Forced Migration and its Impact on the Labour Market

Abstract

The purpose of this article is to study the process of forced migration and transformations in the labour market of Ukraine related to the displacement of the population during a full-scale war. The main objective is to analyse the dynamics of migration processes and identify the main priorities in choosing countries for migration. Methodology. The work involves secondary analysis of a wide range of data, including surveys conducted by Gradus Research, research by the Democratic Initiatives Foundation and the Kyiv International Institute of Sociology, statistics from UNHCR (United Nations High Commissioner for Refugees), analysis of data from the Civil Network OPORA and other sources. Practical implementation. The results of the study provide up-to-date information on the current state of migration processes in Ukraine. In addition, it considers the possibilities of socio-economic integration and adaptation of migrants in new conditions abroad. Value/Originality. The article presents up-to-date data on the number of migrants in recent years and their willingness to return to Ukraine, and identifies the main challenges faced by Ukrainian migrants. The author analyses the professions in which Ukrainians are most often employed abroad, which helps to understand the peculiarities and needs of the foreign labour market. Potential challenges arising from forced migration are discussed: language barrier, bureaucratic hurdles in document verification, and cultural differences. Additionally, the publication analyses the prospects for the development of migration processes in the future and possible ways to overcome potential challenges through political (e.g., the Draft Law “On Dual Citizenship” submitted by the President of Ukraine on January 22, 2024), economic and social measures.

1 Introduction

The problem of forced migration first came to the attention of Ukrainians as a result of events in the Autonomous Republic of Crimea, Luhansk and Donetsk regions, when some 1.5 million citizens became internally displaced. As a result of the events of 2014, there was a significant economic decline and the formation of a special class of “internally displaced persons” (IDPs). According to January 2014 statistics, the population of Ukraine was 45.3 million, of whom half a million are still abroad. The annexation of the Autonomous Republic of Crimea resulted in the displacement of 3.6 million citizens to the central part of Ukraine. The situation created by the full-scale invasion of Ukraine in 2022 is one of the largest and fastest (1 million people leaving the country every week) since the World War I. There are currently 4 million Ukrainian migrants abroad and 7.1 million IDPs. If men are allowed to leave Ukraine’s borders, this number will triple. Currently, the number of Ukrainian migrants is three times higher than the number of Syrian refugees.

For the economies of many EU countries, Ukrainian refugees can be both a burden and a salvation. According to Goldman Sachs, the four largest EU countries (Germany, Poland, France, Sweden) will spend almost 0.2% of GDP on supporting refugees. The budget deficit of these countries will increase by 1.1% of GDP in 2022 (Chalyuk, 2022).

The main problems caused by the increase in the number of IDPs are increased pressure on local labour markets; difficulties in providing IDPs with medical, educational and utility services; housing shortages and rising prices. On the other hand, according to economists, significant internal displacement of citizens serves as a catalyst for long-term economic, social and humanitarian development. This is combined with the thesis that such positive factors as the development of infrastructure for IDPs and social and cultural cohesion in society will contribute to the growth of the population in a particular region in the future. The analysis of the causes of forced migration in Georgia, Azerbaijan, Armenia and Moldova allows to get acquainted with some manifestations of
this process, but it is impossible to fully use the experience and mechanisms of other countries in the domestic economy. The reasons for this are primarily the low capacity of the state to respond effectively and promptly to the problems caused by the movement of people, the territorial dispersion of large numbers of migrants, and the political and social division of society.

It should be borne in mind that mass migration has its consequences, including the loss of talented personnel ("brain drain"), social tensions and a sense of loss of identity for many migrants. Thus, understanding the challenges and opportunities associated with forced migration is crucial for developing effective strategies for managing migration processes and further development of Ukraine.

Forced migration has a significant impact on various spheres of social life, including the economy, politics, culture, and social relations. Forced migration and its consequences affect the essence of the national consciousness and identity of the Ukrainian people. This process necessitates the development of new strategies for interaction between different social groups, religious and ethnic communities, and requires the search for new forms of self-expression in a multicultural society. Therefore, the analysis of forced migration processes and their impact on the labour market of Ukraine has a broad context, covering not only economic aspects, but also socio-cultural, political and identity dimensions.

2 Ukrainian Forced Migration Figures in Recent Years

Forced migration, unlike voluntary migration, leads to a reduction or complete loss of all sources of income, which in turn leads to a deterioration in the well-being of citizens. Mostly, people move to areas close to their permanent place of residence, hoping to return to them quickly. Thus, both in 2014 and in 2023, Kyiv, Kharkiv, Dniprop, Lviv, and Vinnytsia oblasts were the regions of displacement in most cases.

The outbreak of the full-scale invasion triggered even more internal migration, increasing the number of internally displaced persons and asylum-seeking refugees. According to the United Nations (UN), 11.4 million Ukrainian citizens were forced to flee their homes in 2022. Under the worst-case scenario, around 25 million people could be in need of humanitarian assistance by the end of 2024.

As of 1 May 2022, 5.563 million Ukrainians left Ukraine: 3 million in Poland, 817,000 in Romania, 520,000 in Hungary, 443,000 in Moldova and 25,000 in Belarus. It is safe to assume that the neighbouring states have taken on the largest wave of migrants from Ukraine. An interesting aspect is that Ukrainian migrants in Europe, the United States and Canada are treated much better and received much more warmly than migrants from Latin America, Asia and Africa. According to T. Rednyuk, this phenomenon is explained by Ukrainians' high level of education, knowledge of foreign languages, proper upbringing, openness to communication, natural tolerance and willingness to share their skills.

As of 26 June 2023, more than 5 million Ukrainians are living abroad, including 4.7 million in European countries. According to the UNHCR (United Nations High Commissioner for Refugees), the largest number of Ukrainians are in Germany, followed by Poland and the Czech Republic.

The Civil Network OPORA also provides information on the number of Ukrainian migrants. Over the past year, the number of Ukrainians in Europe has reached 725,000. The peak occurred in March-May 2023, and since October 2023, their number has decreased to 550,000.

According to the EWL Migration Platform and the Centre for East European Studies at the University of Warsaw, more than half of educated young Ukrainians under the age of 35 who migrated because of the war first lived in Poland but later moved from Poland to Germany (New Trends in Migration of Ukrainian Refugees).

3 Employment of Ukrainian Migrants Abroad

In terms of employment, according to Gradus Research, as of autumn 2023, more than two-thirds of Ukrainians (70%) who went abroad due to the full-scale war are employed in various fields. Of these, 54% work in the country where they currently reside, 12% work remotely for Ukrainian companies, and 4% work remotely for foreign companies. 26% of respondents reported being unemployed at the moment, with the main reason for unemployment being lack of knowledge of the local language (Sokolova, 2023).

The key challenge faced by Ukrainian migrants is financial. Those who started leaving at the beginning of the full-scale invasion (early 2022) and those who are leaving now (2024) have different financial and social statuses. People who left earlier had some financial reserves, but now these resources have been exhausted. After a few months abroad, people have to look for work, and not everyone can afford to rent a house. The second challenge is the level of foreign language proficiency. For many citizens, knowledge of foreign languages (such as Polish, Czech, Romanian, Hungarian) is not a priority. Only 20% of people speak English at a conversational level, and 35% speak Polish at a level sufficient for everyday life, but not enough for work. Therefore, the lack of language skills becomes a barrier to employment and maintaining an adequate standard of living.
Another challenge is the problem of combining employment with childcare, as most migrants are families with children (87%). However, there are kindergartens and schools for children aged 1.5 to 2 years, so parents can be partially employed. Another obstacle is the lack of knowledge of the current legislation and the local labour market. People may be experts in their field, but have no experience in the country they have moved to, or no experience of working abroad at all. Finally, the inability to plan for the long term is a problem for people, as they do not know how long they will live in a particular country.

In terms of the sectors in which Ukrainians are most involved, 47% of Ukrainians surveyed have taken positions that are significantly lower than their previous positions in Ukraine. This is due to bureaucratic problems in recognising qualifications.
According to research by the German Institute for Economic Research in Cologne, some 6,200 people from Ukraine have applied for their diplomas to be recognised abroad. Ukrainians work in the catering and hotel sectors, with the most common jobs being housekeepers, cleaners and waiters. Many Ukrainians have also found employment in cosmetology and beauty. Overall, 21% of refugees from Ukraine work in the service sector. According to the survey by the EU Agency for Fundamental Rights, on average 39% of men and 31% of women are currently in paid employment. Ukrainian refugees are satisfied with employment conditions, although they highlight a number of problems: long and arduous working hours, lack of employment contracts and low paid jobs. Ukrainians also complain about living conditions and healthcare (Our People Abroad).

The results of a survey conducted by DOU show that 41% of IT professionals plan to return, but after the war is over. The most popular destination is Poland due to its proximity to Ukraine, followed by Germany, Spain, Portugal, the UK and Canada. Interestingly, only 17% of them said that knowledge of the country’s language is a priority when choosing a place to move. The same applies to the ease of finding a job in the country (5%). Geographical and cultural proximity are the most important factors for professionals who choose to move to countries such as Poland, the Czech Republic and Slovakia. In the Netherlands and Germany, people are primarily attracted by the developed infrastructure. As for the reasons for moving to warm countries such as Portugal and Spain, it is the favourable climate and convenient location. In addition, it is easier to obtain documents for work and residence in Portugal. Those who see good career prospects and are fluent in the language of the country move to the US and the UK. Conversely, Canada combines all the advantages of Europe and the United States – stability, good prospects for families and children, a high level of social protection and healthcare, a progressive society, and a strong Ukrainian diaspora. It is worth noting that 76% of IDPs moved to a country whose language they knew only at a basic level or did not know at all. In Poland, the Czech Republic, Slovakia, Spain and Portugal, Ukrainians faced problems with the language barrier, finding housing, and experienced the effects of culture shock (unfamiliar customs, traditions, culture, laws). In the USA, Canada and the UK, the main problems were high housing costs and taxes (41% of IT Specialists Plan to Return).

4 Ukraine’s Demographic Losses Due to the War and a Possible Solution to the Problem of Multiple Citizenship

The massive emigration of Ukraine’s young population, especially women of reproductive age, could lead to a decline in Ukraine’s population and cause a demographic crisis. Ella Libanova, Director of the Institute of Demography, warns of the threat of depopulation, stating: ”Ukraine will no longer have the population that was 52 million as of
1 January 1993, or they may not be Ukrainians’ (40 Million Population Will No Longer Exist). Will this number ever reach 40 million? Yes, but through strong immigration from other countries with different cultures, religions and lifestyles. Regarding the return of Ukrainian refugees from abroad, Libanova believes that not all of the 6 million Ukrainians who left after the full-scale invasion (9 million, including labour migrants) will return. Interestingly, 70% of the women who left have higher education. Many of them have found jobs abroad and enrolled their children in local schools, kindergartens and universities, as their homes in Ukraine were destroyed. Most of the refugees are mothers and pregnant women. Since the beginning of Russia’s full-scale war against Ukraine, more than 600 Ukrainian children have been born in Poland. They were automatically granted Polish citizenship instead of being full-fledged Ukrainian citizens. A similar situation exists in other countries, where many pregnant Ukrainian women have found themselves. Thus, Ukraine is facing significant demographic losses, although the natural birth rate continues. Ukrainian women who remained in Ukraine after February 24 were forced to give birth even in bomb shelters. According to UN population estimates, there were approximately 240,000 pregnant women in Ukraine, of whom 80,000 were expected to give birth in the first three months of the war.

Earlier this year, the President’s draft law on multiple citizenship was submitted to the Verkhovna Rada. According to the President, this draft law could grant Ukrainian citizenship to all those who were forced to leave their homeland and ended up in the US, Europe, Canada, Latin America and Asia. This bill also concerns non-ethnic Ukrainians who assist Ukraine, including foreign volunteers who defend Ukraine as their homeland. It is worth noting that this is not the first attempt to submit this bill to the Verkhovna Rada. In 2020, lawmakers expressed concern that this bill was aimed at legalising Russian passports in the occupied territories. However, Foreign Minister Dmytro Kuleba emphasised in October 2023 that multiple citizenship should become part of state policy, but that any dual citizenship with aggressor states or unfriendly countries should be prohibited. According to a survey conducted by the Ilko Kucheriv Democratic Initiatives Foundation together with KMIS from October 22 to November 12, 48% of respondents did not support the president’s idea of multiple citizenship. The initiative was most supported by respondents from the eastern regions, wealthy expatriates and young people (Dual Citizenship – Second Attempt?).

5 Desire to Return to Ukraine

As of spring 2022, according to a survey by the Razumkov Centre, only 79.2% of Ukrainian refugees intend to return to their homeland after the war ends. Approximately 83.2% of refugees are women, with 63.4% travelling with children and only 12.9% travelling alone. Ukrainian scholars believe that women’s migration is a significant demographic loss for Ukraine, as women have the opportunity to marry foreigners and never return to Ukraine. The longer Ukrainians stay abroad, the fewer of them intend to return to Ukraine. According to Gradus Research, as of October-September 2023, 63% of respondents reported intentions to return home. This is 4% less than in the same period in 2022, when 67% of respondents said they planned to return at the first opportunity. According to the 2023 survey, of those citizens who wish to return, 25% plan to do so by the end of 2024. A third of respondents (36%) found it difficult to answer this question (Figure 2).

**FIGURE 2** Dynamics of the attitude of Ukrainians to returning to Ukraine

Source: How Migration Processes Affect Business?
The main reasons for returning to Ukraine are the desire to return to normal life (52%), family reunification (36%), economic reasons and livelihood (19%), and improved security conditions in the regions of return (11%). It can be assumed that if government policies aimed at addressing the socio-economic problems caused by the war are successful, one can expect a higher percentage of Ukrainians returning from abroad (Figure 3).

An interdepartmental group of analysts, scientists and doctors has developed the Demographic Development Strategy until 2040. The main strategic goals of the document include the following:

- Increase in the birth rate, development of state programmes to support families;
- Migration growth;
- Reduction of premature mortality, especially among men;
- Adaptation of society to an ageing population.

Hence, the state policy should be aimed at developing programmes to increase the population of Ukraine, especially in times of war, when the country faces depopulation due to military operations and forced migration.

6 Conclusions

For the first time, Ukraine faced the concept of forced migration in 2014 as a result of the annexation of Crimea and the outbreak of hostilities in the East. However, the negative consequences for the economy and labour market were not so catastrophic at the time. Russia’s full-scale invasion of Ukraine triggered the largest wave of forced migration in the history of Ukraine’s independence. As of June 2023, more than 5 million Ukrainians are abroad, and their number continues to grow, while their desire to return decreases every year. The loss of highly skilled professionals, growing socio-economic difficulties for those who stayed in the country, and problems in the Ukrainian labour market are top priorities for the government and society as a whole. It is also important to note that forced migration can open up new opportunities for Ukraine. By stimulating the development of new sectors of the economy and enhancing cultural exchange with other countries, this process can become a source of new development and innovation for Ukrainian society.

Therefore, forced migration in Ukraine is a problem that requires a comprehensive approach to solving, joint efforts by the state, civil society and international partners. An example of a successful start to engage the Ukrainian diaspora is the presidential initiative on multiple citizenship. It is important to take the necessary measures to minimise the negative effects of forced migration in order to create a sustainable and prosperous future for Ukrainian citizens.

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