GLOBALIZED WORKFORCE: WHAT NEXT?

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What came first?

Modern tendency

- Well-educated professionals in the developing world search for more attractive employment opportunities in more developed regions while
- Prospective employers often seek employees outside their home countries.

Migratiology

 migration and globalization are so closely linked to a complex system of relationships that they are not only mutually-provoking, but also mutuallyproblematizing processes

Countries welcome labor migration

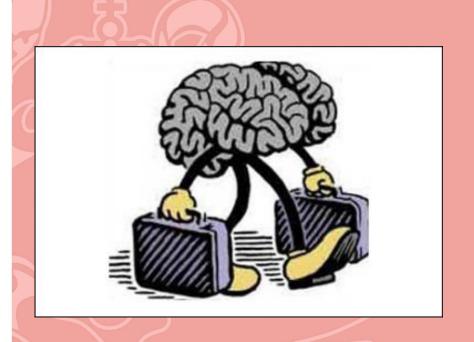
- Turkey
- The Philippines
- South Korea
- India
- Pakistan
- Bangladesh
- Sri Lanka,

- Jamaica
- Cuba
- Barbados
- Mexico
- El Salvador
- Nicaragua

Countries produce high skilled professionals who inevitably face unemployment

- Egypt
- Sri Lanka
- India

Brain drain vs Brain gain





Theoretical concepts of migration-1

Neoclassical concept

the excess supply of labor relative to capital leads to a decrease in the level of wages while the lack of labor supply

- to increase in it

Theoretical concepts of migration-2

The theory of dual labor market

The main reasons for emigration are the structural needs of the modern economy in the region of arrival (a major city, a foreign country).

Differences in wage levels reflect the social stratification, the aim is to promote people up —from jobs that are at the lowest level, which must subsequently be occupied by migrants

Theoretical concepts of migration-3

The concept of the global migration system

Familiar category of «labor force» is replaced with another, more general category of «human resources».

Worldwide human resources are distributed in three zones: the main zone of development, semi-periphery and periphery.

It is assumed that the degree of interdependence and independence of the countries from each other is determined by the area to which they belong in terms of quality of their human resources

Financial benefit is the main motivating factor of migration

- States concerned with the outflow of highly qualified experts abroad (Italy, Spain, India, South Korea, Iran, Syria, Hungary, Indonesia) make efforts to establish professional and material conditions to stop brain drain.
- Businesses in developed countries more and more often tend to fraction the tasks and to hand them over to high qualified freelance specialists (flexible employees) from developing countries in order to reduce production costs.
- Some developing countries (e.g. oil-producing Gulf states) are capable of providing experts with a high level of income and are interested in bringing in scientists, teachers and doctors.

Top-10 Origin Countries of International Migrants, 1990 and 2013

Number of people living in a country in which they were not born, in millions

	1990		2013
Russia	12.7	India	14.2
Afghanistan	7.3	Mexico	13.2
India	6.8	Russia	10.8
Bangladesh	5.6	China	9.3
Ukraine	5.6	Bangladesh	7.8
Mexico	5.0	Pakistan	5.7
China	4.1	Ukraine	5.6
United Kingdom	4.1	Philippines	5.5
Pakistan	3.6	Afghanistan	5.1
Italy	3.5	United Kingdom	5.0

Note: Numbers for Russia include people who moved within the Soviet Union before some parts of the USSR became separate nations.

Freelancers

- All over the world they feel themselves more self-sufficient, less depending on traditional migration networks, relations or national ties.
- Their migration patterns are based mostly on their alumni ties, thus creating new type of migration nets – globalized ones – in full correspondence with current tendency in the world economy.
- According to the US Census Bureau, more than 13 mln Americans (i.e. 9,5% of economically active population of the USA) are presently working at home

Flexible forms of employment are now becoming a factor of stability of regional labor markets

- Flexible employment and its variations contribute significantly to the growth of living standards and help to reduce unemployment.
- At the micro level, it allows employers to respond more quickly to the changes in the goods and services markets.
- The desire to reduce the production costs moves the workflow of the office, giving way to one-off projects and individual tasks.

Freelance: work

- is dominated by independent professionals who are not only separated from an organizational point of view, but also demonstrate a high degree of individualism and profess a particular philosophy of freedom from traditional forms of labor behavior;
- has extremely low barriers to entry with no large investments or membership of any social group needed;
- is highly competitive due to the fact that the services provided by an employee in person;
- is disbalanced as proposal of services considerably exceeds demand;
- is impossible without the Internet as all business contacts are made in absentia. Jobs are searched, negotiated, obtained and completed via the Internet.

Freelance: problems

- loss of a significant part of the state budget funds due to hiding the income from taxation
- low social protection of freelancers

Conclusions

- Globalization of the world economy brings drastic changes to world labor market. One of the consequences of these changes is significant growth of the scope and the role of the global migration of highly skilled professionals and involvement of a growing number of countries in this process
- Modern post-industrial world can not exist without being «fed» by the foreign labor force. Globalization, on the one hand, provokes migratory movements and – on the other – is concerned about the serious problems associated with data movement.
- New economic and political circumstances resulting in new forms and trends in international labor migration request new theoretical approaches to solving the new tasks they bring. The most appropriate theoretical background in the study of complex socio-economic phenomena, such as international labor migration, is still a methodology that goes back to the classical models of political and economic analysis. In this regard, an urgent update of methodological approaches to the study of migration processes as well as the role of freelance work in international labor migration is needed on the basis of classical political and economic heritage.

