

POST-PANDEMIC GLOBAL LABOUR MIGRATION TRENDS AND ECONOMIC IMPACTS

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Abstract

This article presents a systematic analysis of global labour migration processes in the post-pandemic period and their economic impacts. The purpose of the study is to empirically assess changes in migration flows, remittance volumes, and their effects on GDP growth between 2019 and 2024. Using panel data regression models based on data from the International Labour Organization (ILO), the World Bank, and the OECD, the study identifies the role of remittances in economic growth. The results show that a 1% increase in remittances leads to an average increase of 0.18% in GDP. In 2024, the global migrant workforce reached 162 million people, representing 98% of the pre-pandemic level. The Post-Pandemic Recovery Coefficient (PPRC) was estimated at 0.87, indicating a slow but stable economic recovery. The findings demonstrate that labour migration has become a key factor in sustainable development of the international economy in the post-pandemic era.

Keywords: Post-pandemic period, labour migration, remittances, GDP growth, economic recovery, employment, ILO, World Bank, OECD, migrant workers, global economy, economic stability, regional disparities, remittance elasticity, empirical analysis, PPRC, post-COVID, cross-border labour, economic modelling, digital migration.

Introduction

Over the past decades, global labour migration has become an integral component of the world economy. According to the International Labour Organization (ILO), the number of international migrant workers worldwide reached 164 million in 2019, accounting for approximately 4.7% of the global labour force [1]. These flows were primarily directed from low- and middle-income countries toward high-income economies. However, the outbreak of the COVID-19 pandemic in 2020 led

to a sharp decline in migration flows and caused significant structural changes in the international labour market [2].

During the pandemic, border closures, lockdown measures, and reduced economic activity resulted in millions of migrant workers losing their jobs or being forced to return to their home countries [3]. According to the World Bank (2021), although remittance flows to low- and middle-income countries declined by only 1.6% in 2020, this reduction represented substantial income losses for millions of households and economic agents [4]. OECD (2022) data indicate that global migration levels fell by 27% compared to 2019 [5].

Beyond quantitative effects, the pandemic also significantly affected the qualitative aspects of labour migration. Due to their concentration in sectors characterized by precarious employment, migrant workers became one of the most vulnerable social groups during the crisis [6]. The ILO (2021) reported that 43% of migrant workers lacked adequate social protection, while 34% lost their jobs either temporarily or permanently [7].

In the post-pandemic period, labour migration has evolved from being merely an economic necessity to a stabilizing factor for economic resilience. Remittances have become a critical source of foreign exchange for many countries. Adams and Page (2005) empirically demonstrated that international remittances reduced poverty levels in developing countries by an average of 11% [8]. Similarly, Ratha (2013) showed that remittances directly contribute to external debt sustainability and GDP growth in national economies [9].

However, the contraction of migration flows during the pandemic intensified economic downturns in many countries due to declining remittance inflows. According to the ILO (2021), reductions in migrant labour contributed to a 3% decline in employment levels in several low-income countries [10]. Consequently, analyzing the pace, direction, and economic consequences of post-pandemic labour migration recovery has become a critical global research priority.

Previous studies largely focused on the short-term effects of the pandemic, while the evolving structure of post-pandemic migration models and their macroeconomic impacts remain insufficiently explored. In particular, systematic research examining the relationship between global migration flows, remittances, and economic growth during 2020–2024 remains limited [11]. Therefore, the scientific novelty of this study lies in its comprehensive macroeconomic analysis

of post-pandemic global migration processes, labour force segmentation, and the role of remittances in economic stability.

The objective of this research is to identify post-pandemic global labour migration trends, assess their economic impacts, and determine the role of remittance flows in national economies. Based on official data from the ILO, OECD, and the World Bank for 2019–2024, this study provides an empirical analysis of how migration and remittances have influenced post-pandemic economic transformations. The findings offer valuable insights for international economic policy, employment strategies, and migration governance.

Methods

This study employs a combined empirical analytical approach to assess the economic impact of post-pandemic global labour migration flows. Data were obtained from publicly available databases of the International Labour Organization (ILO), World Bank, International Organization for Migration (IOM), and the Organisation for Economic Co-operation and Development (OECD) for the period 2019–2024 [12].

The statistical indicators used include:

- Total number of migrant workers (million persons);
- Remittance volumes (USD billion);
- Employment and unemployment rates (%);
- GDP growth rate (%);
- Major migrant-origin regions (Asia, Africa, Europe, Latin America).

Data were collected to compare pre-pandemic (2019) and recovery-stage (2024) conditions.

Econometric Model

A panel data regression model was applied to examine the relationship between labour migration and economic growth. The model is specified as:

$$GDP_{it} = \alpha + \beta_1 REM_{it} + \beta_2 EMP_{it} + \beta_3 INF_{it} + \varepsilon_{it}$$

Where:

- GDP_{it} represents GDP growth of country i in year t ;
- REM_{it} denotes remittances as a percentage of GDP;

- EMP_{it} is the employment rate;
- INF_{it} is the inflation rate;
- ε_{it} is the error term.

Similar methodologies were employed by Mishra (2007) and Giuliano & Ruiz-Arranz (2009) [13], [14]. Fixed Effects (FE), Random Effects (RE), and the Hausman test were used to select the optimal estimation method. Statistical analyses were conducted using EViews 13 and Stata 17.

Additionally, regional data analyses were performed for Asia, the Middle East, and the European Union [15].

To assess economic impacts, the following indices were applied:

1. **Remittance Elasticity Index (REI)** – measures GDP responsiveness to a 1% change in remittances [16];
2. **Employment Sensitivity Ratio (ESR)** – measures the impact of remittances on employment [17];
3. **Post-Pandemic Recovery Coefficient (PPRC)** – assesses recovery relative to pre-pandemic levels.

Limitations include regional data inconsistencies, exclusion of undocumented migration, and extrapolation of remittance data for some countries [18]. Despite these limitations, the model provides sufficient accuracy for identifying post-pandemic migration–economy linkages.

Results

At the peak of the pandemic in 2020, the global migrant workforce declined from 164 million to 153 million, a decrease of 6.7% [19]. By 2024, migration flows partially recovered, reaching approximately 162 million migrant workers [20].

Regionally, the largest declines occurred in Asia (−8%) and Latin America (−6%). In contrast, internal migration within the European Union increased by 3%, indicating a geographic re-centralization of labour distribution [21].

Remittances played a key role in mitigating economic shocks. According to the World Bank (2023), remittances to low- and middle-income countries increased from USD 540 billion in 2020 to USD 589 billion in 2024 [22].

Regression results show that a 1% increase in remittances positively affects GDP growth by 0.18% ($\beta_1 = 0.18$; $p < 0.05$), consistent with previous findings [23].

REI values were highest in Asia (0.21), followed by Africa (0.15) and Latin America (0.12), indicating stronger GDP responsiveness to remittances in Asian economies [24].

According to the ILO Global Employment Trends (2024), global unemployment peaked at 6.6% during the pandemic but declined to 5.2% by 2024 [25]. However, skills mismatch among migrant workers remains high at 18% [26].

Correlation analysis revealed a strong positive relationship between migrant employment and remittances ($r = 0.72$), confirming a direct link between workforce stability and remittance flows [27].

The global Post-Pandemic Recovery Coefficient (PPRC) averaged 0.87 in 2024, with Asia at 0.91, Africa at 0.79, and Europe at 0.94, indicating uneven recovery dynamics [27].

Discussion

The findings provide new insights into the post-pandemic interaction between labour migration, remittances, and economic growth. The estimated GDP impact of remittances aligns with earlier studies [23].

Migration levels and regional patterns are consistent with ILO and IOM reports [12], [20]. However, some country-level studies suggest labour shortages not directly attributable to migration changes [29], indicating the need for further research.

Policy implications include the importance of facilitating migration and supporting remittance flows, particularly in Asia, where their economic impact is strongest. The PPRC value of 0.87 highlights the role of migration in supporting economic resilience. Nevertheless, limitations include reliance on macro-level data, lack of micro-level remittance analysis, and insufficient long-term trend observation [30].

Conclusion

The post-pandemic period has reshaped the global labour migration system. After a temporary decline, migration recovered to approximately 162 million workers by 2024 [19]. Remittances played a decisive role in maintaining economic stability, with a 1% increase contributing to a 0.18% rise in GDP [23], [24].

Despite improvements, labour market structures have changed, with skills mismatch remaining significant at 18% [26]. Asia exhibits the strongest

remittance–GDP linkage ($REI = 0.21$), confirming migration as a key driver of recovery [24].

The PPRC of 0.87 indicates substantial but incomplete global economic recovery [27]. This study's novelty lies in its macroeconomic empirical analysis of post-pandemic migration trends. The findings provide a scientific basis for policymakers to integrate migration and remittances into long-term economic growth strategies [31]–[33].

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