

# **DEMOGRAPHIC, SOCIAL ECONOMICS AND POLITICS IN A GLOBALIZED MARKET WORK**

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## **EMPLOYMENT SPHERE OF UKRAINE: WAR LOSSES**

Determining the genesis, conducting quantitative and qualitative assessments of losses in the employment sphere of Ukraine as a result of military actions, outlining the prospects for their mitigation / replacement / leveling in the process of post-war revival, it is appropriate to divide the totality of negatives, problems and losses into:

- irreversible losses of labor force and persons younger than working age (employees, children and adolescents, their psychophysiological, professional and qualification, reproductive potential);
- losses, the basis of which was laid by pre-war disproportions in the location of the production base, resources, peculiarities and shortcomings of economic practices of their use, instability and degradation of natural reproduction processes

(of: resources; population, communities, settlement systems and resource, including personnel, component of their economies);

– losses that were formed and exacerbated directly due to military operations, and therefore they are subject to remediation by more or less long-term targeted measures, the passage of time, or revision of approaches to the territorial organization of settlement and economic systems.

A number of modern studies of the armed conflicts' consequences in the countries all over the world and in Ukraine [1–6], while assessing the damage to the territorial communities' human potential, certain economic activities and enterprises (including the current situation and prospects of their staffing, dynamics in the hired labor' conditions and remuneration level), usually considers in general the following main factors of the multiplier negative impact of military actions:

– shelling, destruction of: production base, enterprises' engineering and auxiliary infrastructure (power supply network, gas and water pipelines, etc.); residential and public buildings, as well as industrial and social infrastructure of territorial communities and regions (roads, bridges, pipelines, engineering systems of living support, provision of socially necessary services and the population social protection, etc.);

– forced shutdown of: technogenically hazardous enterprises, the technological cycles of which are classified according to their threats to the environment, settlement systems, and own employees; the spectrum of types of communal infrastructure of residential, public, industrial buildings that suffers from energy recourses' lack;

– death, injury, disability, forced resettlement or evacuation of the population, which cause the workforce loss (full or partial) – in skilled workers, support staff, as well as in the human potential for its replenishment and reproduction;

– mining, seizure, appropriation, evacuation, utilization, conservation, theft (including equipment removal) of enterprises; loss of control over production resources, possibilities of their exploitation, logistics schemes and transit supply routes;

– narrowing, lack of opportunities and markets for product sales; the occurrence and growth of additional costs for restoring and preserving the enterprises' capacity, as well as losses from a certain number of failures to receive economic benefits; additional state costs for the purchase of lost resources and products on foreign markets (including resources and products from the critical import list) for national enterprises, which increasingly reduces the prospects for financing and investing the rest of the economic entities and sectors of Ukrainian economy (and therefore stimulates delays, lowering the wages' level, dismissal of their full-time and non-regular personnel).

Along with the sectors of the military-industrial complex, cross-border transit and logistics, information support and security, import and sales of fuel and lubricating materials, products and components for autonomous systems of power, heat generation and water supply, the most resistant to the military operations' influence are IT enterprises, the least stable – are a range of industrial business entities and trading companies operating in macro-regions around the armed conflict zone [3].

On the other hand, the forced redirection of budget and investment funds to defense sectors instead of innovative and social ones, that haven't direct relations to military operations' conduction and maintenance, became an additional factor in destabilizing the socio-economic situation in general, reducing the demand for qualified and non-regular personnel, worsening the level and proper periodicity of their salaries, workforce' cross-border migration, marginalization and de-skilling, spread of structural unemployment (both in resettlement systems near the front line and in the rear regions).

Summarizing all above-mentioned (including the dual nature of the armed conflicts' impact on economic trends and priorities, formation of workforce' demand and supply in territorial labor markets), first of all, it is appropriate to allocate public costs for ensuring the functioning and maintenance of the employment sphere under martial law conditions, some of which are forced expenses within the framework of the fastest possible increase in the country's economy efficiency according to the criteria of optimizing its crisis resistance (resilience) and defense capability.

In turn, direct losses in the employment sphere during military operations, which can be quantified, include:

- a significant (up to critical) reduction in the jobs' supply in the territories of hostilities and in the regions of the civilian population mass evacuation;

- expenses for wages and/or targeted assistance to employees of the economy' state and communal sectors, who were forced to become unemployed during the martial law period, as well as for compensations and/or targeted assistance to entrepreneurs of other ownership forms, their employees, certain categories of self-employed, who were addressed to the State Employment Service within the framework of the relevant government measures;

- expenses for moving capacities and staffs of enterprises and institutions of various specializations from the combat zone and front-line regions to the rear.

The above-mentioned direct losses are supplemented by indirect ones related to:

- a decrease in productivity and wages, a reduction in total and paid working hours, an increase in personnel turnover during the period of the socio-economic situation' military destabilization and at the post-war revival initial stage;

– estimates of the losses for the workforce, its productive potential (current and prospective), labor productivity in the economic activities' spectrum (both in relation to the situation at the beginning of hostilities, as well as to the forecast prospects for the development of these economic activities and the economic complex of the whole country) due to the death, injury, disability, life expectancy reduction, forced relocation of the pre-working' and working age' population;

– expected deterioration of the physical parameters and socio-economic environment of the reproduction of the labor force and its productive potential due to large-scale economic losses, a probable decrease in living standards in the war and post-war periods, a noticeable increase in the mortality of the pre-working and working age' population, and among these categories – of reproductive age' persons.

The effects' assessment of the listed negative factors and consequences of military actions can be carried out at the macro-, meso- and microeconomic levels, that is, in relation to the whole Ukrainian economy and its territorial subsystems, certain branches and types of economic activities, individual business entities of the same, similar and different specialization. At the estimations' initial stage, the components of direct and indirect damages and losses for the workforce, employment sphere and enterprises it is expedient to determine in natural units, some of them that are related to wages, other payments, property, real estate, production resources and consumables, etc. – in value terms. While advancing, methods that are widely used in the world usually standardize quantitative and qualitative natural assessments (in particular, losses of productivity, psychophysiological labor potential of the employed and able-bodied population) through: current and comparable prices for resources and products of economic entities in comparison with nominal, actual, comparable cost of workforce,

data on the labor activity duration of an average individual in different economic sectors; experience in insurance of property, real estate, risks of business entities, as well as mandatory and voluntary personal and corporate insurance of life, health, productive potential, labor safety in production; already developed court precedents for establishing the content, volume and cost of losses.

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