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CONSEQUENCES OF INTERNATIONAL LABOR MIGRATION IN WORLD PRACTICE

ABSTRACT

The world labor market is characterized by growing dynamics and strong volumes of labor export and import, which is realized through international labor migration. The movement of the labor force carries out several important functions in the global economy – from income redistribution and promotion of wages in different countries – to the exchange of professional experience, the spread of new innovative technologies, and the growth of labor productivity. In addition, the socio-economic implications of international labor migration for donor countries and recipient countries are ambiguous, they differ in the short, medium, and long-term periods.

The international division of labor, the growth of people's welfare, and the development of transport and communications in the context of the increasing liberalization of foreign economic relations led to massive displacement of the population, in particular the labor force. Labor migration is one of the most difficult subsystems of international economic relations, because it affects not only the national economy, but also, above all, the interests of people, the individual worker, and members of his family. In 2001, the number of migrants in the world was approximately 140 million people, in 2005 they accounted for 191 million, and in 2015 – already 243 million (World Migration Report, 2018).

The study aims to analyze the impact of the socio-economic consequences of international labor migration. The article's methodological basis is general scientific and special scientific research methods. At the core of the research is the use of the principle of the unity of theory and practice, the application of an integrated approach, and the use of abstract and concrete, historical and logical methods, which allows for a scientific analysis of the socio-economic implications of international labor migration for different countries of the world. The article also focuses on the world experience in shaping and influencing the socio-economic consequences of international labor migration for the donor countries and for the importing countries of the labor force.

KEYWORDS: *migration, European Union, market, labour, drain*

CONSEQUENCES OF INTERNATIONAL LABOR MIGRATION FOR EUROPEAN COUNTRIES

The enlargement of the EU has caused a significant migration flow from Eastern European countries to the west of the continent, especially to those countries that did not set transitional restrictions for the employment of citizens of the new member states (Great Britain, Ireland, Sweden). The surplus of migration in countries such as Lithuania, Latvia, Hungary, Poland, and Slovakia is negative. Widespread migration corridors were formed: from Poland and the Baltic States to the UK and Ireland; from Romania and Bulgaria to Italy and Spain (Angelescu, 2010).

At the same time, the accession of poor countries to the EU, such as Bulgaria and Romania, whose well-being of population is much lower than the average European level, has led to an increase in the movement of unskilled people who do not have a prospect of employment in Europe and therefore will need social assistance, which entails an additional burden on the system of social protection of the host countries. It creates other problems related to the integration of migrants and their perception by the local population.

Labor migration is a powerful factor in European integration. Surveys show that 10% of Europeans have worked in countries other than their own. It is characterized by almost 80% of migrants, compared with 54% of the population, which has no migration experience. According to Eurostat, 60% of immigrants in 2018 moved to such countries as Germany (692 thousand people), Great Britain (526 thousand people), France (332 thousand people), and Spain (280 thousand people). In the other 22 countries, respectively, only 40% of immigrants. Germany, Great Britain, and France are leaders in the intra-continental intergovernmental movement of labor. Also, the countries listed above, as well as Italy, have an influx of the largest number of migrants from non-EU countries (Eurostat International Migration statistics: Immigration, 2019),

We can analyze the employment status within the EU countries. The highest employment rate in 2018 was typical for Norway, Sweden, and the Netherlands, which exceeded 75%. The best employment rates of people coming from non-EU countries, are in Czechia (79.5% of the immigrants are employed) and Cyprus (74.3% of the immigrants are employed). Migration of the workforce within Europe covers three areas: from less developed countries of Southern

and Eastern Europe (Greece, Spain, Turkey, Poland, Hungary) to highly developed countries of Western and Northern Europe (France, England, Sweden); from North Africa, India, and Pakistan to Western Europe; Also, many workers from CIS (Commonwealth of Independent States) countries come to Europe.

In 2018, a significant proportion of migrants arrived in Great Britain, Italy, Spain, France, Sweden, and Austria. The reason for the influx of migrants to EU countries is usually job search. According to Table 1., most immigrants find work in the destination country after moving. For example, the number of migrant workers who received employment contracts in Italy before migration is 376.4 thousand people, while 2 039.5 thousand people were employed after arrival in this country (EU labor force survey statistics, 2018).

Table 1. *Immigration to EU countries for employment in 2018.*

Country	Number of immigrants (thousand people)	Reason to migrate: work	
		Number of migrants who found a job before immigration (thnd. people)	Number of migrants who found a job after immigration (thnd. people)
Belgium	1201,4	113,3	136,5
Czechia	243,9	42,5	48,2
Greece	647,5	19,8	280,3
Spain	4736,5	534,8	1552,1
France	4951,5	232,2	500,1
Italy	5002,1	376,4	2039,5
Cyprus	130,0	43,2	27,6
Latvia	125,3	6,3	4,6
Lithuania	63,2	6,2	6,2
Austria	1108,6	96,8	176,9
Poland	79,8	7,2	11,6
Portugal	620,4	21,4	62,6
Slovenia	151,5	31,2	27,8
Finland	191,1	21,0	7,0
Sweden	1199,9	65,8	49,6
Great Britain	6905,5	824,3	1276,9
Norway	593,5	91,0	77,4

Source: own elaboration based on data from the official website of the Eurostat.

However, most countries receive refugees and internally displaced people who require long-term retention with additional expenses to the budget. The placement and adaptation of migrants, who as a rule do not speak European languages, do not have the necessary professional skills, and therefore do not ensure substantial filling of the labor market, remain acute problems. The policy of the EU and its member states, in the field of regulating migration processes, concerns three main aspects of legislative and policy-legal regulation, which include ensuring equal rights and opportunities for citizens of the EU member states, facilitating the employment of workers and specialists and the definition of conditions and criteria for granting asylum to those who are being harassed in their home countries and need of political and legal protection. The practical decisions of the EU Council about labor migration are based on the idea that large-scale immigration should be determined by the number of laborers in the market looking for a job, and the real need for the national economy in the workforce (Geddes, 2016).

In the 21st century, migration policy has become an important factor in the international and national security of all states. The European Union is a powerful center attracting migratory flows. The migration policy of the EU countries is based mainly on restrictive and control measures. The implementation of these measures is a rather serious political, economic, and legal problem. Usually, international migration of labor flows arises in the presence of a large contrast between the levels of economic development and the rates of natural growth of donor countries and recipient countries of the labor force (Schulze, 2018).

State regulation of international migration of the population is carried out based on the national legislation of both the host countries and the countries exporting the labor force. Usually, it is carried out through the adoption of programs that are financed from the budget and aimed at limiting the inflow of foreign labor. However, the governments of the importing countries do not have the authority to control immigration. This is because they are limited by domestic and international factors that are often beyond their control. The combination of all these factors – labor demand, the slow elimination of root causes, international law, and the network of migrant organizations – limits the ability of national governments to fully control unorganized migration in their countries (Hamermesh, 1996).

Most European countries prefer to use a selective approach to immigration regulation. Elimination of undesirable immigrants is based on requirements for qualifications, education, and age, based on quota, direct and indirect prohibitions on entry, as well as temporary or other restrictions. Regarding remigration, its promotion is carried out through the payment of material compensation for migrants who leave, training immigrants, creating new jobs, and providing economic assistance to countries of mass emigration. Due to the complex, years of accumulated experience, increasingly the country of destination began to use a combined approach. The essence of such an approach is to combine better border control, and strict punishment with the real possibilities of migrants taking advantage of a range of legal forms for immigration. Border control has become more sophisticated by reviewing and changing the concept of national boundaries (Ballesteros, 2015).

At present time, in the field of migration policy of European countries, there are the following problems:

1. an unprecedented increase in the scale of labor immigration, in particular illegal. This is because, for a long time, the leadership of European states closed its eyes on the influx of illegal labor, which has led to illegal immigration in recent decades and has become an integral feature of the development of many countries, despite the adoption of laws prohibiting illegal residence and employment of foreigners. In general, illegal migration seriously covers the scope of both national and personal security of the inhabitants of the countries of the European Union;
2. the transformation of the European countries, which once were the suppliers of migrants to other European countries, into the immediate centers of immigrants today, because of changes in migration flows and the expansion of the circle of supplying countries of the labor force in the European arena. In particular, Italy, Spain, Portugal, and Greece, formerly the main sources of immigrants in Europe, today are the so-called new European immigration countries;
3. the emergence of isolated immigrant ethnic communities and the emergence of a multicultural society, which is the potential basis for the existence of hidden conflicts that may over time erupt into intercultural confrontation; the growth of organized crime, and the important role

here is played by those communities that settled in European countries because of migration processes. So, in the short term, there was a well-organized criminal network in the countries of the European Union characterized by such features as a well-delayed system for obtaining information, penetration into the border control services of several countries, the availability of state-of-the-art vehicles, the deployment of the whole industry to produce false documents;

4. the existence of a *closed circle* in the EU, consisting, on the one hand of confronting immigration flows and, on the other hand, of adhering to the principles declared by international law: protection of migrants' rights, combating poverty, etc. According to European legislation, the key issue is the strengthening of the protection of human rights, which complicates the actions of governments to expel migrants or deprive them of their right to reside with their families. As you know, in the protection of human rights, Western European countries are very different, which makes them attractive to immigrants. However, this is precisely what generates the main problem that exists today in Europe – the unprecedented influx of migrants from the East, which in search of a better life flooded the territories of many European countries (Hampshire, 2013).

It should be noted that the basis of the problem is not only the migration policy of Europe but also the policy of *exporting countries* of illegal migrants. The war in Syria and conflicts in other countries of the East provoked an additional influx of refugees into European territory. In this regard, the existing problem requires its settlement not only in the territory of Europe but in the territory of the states where war clashes prevail. Because of this, EU countries need to create a coalition to resolve the situation in Syria with the further repatriation of refugees to their homeland (Gouglas, 2017).

Consequently, the main directions of the migration policy of European countries are:

- establishment of restrictions on migration flows at the pan-European level, for which it is necessary to adopt appropriate regulatory documents;
- strengthening the control of border crossings by European countries, especially in southern Europe, as well as in mountain and forest areas;

- the formation of a single border service, which allows taking special control points at highways, airports, sea, and railway stations;
- encouraging refugees to return to their homeland and translate into their respective programs the priority of voluntary departure of immigrants' homes.

MACROECONOMIC CONSEQUENCES OF ILLEGAL MIGRATION AND WAYS OF ITS LEGALIZATION

The negative consequences of labor migration for recipient countries are mainly due to illegal immigration. It creates an uncontrolled impact on the labor market, complicating the problem of unemployment, especially during periods of crisis. Illegal immigration contributes to the criminalization of the labor market and social relations. Particularly strikingly, social conflicts between immigrants and indigenous people were manifested in Western Europe in the first decade of the XXI century. This gave rise to many European politicians talking about the crisis or even the collapse of the whole policy of multiculturalism in Europe. The elucidation of the factors that determine illegal migration is a prerequisite for the effective prevention of these manifestations and allows us to understand the precondition of such antisocial phenomenon as illegal migration and, accordingly, to determine its size and character. This issue is also important because illegal labor migration is a phenomenon that is self-developing and self-deterministic within the overall system – society as a whole and determines a number of other negative social phenomena (Kivisto, 2014).

Illegal labor migration, as well as other negative social phenomena, depends on a whole system of factors. Spheres of influence factors can be divided into:

- socio-economic;
- political;
- organizational and managerial;
- moral and psychological;
- legal.

Negative influence in the economic and social spheres leads to contradictions and conflicts that stimulate the criminalization of society. Among the population, there are people living below the poverty line, and they are prone to protest. Immigrants fall into acute, stressful situations and, in turn, cause different moral and psychological natures of factors. Several negative consequences of illegal labor migration are also compulsory migration of the population, which carries a significant crime potential, as it is associated with the loss of a person of his previous social status, housing, and work (Ramiro, Abel, 2006).

In the places of arrival, the most difficult for them is to find housing, and employment problems, which became particularly acute in the face of unemployment. Economic factors that may be the general causes and conditions of illegal labor migration are, in particular:

- unstable economic situation in the state;
- a decrease in the living standards of citizens, accompanied by unemployment, non-payment of wages, and the abolition of social benefits, forms the social basis for the determination of crimes related to the satisfaction of the natural vital needs of the population;
- illegal migration as a form of organized crime is one of the first places in terms of profitability;
- a significant sector of the *shadow economy* (long-term opportunity to work illegally in markets);
- the mass arrival of migrants makes worse the living conditions of indigenous people, exacerbates social conflicts between residents and visitors;
- weak financial provision of state institutions engaged them in illegal migration;
- relatively cheap social services;
- high cost of deportation of illegal migrants;
- the spread of abuses in the field of control and prevention of illegal migration, corruption actions of officials in concealing illegal immigrants, their legalization, and direct encirclement of criminal groups engaged in human trafficking.

Among the social preconditions for the existence of illegal migration, it is necessary to highlight the lack of a positive attitude towards foreigners and the lack of an effective system of social, primarily public, control, including the activities of state authorities and local self-government institutions, political and public figures, which makes such activity opaque (Migration and Welfare – Central European Economic Journal, 2017, p. 51-70).

Organizational and managerial factors are the imperfect system of organization of power, ineffective system of state administration, and hypertrophied powers of the bureaucracy. The inefficiency of public administration is one of the main factors in the criminalization of society. Thus, a situation is created where the ineffectiveness of public administration inevitably stimulates the existence of unlawful relationships, including illegal migration, which, in turn, reduces the efficiency of public administration.

The most striking example of illegal labor migration is the United States, where the first laws limiting migration were adopted in the twentieth of the XX century and have led to the emergence of illegal migration. Created in 1934, the border control service was directed, first of all, to the termination of illegal migration from Canada and Mexico. However, the mass flow of illegal migration overcame the United States in the second half of the 60-ies of the XX century, when under pressure American trade unions abolished bilateral agreements between the United States and Mexico to engage the workforce. For two decades, under this agreement, Mexican workers were legally coming to work in the agrarian sector of the southern states of the United States. Both countries were interested in migration. Since Mexico provided cheap labor for American farmers, the United States provided income to hundreds of thousands of Mexican residents in conditions of relative overpopulation (unemployment in Mexico in the 60s of the XX century reached 20-40%). In Mexico, the lives and well-being of a separate section of people (and their family members) depended on the possibility of their employment in a neighboring country. When in 1965 the deal was not continued, people, who had the intention to go to work in the United States, could no longer change their plans and still entered the country, but it was illegal. The scale of illegal immigration in the United States from Mexico is evidenced by data from the US Department of Immigration and Naturalization, the main federal

institution responsible for coordinating and implementing the immigration policy: in 1960 25,000 Mexicans arrived in the United States illegally– then in 1975 their number increased to 680 thousand people. An increase in the scale of illegal Mexican migration can be deduced from the statistics of their arrests and deportations: in 1970 – 1974 more than 2.3 million Mexicans were sent from the United States against 150,000 in 1960-1964. For the entire period from 1925 to 1995, more than 30 million migrants who violated immigration laws were detained in the United States. At present, in the United States, the number of illegal migrants is more than 5 million people. In addition, this figure remains stable, despite strict border controls, strict measures against employers who hire illegal workers, and campaigns to legalize illegal migrants (Henderson, 2010).

Traditional immigrant countries include the United States, Canada, Australia, and New Zealand. For example, the United States and Canada managed to attract 20% of the world's migrants to their territories, and in the early 90s of the XX century, they accounted for about half of the world's migration flows. In February 2017 Washington held a conference devoted to immigration reform. The unsatisfactory situation with illegal migration in the United States has become one of the main contributors to Donald Trump's election program. Red cards were issued by specialized labor agencies approved by the US government. They will be located directly in countries where potential workers live. A mandatory requirement is the permission of the partner country for the access of the US authorities to the criminal database, to have a so-called *backland check* of applicants (Trump's attacks on the legal immigration system, Report EU, 2019).

Another example of the fight against illegal labor migration can be the immigration policy of Australia. Australia has traditionally been considered a *welfare state* for immigrants from all over the world. Its immigration policy is most liberal since it does not make any distinctions based on nationality, race, and several other criteria. In general, Australia's immigration policy supports the principle of multiculturalism. The peculiarity of Australia's immigration policy is also to attract permanent migrants, although there has been a recent trend toward expanding temporary immigration programs. Holders of a temporary resident visa are required to pay taxes on income received in Australia

but are not eligible for Australian social security services and access to public health care (Koloosterman, Rath, 2003).

Most of the illegal immigrant workers in Australia are those who stay in the country after the expiry of their visa and work without a work permit, which is due to the country's special geographical location. The Immigration Department, which initiated the creation of the *The Movement Alert List* database, contains information on people who, if they enter, could be a significant threat to the country, and is responsible for immigration regulation and the fight against illegal employment migration. The Immigration Department staff are actively interacting with international airport services to exclude persons entering the country without relevant documents posing a threat to national security. The object of special attention in the immigration service is traffic, which is strictly prosecuted by law (Management of the Movement Alert List – Audit Report No. 35 2008-090).

To combat the traffic and other forms of manifestation of illegal migration, the following measures are used: the creation of an immigration zone, which includes islands located on the northern part of the coast of Australia; depriving persons entering the country illegally and claiming asylum in Australia, the possibility of applying for a permanent stay visa in the future, and the possibility of reuniting with family members in Australia; increasing the punishment of persons who facilitate the illegal entry of foreigners: imprisonment for a term of 5 to 20 years (from 8 to 20 years in case of repeated violation of the law) and a fine of 220 thousand dollars; activation of information campaigns abroad, aimed at preventing illegal immigration. A similar situation with illegal immigration is also characteristic of New Zealand, where most of the illegal migrants are those who violated the rules of staying in the country (Starchild, 1999).

Canada, along with Australia, is considered to be the country with the most favorable immigration regime for immigrants. The attraction of immigrants to the country is considered from the point of view of economic and demographic growth and is therefore carried out based on a special immigration plan and ballroom system (it was first applied in practice in Canada). Canada, like Australia, stakes permanent immigrants, but foreign laborers make up a significant share of migration flows into the country. As in many other countries – active labor force importers, there is a temporary hiring process

in Canada that involves receiving an invitation from a potential employer and a permit from the Ministry of Immigration and Citizenship. To change the status of a temporary migrant worker as a permanent resident, you must file a petition after the expiration of the visa. If it is not satisfied, and the migrant worker will continue to stay in Australia, then he will automatically become an illegal migrant (Canada vs Australia, where should i go? Report 2019).

Thus, the illegal migration of workers provides:

1. controversial impact on the employment of the population;
2. a large number of labor migrants from abroad are outside the legal settlement;
3. economic losses of the state from illegal labor migrants due to lack of budget payment for the use of foreign labor;
4. avoidance of taxes;
5. inhibition of labor productivity of citizens of the drinking country.

WORLD STRUGGLING WITH *BRAIN DRAIN* AND PREVENTION OF YOUNG PEOPLE'S MIGRATION

To achieve the successful development of the country's economy, it is necessary to provide innovations, which are based on the involvement of scientists and engineers. Their labor migration was called *brain drain*. The brain drain is a process of mass emigration in which specialists, scientists, and skilled workers leave the country or region for political, economic, religious, or other reasons. It can be assumed that countries, from which specialists migrate, have significant economic, cultural, and sometimes even political damage. Conversely, countries that host and provide emigrant specialists will acquire huge and cheap intellectual capital. A similar process of overseas transfer of financial capital is called *outflow of capital* (Glassman, 2009)

In today's world, international migration of the population is a reality for almost all corners of the globe. According to the latest UN data, the total number of international migrants continues to grow in the world. If in 2000 and 2010 the whole amount was respectively 173 and 220 million, then in 2018 it reached 258 million. Thus, in 2018, the number of migrants corresponded to

a level of 3.3% of the world's population. Brain drain may cause the transfer of knowledge that is difficult to measure, but this can have a significant positive impact on economic growth (Report, 2019).

However, the long-term consequences are far more negative: in reality, the state has a growing number of working-age people, losing educated youth and skilled specialists. *Brain outflow* means the loss of state resources invested in their education, the narrowing of industry, and the deterioration of the business environment. Reducing the number of able-bodied populations in connection with migration is also a significant fiscal problem. Pressure on public finances will take place on two channels:

1. increase the cost of programs related to age (pensions and health) factor;
2. the innovative potential of economic growth decreases.

The *brain drain* can be observed in European countries, but the Scandinavian countries, Germany, the Netherlands, and Hungary offer training in scientific and technical disciplines in English. Studying in these countries and the cost of living is often much cheaper than in the US, Canada, and Australia. Several European states particularly support foreign students who are pursuing technical education in the discipline and grant them various benefits. Great Britain, France, Germany, Japan, and a few other countries have created special types of visas for highly skilled professionals. For example, over the past three years, Japan has issued 220 thousand such visas. Germany and Ireland are attracting foreign programmers, which is considered necessary to strengthen the local computer industry (Report EU, 2019).

European Union is expected to increase the cost of science, which will potentially make it easier to employ talented graduates from local universities. The fact that the EU spends on research less than the US and Japan (in 2015 – 1.9% of GDP, against, respectively, 2.8% and 3%). Increasing funding will create hundreds of thousands of new jobs that will attract the brain. Today, in higher education institutions in the united Europe, more students are educated than in the United States and Japan. However, in the European Union, scientists are less.

Asian countries, such as Singapore, Qatar, and Malaysia, follow the same path. They also use different methods of attracting foreign students: Singapore, for example, has entered into agreements with leading US universities to open on

their territory the campuses of major American universities. Currently, a quarter of foreign students studying abroad are from India and China. However, in recent years, these countries themselves have been making serious efforts to attract talent. Both countries have significantly increased their funding for universities. In addition, in such universities, there will be research work that will allow employing students and postgraduates. These programs play a triple role: first, they allow local universities to earn money, secondly, attract foreign minds, and thirdly, they can train their field specialists.

In this case, the following benefits and costs are associated with educational migration:

- the direct benefits of educational migration: higher wages after graduation in the country of migration (which we measure by the average wage in the previous period in the destination country), taking into account the probability of finding a job after university studies (which we measure by employment level of individuals aged 15-24);
- indirect benefits of educational migration: higher education quality and better learning conditions (which we will approximate by the number of universities in the top 500 of the Shanghai ranking);
- direct costs associated with educational migration: the cost of training (which in our case is measured as the opportunity to receive free education in the country), travel costs (depending on the distance between countries, which we measure based on the geographical distance, taking into account the population distribution and living expenses (which we will approximate to the cost of living for UN workers in one or another country);
- direct psychological costs associated with educational migration: psychological costs due to separation from the homeland (build a variable based on the OECD and World Bank database) and in countries of close cultural origin (approximated by the indicator of language proximity and the basis of the lexical similarity of words).

The regulation of youth employment and the methods of youth support in the labor market in different European countries have their specific features. In the UK, Italy, and Sweden, the state covers up to 80.0% of the firm's

expenses for the employment of young people aged 16-18 without secondary education. There are programs for creating additional workplaces for young people financed by the state. Today, the main direction of the labor market in France is the increase in the share of temporary work. However, for workers, temporary work is much worse than a permanent one. These include, above all, socially disadvantaged categories: youth, women, and immigrants. In France, there is also a program that allows young unemployed people to pay the full amount of unemployment benefits for a maximum term if they open their businesses. As evidenced by the experience of France, 1/4 of all firms formed in recent years were financed by state unemployment insurance. The creation and development of such enterprises contribute to the emergence of a significant number of new jobs (Report EU, 2019).

In addition, to encourage enterprises with fewer than 500 employed people, the French government tried to employ young engineers and developers in the process of their training, the local authorities established a system of non-repayable loans. These loans cover 40-55% of the annual remuneration of these specialists.

Sweden is an example of a social democratic model of the state, which demonstrates steady economic growth, virtually complete employment, and one of the highest levels of life in the world combined with a comprehensive and high-performing state welfare system. Restrictions imposed on free market laws were made in favor of the individual's freedom, his family, and the entrepreneur. Young people are seen as valuable capital that will provide the country with a future. The Swedish model of youth policy is based on state control over the relations of society. This policy contains legal regulation in this area of government's activity, the main aspects are enshrined in the laws. One of the forms of this mechanism is the creation of a network of state-specialized institutions, as well as the financial support of the relevant youth organizations. Swedish training centers sometimes enter into agreements with private enterprises about the compulsory employment of students. But, as a rule, the free choice of the place of future work prevails, which is substantiated by the fact that a very narrow specialization of students is dangerous, if the educational program is limited to a specific workplace. In addition, the state tries to stimulate the training and retraining of young unemployed by paying subsidies

in the form of investment in the training they choose or tax deductions from enterprises that train staff (Report EU, 2019) .

In the United Kingdom, special attention is paid to stimulating the self-employment of the population and stimulating the development of small and medium-sized businesses. With the support of municipal authorities, the unemployed can set up their businesses or micro-firms (traditional private small businesses serving the local market) or as third-sector enterprises (co-operative enterprises created by people in the local community with the help of either mutual funds or donations from non-governmental organizations).

Concerning the employment of young people, in Germany, for an unskilled worker, an enterprise is paid a one-time grant, and for each additional young worker aged 16-26, tax benefits are granted. In addition, direct funding is provided for companies that carry out youth training. The costs associated with this are compensated by the Federal Labor Office. In Germany, there are also vocational training centers, which produce skilled staff for industry, service, and agrarian sectors. During the first year, the student is acquainted with all the professions that are trained in this educational center, testing their strengths. Specialized education begins with the second year of studying in the training center. Such *approximation* of education to the demand of the labor market is intended to reduce the number of errors in the choice of professions (Report EU, 2019).

In Spain, to combat unemployment, they have created a system of vocational training and retraining of youth, also a system of temporary contracts, which exists in several forms: with fixed terms (for a particular type of work), practice contracts (for graduates for 4 years), special contracts (for senior management), contracts for indefinite hours. Signing contracts gives employers significant guarantees in the form of tax deductions, social benefits, and compensatory payments from the state, which is evidence of the consensus reached in this area (Report EU, 2019). .

In Europe, the state encourages entrepreneurs to employ young people in fulfilling several conditions, which include the following: employment of an employee and ensuring his further professional growth, the conclusion of a labor agreement with him, and the conclusion of tripartite agreements on retraining young people. Thus, the experience of countries with a developed

market economy shows that the main feature of state regulation is a mediated nature and implies non-interference directly in entrepreneurial activity.

To reduce brain drain, it is important to take into account global experience, including the Eastern European countries, which shows that governments should apply an integrated approach to migration policy, such as:

1. focus on creating conditions that encourage people to stay;
2. increase the level of participation of the remaining labor force;
3. stimulate the population to spend remittances on investment, not on consumption;
4. work with the diaspora, including in terms of expanding access to international funding.

CONCLUSION

In the short-term (from one to three years) to labor-donor countries, international labor migration can bring some positive socioeconomic effects, such as a reduction in the level of unemployment in the domestic market of the country, reduction of payments from the state budget for the maintenance of the unemployed and employees of the budgetary sphere, an increase of revenues of money transfers. For the recipient countries of migrant workers (in the short-term) there is a double effect – the growth of *pressure* on the domestic labor market by specialty and the issue of labor shortages in sectors requiring a low-skilled and low-paid workforce.

In the long-term period, international labor migration has extremely negative consequences for donor countries. Indeed, there is an outflow of economically active population to a permanent place of residence in other countries, which leads to an increase in the shortage of labor force in the national labor market (including in the health, education, science, equipment, and labor-intensive professions). Also, tax revenues to the state budget are reduced. For the recipient country, in the long-term period, international labor migration brings positive socio-economic effects, such as migrants creating added value and the GDP of the country, paying taxes and other payments, and consuming goods and services that activate small and medium businesses within the country. The

issue of labor shortage in the market for low-skilled and low-paid labor is also being solved. Children born and/or arriving with their parents – labor migrants – are rapidly assimilated into society and resist the aging population.

All countries of the world are developing measures to counteract illegal labor migration. For this purpose, they use administrative methods: fines, visa cancellation, and forced deportation. All economic methods aimed at legalizing labor migration: from the simplification of the procedure for registration of labor migrants to the establishment of the official minimum wage. For all countries of the world, an important issue is to stop the brain drain and prevent youth labor migration. It is possible to influence this phenomenon solely at the expense of wage reform, for example, to increase payouts for employees. To counteract the brain drain, the state should introduce different finance programs inside the country accordingly, to employ scientists, and specialists in the field of engineering, scientific and technical development, and innovation, as well as, the government should introduce funding programs at the state level.

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