

MIGRATION AND ITS FUTURE – A LOOK OVER THE CURRENT MIGRANT FLOWS (LEGAL AND ILLEGAL) AND THEIR EFFECT OVER ECONOMIES, AND THE WAYS PUBLIC MANAGEMENT ADAPTS TO PANDEMIC CRISIS

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***Abstract:** March 11, 2020 will forever go down in history as a sad date for humanity. It is the date when the World Health Organization declared the spread of the COVID-19 as being redefined as a pandemic crisis. Since then, and even before that, the spread of the virus has left its mark over the way migration is being understood. Usually governments had to tackle mostly problems regards illegal migration and migrant flows due to war zones. Since the pandemic crisis and its impact over the economies, the world is facing another challenge: the one regarding huge legal labour migrant flows, of people who were left out of jobs by the economic impact of the pandemic crisis. The purpose of this article is to make light into the current global status regarding the most affected parts of the world where positive and negative migration is evolving and how authorities adapt their methods and respond to such challenges, but also to take into consideration the future of illegal migration.*

***Keywords:** pandemic crisis, migrant flows, migrant crisis, labour migration, illegal migration.*

***JEL Classification:** F22, O15, H12.*

1. Introduction

The pandemic crisis of coronavirus (officially known as COVID-19) is currently not only reshaping health systems around the world, but it also beginning to leave its mark over the global economy as well.

In the light of the recent spread of this virus, countries have resorted to measures that might seem at least out of dated such as the restriction of human movement. While it might seem that the whole world hasn't evolved pretty much since the Spanish flu, it actually has. This can be demonstrated by the effects that the current pandemic crisis has over the present world, which are far more severe (at least from a financial point) than the effects the Spanish flu had in 1918. The main reason is due to the high mobility of people nowadays. Thus migration plays an important part both into spreading the virus, but also into stopping economies.

At first, migration plays a huge part into spreading the virus, then, once countries resort to lockdown and the only ones moving are migrants going back to their sending countries, they will play their major part into the crash of global economies.

With regards to the literature review, the present article will probably be one of many more to come, due to the fact that there is no precedent into analyzing such extreme situation modern humanity is facing. Thus, while there might be found examples of understanding migration or understanding economic crisis in the current literature, very few comparisons can be drawn towards the present crisis. However, the present article aims to gather as many facts as possible regarding the spread of the virus, concepts of migration and the economic crisis that takes shape in the present and try to apply them over the general movement of migrant flows in the months and years to come. Based on the facts we have currently witnessed, we can resort to a basic scenario analysis of both migrant flows and the general economic crisis, in order to try to anticipate the future involving them.

2. The spread of the virus

The first case of the Wuhan coronavirus (COVID-19) was reported on December 1, 2019 in Wuhan City, Hubei Province of the People's Republic of China, when several people with the same symptoms of pneumonia were identified as workers in the same market, dealing with live animals from Wuhan. Later, Chinese scientists identified the new type of virus they named 2019-nCoV, which turned out to be at least 70% similar to the SARS-CoV genes. On January 20th, 2020, Chinese Prime-minister Li Keqiang announced decisive and effective measures to prevent and control the spread of the new virus, but these would be taken too late, as the first case was reported outside China on January 12, and by the end of the month, over 100 cases already existed and were reported outside the country. Three months later, in mid-April, there were already more than 2 million globally confirmed cases (Figure 1), and their exponential growth cannot be approximated in the coming months.

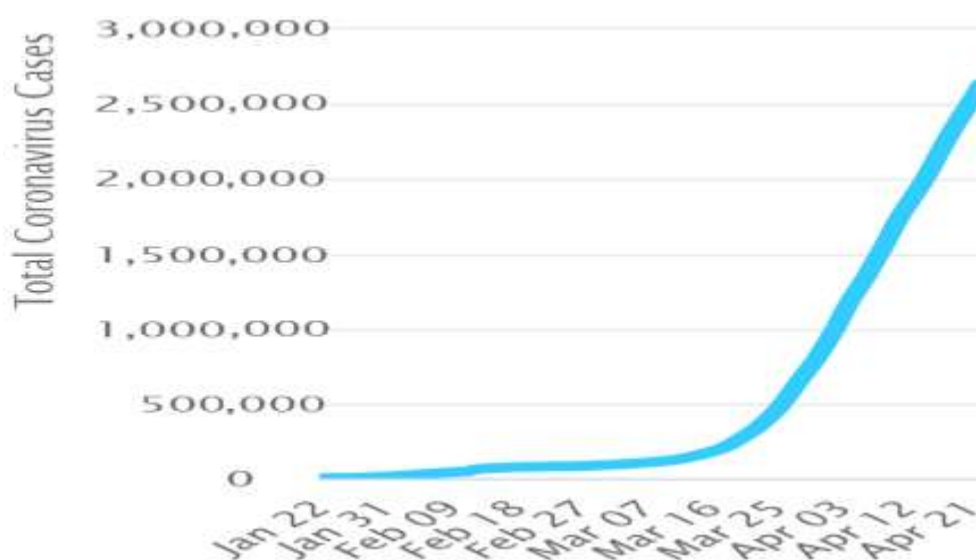


Figure 1. The spread of COVID-19 in 2020

Source: World O Meter, 2020. *Coronavirus Report*. Available at: <<https://www.worldometers.info/coronavirus/>> [Accessed 21 April 2020].

The main outbreaks of the virus around the globe are in: USA, Spain, Italy, France, Germany, Great Britain, Turkey, Iran, China, Russia, Brazil, Belgium, Canada, Holland, Switzerland, Portugal. Thus, Europe and the United States are therefore the main areas of the spread of the virus.

3. Understanding the concepts regarding migration

When we talk about migration as a phenomenon, we refer first of all to a main distinction, namely: legal and illegal migration (Ambrosini et al, 2020).

Legal migration can be classified as voluntary, more exactly as in searching of a better life (generally here referring to labor migration) and involuntary, as we refer to those migratory flows that occur as a result of increasing tensions in areas of conflict, when the inhabitants of a country are forced to leave their homes either within the borders of the same country or outside them (in refugee camps or applying for asylum in the countries that wish to receive them). The main causes of legal migration are due to lack of labor in a given country and at the same time the lack of opportunities in the labor market in the country of origin (Ambrosini et al, 2020).

Whether voluntary or involuntary, migration takes an illegal form when the migratory flows manage to enter the territory of a state without legal forms, and will later, either apply for those legal papers or extend their stay in the country taking advantage of the negligence of the local authorities. The main cause of illegal migration is terrorism, or in other words, concerns about the security of civilians in a certain area.

As a result of the conflicts in different parts of the Middle East, there have been more than 11 million migrants since 2015, and many of them have reached the gates or are even in the EU, causing not only security concerns but also applying for the legal migration process. Specifically, in many parts of the EU, the labor market has been affected by newcomers who are even a cheaper labour force than the Eastern Europeans with whom Western Europe was accustomed (Koehn, 2019).

The relationship between immigrants (people arriving in a state) and emigrants (people leaving that state) makes migration from that state positive or negative, more precisely it shows the willingness of that state to receive new citizens to fill the need for a labor force (and not only that). Europe (especially the western part of the EU), Russia, Australia and North America are the main areas where there is a positive migration rate, while the vast majority of areas have a negative migration rate (in other words, they are providers of migrants).

4. The economic crisis – the result of the COVID-19 pandemic

As of March 11, 2020, the World Health Organization has declared the spread of COVID-19 as being redefined as a pandemic crisis. Since then, and even before it, the spread of the virus has left its mark on the way migratory flows move. But before talking about the mobility of migratory flows, we must refer to the main measures taken by countries to combat the virus. The main measure taken by all states was to limit the movement of their own citizens within their borders, in order to prevent the spread of the virus. Just over 100 years after the famous "Spanish flu" which is supposed to have claimed between 20 and 50 million lives, with all the contribution of technology and all the evolution of modern medicine, humanity has been turned back in time, when the only temporary measure to prevent the spread of the virus was the isolation of each individual at home. (Fraser. 2020)

In this context, the vast majority of companies were forced to temporarily close their activities, and for the first time since its listing on the stock exchange in 1946, oil registered negative values. The impact of the temporary shutdown of most economic activities globally will cause an economic crisis whose effects are now expected to be even worse than that of 1929-1933 (the great depression). From Bill Gates to the health representatives from Germany to sports events organizers in Ireland everyone has predicted there will be no public gatherings over 1000 people at least by the end of the year, or as soon as everyone is vaccinated. Pharmaceutical companies have begun the race on finding and testing vaccines since January, but one thing is for sure and unanimously accepted: the global economy needs to be restarted, with or without the vaccine, otherwise the long term economical effects of the pandemic crisis will be even more severe.

As of March 23, 2020, when the COVID-19 pandemic was still in the United States, it had only 10% of the value of the number of infected people a month later, the main stock market indices already indicated a decrease of 20% to 30% (Figure 2), and with the exception of China, all countries have already announced budget deficits and negative economic growth for 2020.

U.S. Stock Indexes Drops since 12/31/2019 (as %)

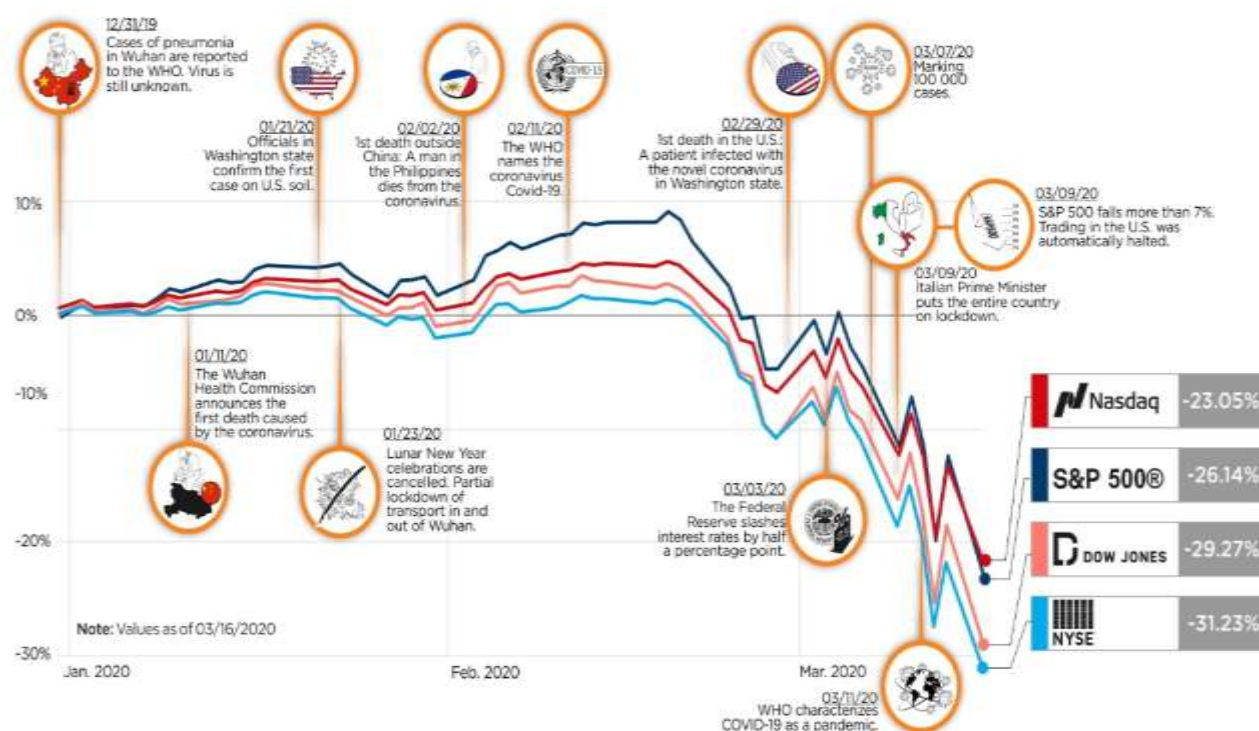


Figure 2. U.S. Stock Indexes Drop since 12/31/2019 (%)

Source: Carlos, J., 2020. *The Impact of COVID-19 on the World's Major Stock Indexes*. Available at: <<https://howmuch.net/articles/index-drops-amid-covid19-outbreak>> [Accessed 11 April 2020].

The European Stock Indexes drops are even more severe than the ones in US, with the fall being somewhere between 31 and 36% by the end of March. Thus, the Asian Stock Indexes were the more lucky ones with their losses being under 20% by the end of the same month.

5. The evolution of migratory flows in the context of the economic crisis caused by COVID-19

Specifically, we refer primarily to the fact that most countries around the world have closed their borders to newcomers, and at the same time allowed citizens of other states on their territory to return to their countries of origin.

With Europe being the most devastated place by the virus, followed by the US, the future migrant crisis might offer at least 5 possible talking points in the future:

5.1. The labour migrant flows will shift from construction workers to agriculture workers – the current state of the world economies creates room only for consumer markets, thus countries will extend their capacities of providing and delivering food, and sacrifice their infrastructure projects.

5.2. The global inequality will decrease amongst humans and rise amongst countries- while it is hard to believe that luxury brands and goods in generally will have the same value in the current state of the market and it is easy to understand that countries will desperately need to complete their public income by increasing taxes for their wealthiest, the new migrant flows will be the number one enemy of globalization. Thus, by moving back to their countries of origin, some countries will have higher unemployment rates than others. Most of the eastern European countries really heavily on the money their

workers send home. Same examples can be given in countries such as: Philippines, Ghana, Honduras, Bangladesh etc. In some developing countries, more than three quarters of their FDI's values rely heavily on this source of income. With most of their workers returning home, their economies will suffer huge losses, while developed countries will take advantage of even cheaper and fewer labour force.

5.3. The classical incapacities of EU border countries to maintain a high level of security regarding the entrance of illegal migrants have somehow disappeared. The EU borders are now safer than ever- by declaring a state of emergency, all the countries have highly and effectively increased their security capacities and therefore are able to secure their borders. Thus, with fewer resources than ever and with the increased risk of infections with COVID-19, the number of illegal migrants forcing their way to the EU has basically stopped. Their future entrance chances into EU do not look good either, with countries like Hungary and its political leaders now being able to enforce emergency laws that will make the life of illegal migrants extremely difficult at the borders of EU (Fraser, 2020).

5.4. The situation in refugee camps (either displaced within the borders of conflict zones, or outside them) will become critical – with the world not being able to provide food and basic health care to these camps even before the pandemic crisis, there will be a critical level of increased death rates among refugee camps from either the virus itself or from the lack of food, water and/or healthcare. We might even argue that these camps will be the center of either new conflict zones or the spread of new forms of viruses or even new forms of COVID-19, due to the lack of economic help and insecurity. Northern Africa, Central and Eastern Africa, the Middle East or Venezuela, all of these zones will face extremely difficult challenges in the years to come, both from an economic and security point of view.

5.5. The situation in the sports system will become critical – with all the sports events in the world being cancelled, and most of the athletes being legal migrants, trying to find their way to success into different countries, beyond the financial side of sports there is a basic migrant flow fact as well: with most of the world's airplanes being on the ground, even if there were any sports events with no spectators, most of the athletes couldn't get there, being in home isolation in their own countries, or having to face entry restrictions from the receiving ones. Such example can be given by the cancelation of the Ultimate Fighter Competition event no. 249 being canceled by the ESPN network and their Disney parent company, as a result of the coronavirus outbreak. The American company had previously been left without its international fighters being able to participate at the event that was supposed to be held in the UFC Apex Facility in Las Vegas, on 18th of April, and then the UFC tried to replace them with American fighters but was forced by the cable network sports company to cancel the event. Thus, with athletes being unable to show up to their sports clubs/ sports events, and with all the sports events being suspended for now, contracts with sponsors and other employees will be re-negotiated or voided and the financial losses in the sporting system might turn up to be bigger than any other sector.

Public management will play a significant part in the months and years to come within the context of the pandemic crisis. Public managers will shape the faith of the world both internally and externally:

- internally, public managers will have to manage risk better than never before, evaluating the impact of their measures in each sector and being able to set priorities so that the most important sectors of the economy can restart functioning as soon as possible;
- externally, public managers will have to collaborate with each other and with both private groups as well, in order to easily support the implementation of public policies.

6. Conclusions

In 2020 the world is facing one of the toughest challenges it has witnessed probably since World War II. The challenges involve not only the burden on the current healthcare system, but also from a financial point of view. As a result of mass panicking from both health and wealth reasons, migrant flows are more volatile than ever in the last 80 years.

The present article aims to understand the basic facts of the pandemic crisis and to apply them over the basic understanding of migration. However, as a result it confirms two main hypotheses:

- the first being that migrant flows have different causes than usual and thus are one of the roots of the current financial crisis.
- the second is that if migrant flows will continue to be as volatile as in the present crisis, the future of the economy will depend on how countries will tackle the most important challenges regarding them.

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