunification. The population of low-skilled migrants receive the lowest number of benefits and are thus the most vulnerable during the financial crisis. Many destination countries try to reduce the flow of migrant workers because of social pressure and correspondingly adjust quantitative migration quotas by limiting the possibility of changing migrant status or renewing permits, applying additional conditions to uncontrolled migrant flows, or implementing migrant-return programs. Many destination countries (e.g., the United States, United Kingdom, Japan, Spain, and Australia) have introduced lower quotas, stricter immigration requirements, and voluntary return programs. These measures apply to both low-skilled and highly skilled migrants. For example, in the United Kingdom, a program was introduced to halve the number of low-skilled workers allowed to enter the country.

The implementation of a consistent macroeconomic policy by all branches of government will help mitigate the effects of the global financial crisis and ensure a gradual exit from it. The global crisis has provided opportunities for countries to review their migration policies. Prior to the economic crisis, the policy of permitting the voluntary return of migrant workers was not highly successful. Adverse labor market conditions in countries of origin can be

³⁷ N. Bortnyk, G. Didkivska, and V. Tylchuk, "The Impact of International Labour Migration on the Development of States Under Globalization: Economic and Legal Aspects," *Baltic Journal of Economic Studies* 4, no. 2 (2018): 47–52.

³⁸ O.M. Yaroshenko, N.M. Vapnyarchuk, Yu.M. Burnyagina, N.V. Kozachok-Trush, and L.V. Mohilevskiy, *supra* note 7.

³⁹ See, e.g., "Social Protection for Migrant Workers," International Labour Organization, accessed October 23, 2022, <https://www.ilo.org/global/topics/labour-migration/policy-areas/social-protection/lang-en/index.htm#:~:text=Adoption%20of%20unilateral%20measures%20including%20ensuring%20equality%20of,practical%2C%20and%20organizational%20obstacles%20faced%20by%20migrant%20workers.>

seen as a factor that pushes people to migrate and seek better conditions across national borders. Due to the relatively high cost of migration, workers do not cross borders under conditions of limited demand for labor in a country experiencing significant adverse fiscal effects of the current economic crisis. Migrants will not return to their countries of origin during the economic downturn if they have been residing in the destination country for a long time, are married, have invested in education and accommodations, and are eligible for social assistance benefits.⁴⁰

Joint action on migration and development has been on par with issues pertaining to the control of irregular migration and the organization of legal migration. The EU intends to find solutions to reduce the burden on labor markets and is also studying the impact of climate change on migration. In the future, the EU will take a number of steps—namely, to improve the banking systems in the countries of origin and strengthen the legal financial channels for remittances; promote cheaper, faster, and safer money transfer flows to migrants' countries of origin; introduce legislation that does not contain conditions that would hinder the effective use of legal channels of remittances; create a legal information internet portal for transfer costs and encourage competition among money-transfer service providers; promote financial literacy among migrants and their families in countries of origin; and maintain productive investment channels for remittances and savings.⁴¹

CONCLUSIONS

Today, international migration has become a global process that has affected people across the world. At the same time, both the world and migrants in particular face a new and additional barrier, the COVID-19 pandemic, which has dramatically affected all forms of human mobility. It is the coronavirus crisis that is the main problem for international migrants, in combination with its consequences—specifically, the threat to human life, the global economic decline, the reduction of migration flows, and the global medical crisis. Concurrently, governments face additional challenges, including finding solutions to offset economic downturns. In addition, international migration processes during the COVID-19 crisis are characterized by the following features: a weak demand for labor and hence a decline in employment; persistent and severe travel restrictions; and declining income. One of the major consequences of the coronavirus crisis, which is evident today, is a large-scale blow to the global economy. The spread of COVID-19 immediately and completely disrupted the economies of States—while simultaneously evaporating supply and demand.

The global economic crisis presents an excellent opportunity for countries to improve their migration policies. International cooperation, including cooperation between countries of origin and destination, should be a key pillar of a common migration policy. Changes in the migration policy of the destination country must meet the needs of the employment market. This should ensure that the labor needs of enterprises are met on a regular basis. The rights of migrant workers and labor migration policy should include the terms of international labor agreements ratified by the countries concerned. States must comply with all obligations under these agreements to prevent trafficking in human beings, protect human rights, prevent illegal migration, protect the rights of refugees, children, etc., and ensure that they are implemented in the event of violations.

Currently, countries of origin and destination are trying to resolve problematic issues in the context of the economic crisis within their own national policies. The disregard of another country's policies, coupled with the lack of cooperation among countries, deprive a nation's economy of an effective way out of the economic crisis. States must improve legislation in accordance with the requirements of the times—in the event of an economic crisis—jointly laying the foundation for a reliable system of cooperation and the formation of a future common migration policy. Recommendations of the EU, the ILO, and other organizations, and the experience of previous economic crises, create a solid foundation for the formation of tools to overcome the negative effects of the crisis, spur economic recovery, and prevent future crises of a similar nature.

⁴⁰ “Legal Challenges of Today: International Migration in the Context of Globalization,” Yuriy Fedkovych Chernivtsi National University, accessed February 12, 2022, https://law.chnu.edu.ua/wp-content/uploads/2020/11/Pravovi_Vykl_Mat_Conf_Vypr.pdf#page=112.

⁴¹ G. Voloshin, “EU Migration Policy and Financial and Economic Crisis,” *Economics* 6, no. 106 (2010): 6–11.

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