

## **Processes of migration in Ukraine and their influence on the EU countries.**

The massive migration of the population became one of the characteristic phenomena of a life of the world community of second half XX century. Migration is moving people through borders of the certain territories with change of a constant residence or returning to it.

The international migration of labour in second half XX century became the important part of process of internationalization of the economic life. The labour potential, being the major factor of manufacture, searches for the most an effective utilization not only within the limits of a national facilities, but also in scales of the international economy.

Judging from different estimates, the world today numbers from 150 million to 175 million people (over 3% of the world population) who live outside of the countries of their origin, including about 12 million refugees and asylum seekers. This figure grows by at least three millions each year. Migration appeared and developed simultaneously with mankind itself. There is not a single country in the world that at different stages of its development was not affected by global migration processes in one way or another – either as a donor country supplying labor resources or as a receiving (host) country of labor.

This development became the more evident with the emergence of the modern global economic system, when all countries are becoming more interdependent and interrelated. The global trends of today show that the problems of migration continue to distress mankind, becoming one of the most important factors of global changes.

The understanding of the reasons of emergence and regularities of development of global migration processes makes it possible for every state to frame such a policy that would accord as best as possible with its national interests in this area.

Without disputing the comprehensive nature of the reasons of global migration processes, the Commissioner for Human Rights believes that their main factors are socioeconomic. If we look at the dynamics of the distribution pattern of incomes

between different countries, we see the evident upward trend of the already disproportionately large gap in the population's average incomes between the industrially developed countries and the countries of the Third World.

While in 1870 per capita income in the US exceeded nine times the similar rate in the world's poorest countries, in 1960 this gap was 50 times as large. According to the data of UN experts, the developing countries will be inhabited by an absolute majority of the world population – 7.8 billion (currently 4.8 billion of the 6 billion). Today 80% of the world population is trapped in a struggle for survival, while in 25 years this rate will be about 90%.

The opportunity to earn more than is possible at home is one of the reasons why hundreds of thousands of people leave their countries in search of a better lot abroad. What is decisive in this case is not so much the average income a migrant can earn as the difference in the incomes between the country of his destination and the country of his origin. There are a number of economic indicators which make it possible to assess the level of a country's development and which, accordingly, impact on the geographical pattern of migration for employment.

One of the indicators is the gross domestic product (GDP) per capita adjusted to the purchasing power parity (PPP). Throughout many years they have been calculated by the UN and are among the three indicators that are taken into account when measuring the human development index (HDI).

The main data of adjusted GDP per capita of the countries of Europe, North America and the CIS for the year 2000 are presented in Table 1. The latter also states the rate of adjusted GDP per capita of each country relative to Ukraine.

Table 1

GDP per capita in different countries in 2004

Rank by UN	Country	GPD per capita	Ratio to Ukraine
1	Luxembourg	50.061	13.12
2	USA	34.142	8.95

3	Norway	29.918	7.84
4	Ireland	29.866	7.83
5	Iceland	29.581	7.75
6	Switzerland	28.769	7.54
7	Canada	27.84	7.3
8	Denmark	27.627	7.24
18	France	24.223	6.35
19	Italy	23.626	6.19
53	Poland	9.051	2.37
100	Turkmenistan	3.956	1.04
102	Ukraine	3.816	1
109	Albania	3.506	0.92

According to UN data, in terms of adjusted GDP per capita, the indicator of which in 2004 for Ukraine amounted to US \$3,816, our country holds 102nd place in the world beside Guatemala and Surinam and 8th place among the countries of the former Soviet Union after Estonia, Russia, Belarus, Lithuania, Latvia, Kazakhstan and Turkmenistan. The ratio between the richest country in this list, Estonia, and Ukraine was 2.64, while between Ukraine and the poorest Tajikistan 0.3.

The indicator for Luxembourg – the country with the world’s largest GDP per capita in 2004 – exceeded the similar indicator for Ukraine 13.12 times, while the gap between the US and Ukraine was 8.95 times, Germany – 6.58 times, Italy – 6.19 times, the UK – 6.16 times, Spain – 5.1 times, Portugal – 4.53 times, and Greece – 4.32 times.

The marked gap in the GDP per capita between Ukraine and other countries of Europe and the world is among the objective factors that impact on the migration processes and occasion, in particular, the destinations of Ukraine’s migrant workers. The difference in the amount of average pay in different countries is yet another important criterion, which considerably affects the dynamics of world migration processes, relative to Ukraine included.

According to the data of the State Statistics Committee of Ukraine (SSC), wages per one industrial worker in 2006 came to UAH 5.12 per one hour (US \$0.9). When compared with what workers earned in other countries in 1995, the approximately estimated gap in average hourly pay in industry, specifically between Ukraine and the Czech Republic, would be not less than twice as much, Hungary –

three times, Poland – 3.4 times, Spain – over 21 times, Italy – over 27 times, France – over 32 times, Austria – over 42 times, and Germany – more than 53 times.

However, it should be pointed out that migrant workers earn less than the nationals for the same qualification and even much less if they work illegally. For all that, their earnings are higher than what their fellow countrymen receive back home.

For example, a Ukrainian construction worker in Italy earns an average of about EURO 810, while an Italian is paid for the same work not less than EURO 2,000. Economic growth of a host country is also an important factor of migration processes when there is need in more workers, low-skilled workers included. It is an additional factor that stimulates the inflow of migrant workers. Such a process is now under way in Portugal, where economic growth and demand in cheap labor stimulates the mass inflow of migrant workers, from Ukraine included.

There are other factors, mostly national, that impact considerably on the rates of migration for employment.

In the opinion of the Commissioner for Human Rights, poverty and unemployment affect the migration processes in Ukraine to a large extent.

The overwhelming majority of migrant workers are persons who, as a rule, have a little money to travel abroad and pay for a visa and travel documents as well as for the services of mediators. This is also true for Ukraine. Despite the availability of such financial resources, most of the Ukrainians who go abroad to seek employment lack a stable income to ensure a decent subsistence minimum for themselves and their families.

What forces Ukrainians to go abroad is the prospect of being doomed to beggary and poverty in their homeland.

A sociological survey carried out by the West Ukrainian Center Women's Prospects (Lviv) among Ukrainian migrant workers in Italy showed that the reasons

why they went abroad were low wages (52.8%), unemployment (31.7%), and the need to repay loans (29.7%).

In January 2001, during a visit to a prison for deportees in Greece, the Commissioner met with Ukrainian citizens who had worked illegally in that country and were detained for this offense. During a frank conversation with the Commissioner, one of them said: “If I had the opportunity to receive 1200 hryvnias a month in Ukraine, I would’ve never gone to Greece.”

Such observations are repeated worldwide by hundreds of thousands of Ukrainian migrant workers who for lack of permanent jobs and regular wages – even holdback pay of many years that had to be cleared off by court decisions – are forced to leave their homeland to seek a better lot elsewhere.

In the First Annual Report in 2000, the Commissioner for Human Rights drew attention of all branches of power to the issues of poverty in Ukraine. Since then some measures were taken to alleviate the situation. A Strategy of Poverty Reduction was approved by Presidential Edict No.637 of August 15, 2001. In pursuance of the Edict, a Comprehensive Program of Ensuring the Implementation of the Strategy of Poverty Reduction was elaborated and approved by Cabinet of Ministers Resolution No.1712 of December 21, 2001 on the basis of macroeconomic stabilization, economic growth, and more extensively effected social-oriented reforms. Poverty reduction was among the policy priorities of Prime Minister Victor Yanukovych who was appointed to office in November 2002.

Despite the expectations encouraged by economic growth, the poverty rate in the country has been dangerously high throughout the past few years. Judging from official government data, the average poverty rate in 2005 was 24.1%. In Transcarpathian oblast the poverty rate that year was 46.6%, while in the Autonomous Republic of Crimea it was 18.1%, in Khmelnytsky oblast 30.6%, in Kherson oblast 23.1%, in Mykolaiv oblast 15.6%, in Volyn oblast 35.7%, and in Luhansk oblast 13.2%.

This means that on the average every fourth Ukrainian does not have enough resources to meet the minimal requirements for his physiological survival.

Directions of migratory streams are rather steady, and frequently they are crossed. Crucial importance plays economic opportunities of the accepting country, its weight in the modern world, sometimes have its historical, geographical, ethnic roots.

In the international migration of labour it is possible to allocate five directions:

- 1) Migration from developing countries to the developed;
- 2) Migration within the borders of the developed countries;
- 3) Migration of labour between developing countries;
- 4) Migration of labour from the former socialist countries (it is similar to migration from developing in the developed countries);
- 5) Migration of the workers, the qualified experts from industrially developed countries in developing countries.

In our research we shall mainly deal with 1 and 3 kinds of migration as the given kinds of migration more all concern Ukraine.

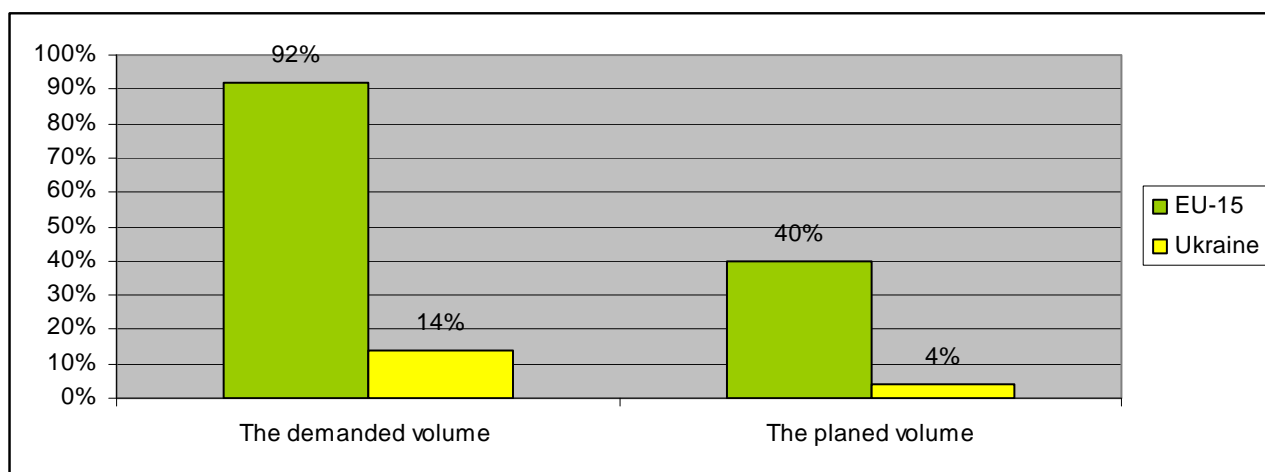
New research of World Bank "Migration and exchange transference from abroad. The East Europe and the countries of the former USSR" has brought pretty unexpected results. It turned out, that Ukraine takes the fourth place after the USA, Russia and Germany by quantity of migrants living in its territory. Really strange situation, considering poor image of the country which citizens are actively searching for ways to leave it out or work across all Europe, in Russia, USA and Canada.

The fact, that can explain this paradox, is that statistical calculations of the experts preparing the report, have been complicated by a lot of "statistical migrants". As a matter of fact, it is an internal migration but as calculations were made for the period from 1989 to 2006 and according to procedures of the United Nations, these people have been carried to a category of external migrants. According to the head of department of migratory processes of Institute of a demography and social researches in Ukraine Alex Poznyakov, "a quota of migrants in Ukraine actually considerably lower. It is a question about tens thousand, but not of millions".

In general, a situation with migration in the country is complex enough. Ukraine is among the countries with negative balance of migration and with a negative natural increase in population. This double effect conducts to that the population of the country is reduced - the quantity of the migrants who have arrived to Ukraine does not block quantity of migrants, from the country decreased. However, it is necessary to consider, that the big number of the migrants mentioned in the report of World Bank, are the people who use Ukraine as the transit country on a way to the states of the European Union.

Why World Bank shows strong interest to the problem of migration? The given interest is quite pragmatic: immigrants are not only a labour, but also a source of financial receipts in treasury of the state. For 2006 in the countries of the Europe and the Central Asia have been officially registered receipts of 25 billion US dollars that makes 10 % from total amount of remittances in the world. The basic source of sent money resources remain страны EU (75 %) and the CIS countries rich with natural resources (first of all - Russia) - 10 % of remittances. Meanwhile, on the same information of World Bank, nearby or two thirds of migrants prefer to send exchange transference informally (they do not use official financial system). In some countries, such as Albania and Moldova, remittances of labour immigrants make 20-25 % of gross national product of the country.

Thus migrants allow to raise gross national product of a host country not only due to exchange transference of money resources, but also due to sale of the labour by them.



**Figure 1.** Volumes of migration till 2050, necessary for the developed countries and Ukraine for economic growth.

**Source:** Official web site of World Bank.

So let's investigate a role of the Ukrainian labour immigrants in the general world migration. The history of all Ukrainian labour migrants is similar - coming abroad, they get a job. In the report of World Bank the myth that the majority of labour migrants and emigrants of Ukraine leave for the countries of the Western Europe is discredited. So, 80 % of emigrants move from one CIS country in another (nearly 300 thousand a year), mainly to Russia. However labour migration in EU is also considerable and makes 40 thousand people in a year.

On arrival to the country of purpose the majority of migrants, as already was spoken, get a job, and in case of with the West-European states do it quite legally as at lawful entrance on territory of EU of problems with it, as a rule, does not arise. Further all depends not so much on migratory services, but mainly from the migrant. He can, having worked the certain term, return to Ukraine, and can receive residence permission and on then together with family gets over on the new native land. However the majority of migrants prefer the first way because of the migratory legislation in the countries of the European Union.

The majority of migrants send a part of earnings home, supporting relatives. According to the report, the share of receipts working abroad in gross national product of Ukraine makes up to 1,5 %. However, in such states as Georgia or Serbia, it makes 5-10 %, and in the Moldova neighbor country to Ukraine - 20-27 %. Thus, in these countries monetary receipts from working abroad are the second revenue of the budget after foreign investments.

In the report of World Bank were examines mainly problems of legal migration, at the same time Ukraine, as have been mentioned, being the transit country on a way to EU, collides and with a problem of illegal migration. The problem of illegal migration in the country is sharply enough as it is accompanied by criminal activity, such as illegal passing migrants through border, slavery. Frequently criminals have precisely adjusted network. The profit on contraband by people in the world, by estimations of different expert groups, makes 5-15 billion US dollars a year. Cost of illegal pass through territory of Ukraine now reaches 5-10 thousand US dollars. The site of border with Slovakia is most problematic in this aspect, before the

first in this aspect there was Poland. However owing to toughening of a mode on the Ukrainian-Polish border it was possible to lower a level of illegal migration essentially.

Despite of sufficient legislative base in this question, Ukraine nevertheless collides with a number of problems. First of them is the problem readmission - returning of migrants in the country, whence they have arrived. At Ukraine a number of contracts with the states, including with the Russian Federation, unfortunately, is not signed, whence there arrives the most part of the illegal migrants detained then on the Ukrainian border at attempt of its illegal crossing. Agreements on readmission are signed with Hungary, Poland and Romania. Ukraine cannot pay homecoming of thousand illegal migrants also.

Within the limits of prevention of illegal migration, but at the same time maintenance unhampered entrance to the European Union is planned to create the filtration camp where refugees and citizens of another countries, that want to come to Europe will contain on the territories of our country.

In connection with the outlined economic growth in Ukraine many migrants who did not manage to reach EU, will try to remain here. According to the State committee of the statistics, in the leader of the accepted external migrants is the Odessa area (the south of Ukraine, resort and recreation center), after there it go Kiev and Kharkov areas (advanced industrial areas). Recently in connection with economic development of eastern regions there was outlined inflow of migrants, mainly it concerns Donetsk area. The western region shows negative parameters on an external migration - the population prefers to not immigrate, and to emigrate or temporarily to leave (basically on earnings to countries of EU). The most part of migrants are not arrived on a constant place of residing people, and the persons who have arrived to the country for study.

In connection with toughening of the legislation in the Russian Federation it is possible to expect revival of migratory streams to Ukraine from Russia, the CIS countries and of some countries of Asia. Additional risk factors - economic growth, creation of filtration camps and legislative changes in a number of the states on which Ukraine borders, involve here new migrants. And if to take for consideration a

regional level inflow of migrants it can be predicted not so much new migrants in Kiev, that jaded by a labour, but in developing east regions.