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## **Business Risk in Changing Dynamics of Global Village 2**

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# TRANSFORMATION ASPECTS OF THE MODERN MIGRATION PROCESSES DEVELOPMENT IN THE SYSTEM OF LABOR ECONOMIC PROVISION

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## Abstract

The article determines that the decisive manifestation labor resources transformation process in the conditions of globalization is the international migration of labor, which becomes one of the tools of professional and social self-realization for workers. The dynamics of migration processes constantly increases, and their intensity is much higher than the overall world population growth. A significant factor provoking transformational shifts in migration processes is the enhancement of incentives on the side of host countries. However, it is worth noting that the emphasis in these measures is on the qualitative characteristics of the workforce, and therefore there are clear “filters” in migration policy. It is found that due to differences in the level of economic development and wages, the vectors of migration flows remain unchanged. At the same time, global mobility – flexibilisation and standardization of employment, driven by the development of information technologies - is the newest tool for labor-intensive transformation on a global scale. At the stage of globalization, migration becomes an important factor in labor security: the impact of migration on employment, the quality of human capital, labor productivity, and the income level of the population increases. The most ambiguous consequences of labor migration are precisely in the context of labor supply to States: it is obvious that the shortage of skilled, especially highly skilled, labor will inevitably increase. That is why, at the present stage of development, all but one country solves the issue of attracting the most skilled labor force on the one hand and retaining existing and developing national labor resources on the other, adjusting national migration laws, educational programs, shaping levers to counteract brain drain.

**Keywords:** international migration, labor migration, international labor market, globalization.

## INTRODUCTION

The current stage of the international labor market development is accompanied by the formation of international labor division system, the basis of which are the processes of international labor migration as one of the important factors for the reproduction of labor force and development of the labor market.

The large scale and intensity of labor flows in the global economic space determine the state of national labor markets, the level of their inclusion in the international labor supply system.

## RESEARCH RESULTS AND DISCUSSION

International migration has become a global process in today's context. According to the UN, as of early 2018, 258 million people worldwide (3.4% of the world's population) live outside their countries of origin. Moreover, the dynamics of migration growth flows outstrips the population growth of the world. Thus, in 2018, the world population increased by 1.1% (Figure 1), and migration increased by 5.7%.

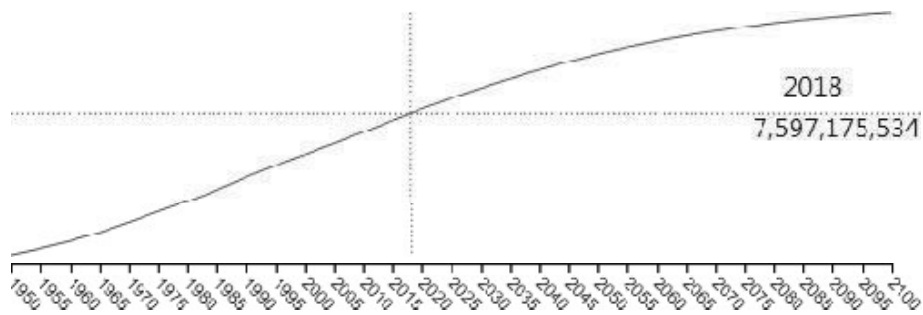


Figure 1. Dynamics of world population

Source: [6]

The increase in the number of migrants is a manifestation of a stable positive trend: if in 1970 the number of international migrants was 84 million, in 2000 – already 173 million people, in 2010 – 220 million people in 2017. 258 million people (Figure 2), compared to 1970 the number of international migrants has tripled.

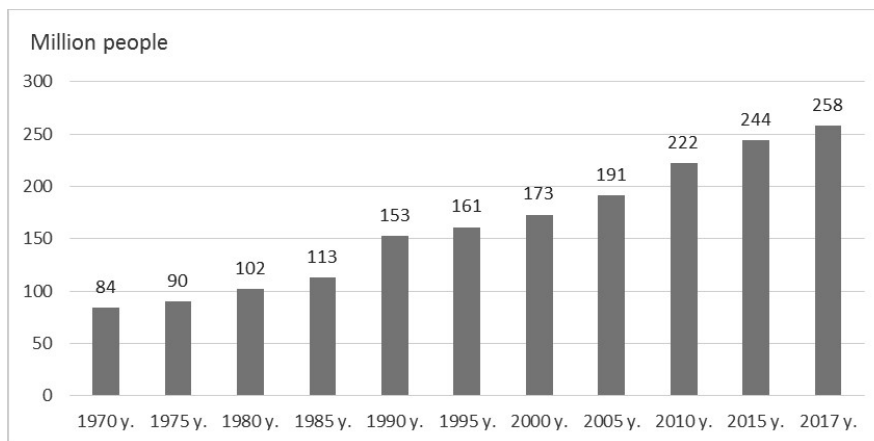


Figure 2. Dynamics of international migration in 1970-2017, millions of people

Source: [4]

The majority of migrants in 2000-2017, as can be seen from the table. 1, falls on the Asian region, the displacement amounted to about 30 million people (with an increase of 1.8 million migrants per year), however, the proportion of international migrants in Asia does not generally exceed 2% of the total population of the region (a similar pattern is observed in Africa and Latin America), while in regions such as Europe, North America and Oceania, the proportion of international migrants is more than 10% of the total population [3, p. 38].

Table 1. Number of international migrants by world regions in 2000-2017, million people

Region	Arrived		Dropped out		Balance	
	2000	2017	2000	2017	2000	2017
Asia	49,2	79,6	65,0	105,7	-15,8	-26,7
Europe	56,3	77,9	49,6	61,2	6,7	16,7
North America	40,4	57,7	3,2	4,4	37,2	53,3
Africa	14,8	24,7	21,6	36,3	-6,8	-11,6
Latin America and the Caribbean	6,6	9,5	24,8	37,7	-18,2	-28,2
Oceania	5,4	8,4	1,2	1,9	4,2	6,5

Source: [3]

The main component of migration in the modern world is resettlement as a result of economic factors manifestation, in which the comparison of life quality in origin countries and destination countries is crucial, as evidenced by the distribution of migrant destination countries by income: in 2017 compared to 2000 the share of high-income countries to which migrants went increased from 58% to 64% (Figure 3).

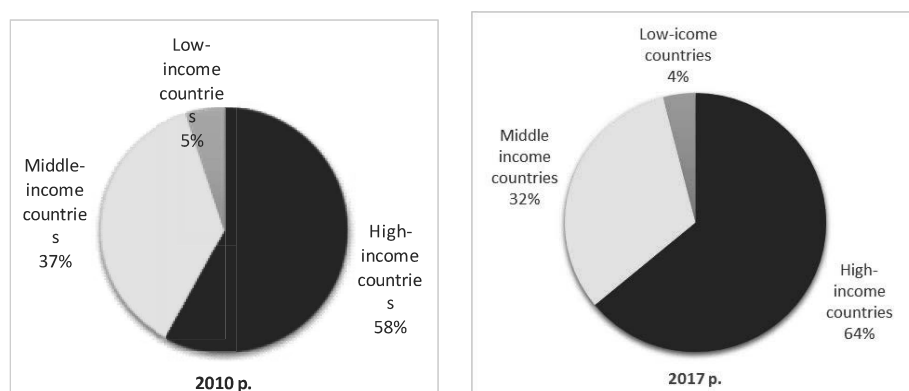


Figure 3. Distribution of migrant destination countries by income level in 2010 and 2017, %

Source: [7]

The main traditional migration corridors in the world economy are showing stable sustainability due to the gap in the economic development of countries, with increasing activation of migration movements from Mexico to the USA and from India to the UAE (Figure 4).

At the same time, the Top 20 countries account for almost half of the international displacement of labor due to economic factors (level of remuneration, working conditions, quality of life).

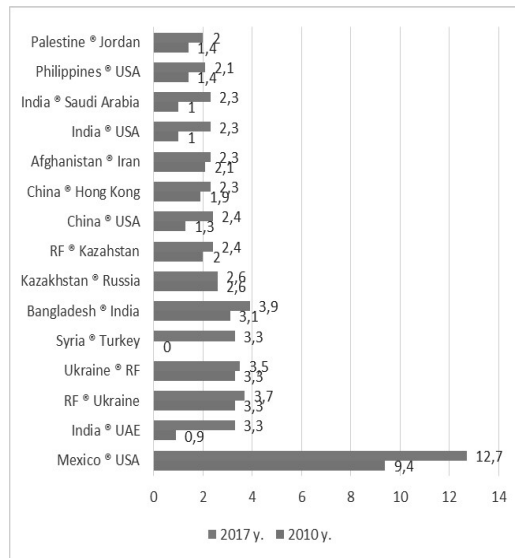


Figure 4. The largest migration corridors in the world in 2010-2017, millions of people

Source: [3, p. 14]

As of 2017, India (16.6 million people), Mexico (13.0 million), Russian Federation (10.6 million) were the leaders in the number of people leaving the country (Figure 5), although there have been some changes in the list of leading countries: to the leading countries compared to 2000. Countries such as Syria (6.9 million), Romania (3.6 million), Egypt (3.4 million) were included.

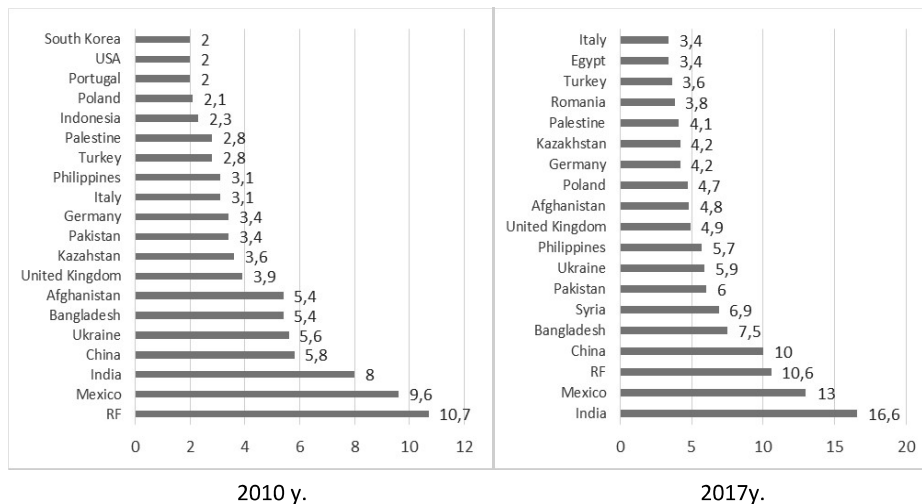


Figure 5. Top 20 countries, by number of international migrants origin, millions

Source: [3]

Despite the fact that they account for almost 70% of migrants, the United States is the undisputed leader in terms of attracting migrants (2017 – 49.8 million people, 2010 - 34.8 million people) (Figure 6). In 2017, Spain (5.9 million people), Turkey (4.9 million people), South Africa (4.0 million people) were in the Top 20 in terms of migrants arrivals, Thailand (3.6 million people), Kuwait (3.1 million people).

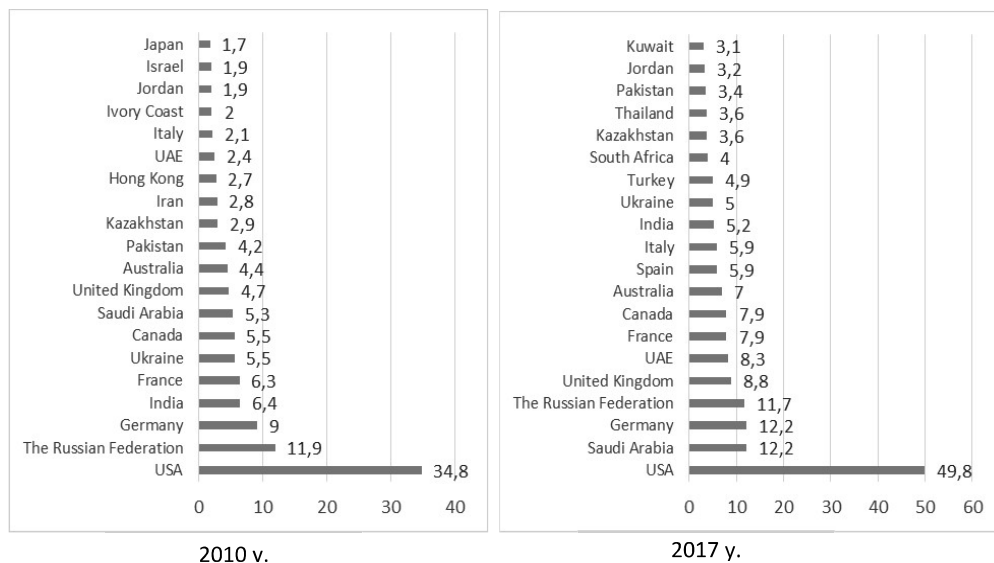


Figure 6. Top 20 countries by number of international migrants arrivals, million people

Source: [3]

However, not all migration occurs in positive conditions. As of 2017, 68.5 million people were forced to leave their homes as a result of conflict and persecution. 25.4 million refugees, 3.1 million asylum seekers and 40 million internally displaced persons. One third of all refugees went to the least developed countries, where opportunities for their reception and integration are often insufficient (in particular, in 2017, 85% of all refugees went to countries such as Iran, Lebanon, Pakistan, Turkey, Uganda) [4]. This creates the preconditions for further (delayed) international migration to more economically developed countries.

However, in spite of the increasing quantitative parameters of migration, it is becoming increasingly important to establish qualitative requirements for migrant workers in the migration policy of countries. In economically developed countries, the implementation of measures aimed at achieving the synergistic effect of their own economic development by attracting highly skilled and cheap labor is becoming increasingly important. Table 2 outlines strategies for attracting highly skilled migrants from a number of modern developed countries.

The content of these strategies is largely due to the fact that The main employment growth in developed countries is attributed to the professions of intellectual work (in the US – 85%, in the UK – 89%, in Japan – 90%) [7].

Table 2. Priorities, policy strategies for highly skilled migrants

Country	Political conditions	Strategy
Kanada	Migration as an element of the overall development strategy for professionals with a certain level of skills. Migration that compensates scarce specialties	Selection of highly skilled immigrants with family for permanent residence in the country. Assistance to international students
Australia	Migration as an element of the overall development strategy for professionals with a certain level of skills. Migration that compensates for scarce specialties. Assistance to international students. Goals are generally achieved	Selection of highly skilled migrants with family for permanent residence in the country
USA	Protecting local workers when considering employers' applications for hiring a foreign employee. Preventing the migration of low-skilled people and limiting immigration in general. Quotas for the most qualified categories	Required invitation to work. An extensive program for obtaining a temporary residence permit. A little help for international students. A huge number of applicants for existing programs, a big turn
Great Britain	Maximum free relocation. Allowing highly qualified personnel to enter while restricting the migration of low-skilled people. Rating system for processing applications for entry from highly skilled migrants, no quotas	List of scarce specialties requiring high qualification. Possibility of entry of foreign students of scarce specialties
France	Protecting local workers when considering employers' applications for hiring a foreign employee. Increased economic migration	Careful study of the labor market and the list of professions
Netherlands	Restriction of migration of people with low skills and insufficient knowledge of Danish. Exemptions from the labor market and language exam for migrants with high levels of skills and wages	Satisfactory use of high-skilled workers' entry permits
Germany	Permission to enter for highly qualified personnel while restricting the immigration of low-skilled people. Competition with other countries for highly qualified staff	Permanent residence for foreigners with high qualifications and wages. Hard restrictions for the rest of the categories. A number of opportunities for university graduates
Norway	Protecting local workers when considering employers' applications for hiring a foreign employee. Free relocation to meet the needs of employers. Required invitation to work	Quotas for the most qualified categories
Japan	Admission of highly qualified staff while restricting the immigration of people with low skills	Hard delineation of specialties requiring a high level of skills. Allowing international students to look for work
Czech Republic	Assistance to Czech employers in the recruitment of highly qualified foreign employees	Accelerated acquisition of the right of permanent residence for highly qualified foreign workers

Source: [2, p. 225–226]

In the context of globalization, international labor migration has become a significant economic, social and humanitarian development factor for both countries of origin and host countries. Each of the parties involved in the labor exchange process tries to gain a specific benefit. [1, p. 56] With regard to the empirical assessment of the effects of migration, especially for host countries, such effects are difficult to measure. In many cases, the short- and long-term economic impacts of migration vary widely. For example, according to the theory of the question, labor markets respond in the short term to labor supply shocks by adjusting employment levels or wages, but in the long run, the impact of these measures gradually diminishes as local labor and businesses adjust to the new equilibrium status. However, it is empirically difficult to single out even the short-term consequences. Results of existing studies [5, p. 2-3] suggest that immigration can have both a negative and a positive impact on the future employment of local workers, but this data is highly dependent on the choice of methodology and timeframe.



## CONCLUSION

Thus, at the stage of globalization, migration displacements become an important factor of labor security: the impact of migration on employment, quality of human capital, labor productivity, and income level of the population increases. Without exception, all countries address the issue of attracting the most skilled workforce on the one hand, and retaining existing and developing national labor resources on the one hand, adjusting national migration laws, educational programs, and shaping levers to counteract brain drain.

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