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Comparative Analysis of the EAEU and the EU Common Labour Markets

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Abstract. The embodiment of the pragmatic school of the 100 years old Eurasianism movement — the Eurasian Economic Union — took inspiration from the European Union to create a single internal market. Hence, the EU and the EAEU both aim to liberalize economic relations between their member states despite their fundamentally distinct histories and development levels. Both unions have achieved some degree of success in establishing the common labour market. As the integration process continues in the context of the global pandemic there are new barriers to abolish. This article examines the European Union (EU) and Eurasian Economic Union’s (EAEU) major accomplishments and challenges in establishing a single labour market. The research used a systematic approach to outline two regional labour markets’ policy context and mechanisms. Comparative analysis is used to highlight the similarities and differences of the EAEU and EU’s practice and current challenges in the framework of the single labour market. We found that despite the similar concept and legal basis the practice of a common labour market is distinctive. We have identified the similarities and differences in challenges the unions are facing currently. They vary from individual to global, including linguistic and cultural barriers, skill gaps, aging population, socioeconomic inequalities, etc. We conclude that the ongoing global pandemic has exposed and further aggravated the existing problems for both unions, which requires revisiting and enhancing the legal basis and creating more favorable conditions for migrants, for instance, better social protection.

Key words: Eurasian Economic Union, EAEU, European Union, EU, common labour market, labour migration

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Сравнительный анализ единого рынка труда ЕС и ЕАЭС

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Аннотация. Евразийский экономический союз (ЕАЭС) — это прагматичная форма евразийского движения со столетней историей. Идея создания единого рынка в рамках ЕАЭС была вдохновлена опытом Европейского союза (ЕС). Таким образом, ЕС и ЕАЭС, несмотря на их фундаментально разные истории

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становления и последующего развития, поставили задачу обеспечить интеграцию государств-участников в рамках союзов. В ходе процесса интеграции были достигнуты существенные успехи в создании общего рынка труда. Вместе с тем в условиях глобальной пандемии возникают новые барьеры, требующие устранения. В статье рассмотрены ключевые достижения и вызовы для ЕС и ЕАЭС в контексте развития единого рынка труда. Для этого применен системный подход в целях описания правовой базы и механизмов рынка труда двух региональных союзов. Метод сравнительного анализа используется для выявления сходств и различий практики ЕАЭС и ЕС, а также определения современных вызовов развитию единого рынка труда в рамках данных объединений. Установлено, что, несмотря на схожую концептуальную и правовую базу, на практике между двумя объединениями наблюдаются существенные отличия. Авторами выделены сходства и различия в вызовах, с которыми сталкиваются союзы в настоящее время. Они варьируются от индивидуальных до глобальных, включая языковые и культурные барьеры, трудовую квалификацию, старение населения, социально-экономическое неравенство и т. д., а нынешняя глобальная пандемия обнажила и усугубила существующие вызовы общих рынков труда ЕС и ЕАЭС. Все это требует от объединений активизации работы по совершенствованию правовой базы и создания более благоприятных условий для трудовых мигрантов, в частности предоставления им дополнительной социальной защиты.

Ключевые слова: Евразийский экономический союз, ЕАЭС, Европейский союз, ЕС, общий рынок труда, трудовая миграция

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Introduction

The Eurasian Economic Union (EAEU) is a regional organization founded by the Treaty on the Eurasian Economic Union that came into force in 2015 and now has five member states.¹ The European Union (EU) is also a regional organization of 27 states with a single market established by the 1992 Maastricht Treaty.² These unions have been firmly set on establishing economically integrated regional units. Even though they have distinctive histories of emergence, economic patterns, geographic features, and population size, there is a common approach to regional integration that presumes the establishment of the common market with four freedoms — the free movement of goods, services, capital, and people. Both unions have remarkable achievements in abolishing the barriers to the free movement of people. The legal foundation in both unions is based around the same fundamental provisions; however, the EU has

better functioning mechanisms and has gone forward and established a separate body — European Labour Authority — to deal with labour issues, whereas the EAEU lacks one.

Some of the challenges the two common labour markets face are relatively similar, while others are unique. The obstacles extend from the individual (linguistic and cultural) to the global scale (the current pandemic). Both the EU and the EAEU face interstate disparities and socioeconomic inequality, resulting in disproportions in migrant flows. Worldwide, the current pandemic has exacerbated this issue, emphasizing the need for the more equitable development of the member states. Such disproportional allocation of workers within the unions is also a cause of ‘peripheralization.’ The technological and economic development disparities usher in the outflow of large numbers of workers, particularly the low — skilled, in search of employment opportunities outside their host countries. In peripheral regions of Kyrgyzstan, primarily older people stay with the children whose parents migrate. Unlike the EAEU, the movement of skilled labour is on the rise in the EU, which causes brain drain. Along with an increase in the unemployment rate and a

¹ Eurasian Economic Union. URL: <http://www.eaeunion.org/?lang=en#about> (accessed: 31.11.2021).

² History of the EU // European Union. URL: https://european-union.europa.eu/principles-countries-history/history-eu_en (accessed: 31.11.2021).

decrease in job openings, existing structural issues have deteriorated, and common legislation has been generally neglected at the start of the pandemic crisis in both unions. The new realities necessitate the revision of legislative instruments that preserve labour mobility in the face of economic and social uncertainty.

History, Policy Context, and Mechanisms of the Common Labour Markets in the EAEU and the EU

For the EAEU, the free movement of labour is one of the fundamental components of integration. The policy recommendations found in the Treaty on the EAEU propose abolishing the barriers to the free movement of people, obliging the members to cooperate on harmonization of their labour migration policies, encouraging them to assist in recruiting and promoting labour mobility within the member states.³ The Treaty on the Eurasian Economic Union has paved a foundation for the free movement of labour within the entity. Section XXVI of the Treaty is the basic regulatory document for labour migration in the EAEU, including article 96 on cooperation between the Member States, article 97 on employment processes of workers, and article 98 that outlines the rights and obligations of the workers.⁴ The Treaty protects the workers from discrimination, recognizes the education certificates (apart from educational, legal, medical, or pharmaceutical sectors), provides a “temporary residence” status until their employment contracts expire, provides social services without discrimination, and entitles the children to attend schools.

³ Treaty on the Eurasian Economic Union // The UN. URL: https://www.un.org/en/ga/sixth/70/docs/treaty_on_eeu.pdf (accessed: 31.11.2021).

⁴ Section 26 “Labour Migration” of the Treaty on the Eurasian Economic Union // Eurasian Commission. URL: <http://www.eurasiancommission.org/en/act/finpol/migration/tm/Documents/Раздел%20XXVI%20Договора.pdf> (accessed: 31.11.2021).

A separate section of the Treaty ensures the functioning of the single labour market and outlines the conditions favourable for citizens of member states to work throughout the entire union. Korneev and Leonov (2021) point out that the EAEU “home-grown” regionalism represents economic rationality aimed to address problems of labour migration by providing indiscriminate access to labour markets and conditions for free movement within the region. According to Vinokurov (2018), all the measures shall improve working conditions within the union and promote the legalization of their stays since all the advantages the Treaty provides are available only to workers under employment agreements.

The digital facilities for the EAEU workers are under development. There is a website “Working without borders” — a system for job search and recruiting personnel for the EAEU countries.⁵ Another digital platform is “Work in the EAEU,” which is aimed to help people looking for employment in the EAEU countries. The platform was scheduled to be launched in late 2021. Such digital assistance could simplify the process of employment and registration for the workers.⁶

Unlike the EAEU, the European Union has a long history of the free movement of workers. It has applied a variety of mechanisms, developed networks, and established a legal body responsible for the common labour market. In 2018, the EU celebrated the 50th anniversary of the fundamental regulations on the freedom of movement for workers.⁷ The

⁵ Work without Borders [Работа без границ]. (In Russian). URL: <https://trudvsem.ru/rbg/> (accessed: 31.11.2021).

⁶ Work in EAEU will ease the lives of labor migrants [Приложение «Работа в ЕАЭС» облегчит жизнь трудовых мигрантов] // 24kg. October 19, 2021. (In Russian). URL: https://24.kg/obschestvo/210931_prilozhenie_rabota_veaes_oblegchit_jizn_trudovyih_migrantov/ (accessed: 31.11.2021).

⁷ Free Movement of Workers – The Fundamental Freedom Ensured but Better Targeting of EU Funds Would Aid Worker Mobility // European Court of Auditors. 2018. URL: <https://op.europa.eu/webpub/eca/special-reports/eu-labour-mobility-6-2018/en/> (accessed: 31.11.2021).

legal basis for the free movement of persons has been in existence since 1957 with the first provisions set out by the treaties establishing the European Economic Community (EEC). The 1992 Maastricht Treaty paved the way for the idea of the EU citizenship and its availability to each national of its member states.⁸ The most outstanding achievement in establishing the free movement of persons has been the Schengen area.⁹ It guarantees the free movement of EU citizens and visitors. The 1997 Amsterdam Treaty enabled every EU citizen to travel, work and live in an EU country without special formalities.¹⁰

The opportunities to work, study, reside and retire in another EU member state bring various social, cultural, and economic benefits for the EU nationals.¹¹ The host countries cannot practice any discriminatory acts. The mobile workers can have social and tax benefits and access to housing. Their children have the right to access educational and vocational institutions. These rights are guaranteed by the Treaty on European Union (TEU)¹² and the Treaty on the Functioning of the European Union (TFEU).¹³

⁸ Treaty on European Union. (92/C 191/01) // EUR-Lex. URL: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:11992M/TXT&from=EN> (accessed: 31.11.2021).

⁹ Schengen Area // European Commission. URL: https://ec.europa.eu/home-affairs/policies/schengen-borders-and-visa/schengen-area_en (accessed: 31.11.2021).

¹⁰ Treaty of Amsterdam amending the Treaty on European Union, the Treaties Establishing the European Communities and Certain Related Acts (97/C 340/01) // EUR-Lex. URL: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:11997D/TXT&from=EN> (accessed: 31.11.2021).

¹¹ Benton M., Petrovic M. How Free Is Free Movement? Dynamics and Drivers of Mobility within the European Union // Migration Policy Institute. February, 2013. URL: <https://www.migrationpolicy.org/research/how-free-free-movement-dynamics-and-drivers-mobility-within-european-union> (accessed: 31.11.2021).

¹² Consolidated Version of the Treaty on European Union // EUR-Lex. URL: https://eur-lex.europa.eu/resource.html?uri=cellar:2bf140bf-a3f8-4ab2-b506-fd71826e6da6.0023.02/DOC_1&format=PDF (accessed: 31.11.2021).

¹³ Consolidated Version of the Treaty of the Functioning of the European Union // EUR-Lex. URL:

Hence, the free movement of workers has become an essential principle of the European single market. Some directives introduce the measures that recognize the professional qualifications, such as issuing of the European Professional Card, guaranteeing the provision of the European Health Insurance, acquisition and preservation of supplementary pension rights, legal rights of the workers in the host countries, etc.¹⁴

There are other labour mobility supportive tools, such as social funds that aim to improve the mobility of workers within the European Union¹⁵ or digital platforms. Among them, the most prominent is “Your Europe,” the website that provides information on labour rights and security,¹⁶ “Your Europe Advice” which provides aid by legal experts¹⁷; EURES — a portal of available job vacancies of the EU states.¹⁸ At last, there is the European Labour Authority (ELA) — a body responsible for the

<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:12012E/TXT&from=en> (accessed: 31.11.2021).

¹⁴ See: Regulation (EU) No 492/2011 of the European Parliament and of the Council of 5 April 2011 on Freedom of Movement for Workers within the Union Text with EEA Relevance // EUR-Lex. URL: <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=celex%3A32011R0492> (accessed: 31.11.2021); Regulation (EU) 2019/1149 of the European Parliament and of the Council of 20 June 2019 Establishing a European Labour Authority, Amending Regulations (EC) No 883/2004, (EU) No 492/2011, and (EU) 2016/589 and Repealing Decision (EU) 2016/344 (Text with relevance for the EEA and for Switzerland) // EUR-Lex. URL: <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32019R1149> (accessed: 31.11.2021).

¹⁵ Europe 2020: A European Strategy for Smart, Sustainable and Inclusive Growth // European Commission. 2010. URL: <https://ec.europa.eu/eu2020/pdf/COMPLET%20EN%20BARROSO%20%20%20007%20-%20Europe%202020%20-%20EN%20version.pdf> (accessed: 31.11.2021).

¹⁶ Your Europe // European Union. URL: <https://europa.eu/youreurope/> (accessed: 31.11.2021).

¹⁷ Your Europe Advice // European Union. URL: https://europa.eu/youreurope/advice/index_en.htm (accessed: 31.11.2021).

¹⁸ EURES // European Commission. URL: https://ec.europa.eu/eures/public/index_en (accessed: 31.11.2021).

enforcement of the EU rules on labour mobility and social security.¹⁹

Some scholars have conducted comparative research on the two unions' development. Vinokurov (2018) emphasizes that creating a common labour market has only been achieved by the EU and the EAEU. Some researchers point out that the EAEU can be compared to the early stages of the EU law development. "So far we have noted quite a remarkable convergence between EAEU law and the early stages of EU law concerning the free movement of workers before the advent of EU citizenship" (Pirker & Entin, 2020). Benton and Petrovic claim that the EU's experience of integration, including its success and failures, can serve as a lesson for others: "The European Union provides the closest thing to a 'laboratory' on open borders."²⁰ Karliuk compared the legal systems of the EAEU and the EU in 2015; he found different starting points and revealed the distinctions in the development of institutional structures of these two organizations.²¹ According to Tsibulina, the EAEU and the EU set similar economic objectives.²² The EAEU adopted the same integration model as the EU, intending to establish a single regional market. It borrowed the idea of "four freedoms" (the free movement of goods, services, capital, and labour) from the EU. Kondrat'eva (2016) concludes that the EAEU has followed the EU's

model of the common market with "four freedoms" as well as the main organizing principles of the EU. Meanwhile, she argues that it is the intense state involvement in the EAEU that distinguishes it from the EU (Kondrat'eva, 2016, p. 23).

Other researchers questioned how comparable the labour law in the EU and EAEU was: "...although two systems are comparable, they are so different that they look like mirror images of each other in certain respects" (Lyutov & Golovina, 2018). The authors suggested that the EAEU has not reached the point when it becomes necessary to harmonize the labour law. Tsibulina claimed that the lack of common administrative procedures in the EAEU was one of the obstacles to the functioning of the EAEU's labour market. However, the EU only established the European Labour Authority (ELA) in 2019 to ensure enforcement of the EU laws on the provision of services that support mobile workers and employers.²³ Regardless of these debates, the EAEU ranks second on integration advancement indicators with 55.6% of market freedom, only behind the EU at 82.7%.²⁴

The EU Common Labour Market Challenges

The EU created all necessary conditions to create the common labour market. The recent Annual Report on Intra-EU Labour Mobility showed that in 2019 there were 17.9 mln intra-EU migrants. The data demonstrated that the number of Union citizens of working age (20—64) living in another EU member state increased from 2.4 to 3.3%.²⁵ Nevertheless,

¹⁹ European Labour Authority. URL: <https://www.ela.europa.eu/en> (accessed: 31.11.2021).

²⁰ Benton M., Petrovic M. How Free Is Free Movement? Dynamics and Drivers of Mobility within the European Union // Migration Policy Institute. February, 2013. URL: <https://www.migrationpolicy.org/research/how-free-free-movement-dynamics-and-drivers-mobility-within-european-union> (accessed: 31.11.2021).

²¹ Karliuk M. The Eurasian Economic Union: An EU-like Legal Order in the Post-Soviet Space. WP BRP 53/LAW/2015 // National Research University Higher School of Economics. 2015. URL: <https://wp.hse.ru/data/2015/09/23/1075393178/53LAW2015.pdf> (accessed: 31.11.2021).

²² Tsibulina A. Labour Migration in the EAEU: Any Similarities with the EU // SSRN. February 11, 2020. URL: <https://ssrn.com/abstract=3509288> (accessed: 31.11.2021).

²³ Ibid.

²⁴ Eurasian Economic Union: Facts and Figures // Eurasian Economic Commission. 2020. URL: http://www.eurasiancommission.org/ru/Documents/3264_ЕЭК_ЦИФ%20-%20%20Интег.%20и%20макроэ-ка_англ.pdf (accessed: 31.11.2021).

²⁵ Annual Report on intra-EU Labour Mobility 2020 // European Website on Integration. February 19, 2021. URL: <https://ec.europa.eu/migrant-integration/library->

with the COVID-19 pandemic outbreak labour mobility has declined.

This mechanism of the intra-EU labour migration serves various purposes. It certainly addresses the demographic problems by offsetting aging and population decline. Brucker Juricic, Galic and Marenjak (2021) claim that the majority of the EU member states face labour shortages due to a declining and aging workforce, as well as skill shortages in some sectors. Hence, the EU is in the midst of a demographic crisis — by 2050, the working-age population is expected to shrink by 37 mln people, while many positions already cannot be filled by local candidates, and the COVID-19 pandemic has shown how dependent Europe is on the third-world labour force.²⁶ According to Eurostat, people aged 65 and older accounted for 20.6% of the European population in 2021 (0.4% more than in 2020).²⁷ Cristea, Noja, Dănciică and Ștefea (2020) explain the causes of demographic pressures. The medical achievements have increased life expectancy, and low fertility and birth rates have resulted in a lower share of the younger working-age population. All European countries face demographic decline, and the labour mobility within Europe cannot solely counteract the demographic challenges.²⁸ Thus, the EU needs

document/annual-report-intra-eu-labour-mobility-2020_en (accessed: 31.11.2021).

²⁶ ICMPD Migration Outlook 2022: Twelve Migration Issues to Look Out for in 2022 // International Centre for Migration Policy Development. 2020. URL: <https://www.icmpd.org/file/download/56783/file/ICMPD%2520Migration%2520Outlook%25202022.pdf> (accessed: 31.11.2021).

²⁷ Population Structure and Aging // Eurostat. URL: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Population_structure_and_agein&#The_share_of_elderly_people_continues_to_increase (accessed: 31.11.2021).

²⁸ Bonin H., Eichhorst W., Florman C., Hansen M.O., Skiöld L., Stuhler J., Tatsiamos K., Thomasen H., Zimmermann K.F. Geographic Mobility in the European Union: Optimising Its Economic and Social Benefits. IZA Research Report No. 19 // Institute for the Study of Labor (IZA). July, 2008. URL: https://ftp.iza.org/report_pdfs/iza_report_19.pdf (accessed: 31.11.2021).

to attract labour force from the Third World: “More international migration from third countries and a greater degree of mobility between EU countries remains only one possible answer to future EU mismatches between supply and demand of labour and skills”.²⁹ For instance, according to Kurylev and co-authors (Kurylev et al., 2018), the European countries are interested in recruiting cheap yet qualified labour from Central Asia, since the number of migrants (particularly from Kazakhstan and Kyrgyzstan) has increased, and that trend is likely to persist.

Another major challenge is the uneven share of the citizens who benefit from the privileges of the common labour market. This phenomenon has been widely explained by the theory of labour force attraction and expulsion since the early stages of the formation of the EU’s common labour market (Tatuzov, 2020). The theory defines the factors that push the people out of the country (low living standards, inequality) and the pull factors (high wages and employment opportunities) that attract labour migrants. In 2019, almost half of the mobile workers (46%) resided in the UK or Germany, other 28% in France, Italy, and Spain. Key sending countries — Romania, Poland, Italy, Portugal, and Bulgaria — account for 58% of the movers. These disproportions reflect the economic inequality within the Union.

The 2017 European Commission Final Report on Economic Challenges of Lagging Regions determined two types of “lagging regions” in the EU. “Low-growth regions” are the less developed and transition regions that fall below the EU average per capita GDP.³⁰ This group covered almost all the less

²⁹ Munz R. The Global Race for Talent: Europe’s Migration Challenge // Bruegel. March 14, 2014. URL: <https://www.bruegel.org/2014/03/the-global-race-for-talent-europes-migration-challenge/> (accessed: 31.11.2021).

³⁰ Final Report on Economic Challenges of Lagging Regions // European Commission. April, 2017. URL: https://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/challenges_lagging/econ_challenges_lagging_en.pdf (accessed: 31.11.2021).

developed and transition regions of the south — Greece, Italy, Spain, and Portugal. Another group is “low-income regions”. This group includes mostly the eastern EU member states — Bulgaria, Hungary, Poland, and Romania. They remain far below 50% of the EU average GDP per capita. These regions differ in productivity, education, and employment rates. Empirical analysis found the main factors creating economic opportunities and amenities in leading “pull” areas and the lack of access to basic public services in rural and lagging regions that “push” migration decisions (Lall et al., 2009). As the innovation systems lag behind and labour skills do not correspond to the competition requirements in the Union, there is an out-migration of young and skilled groups that hinders the development of the southern and eastern regions. Widuto from the European Parliamentary Research Service discovered the increase in disparities within the EU countries, mainly in the number of low-growth regions in southern Europe and low-income regions in Eastern Europe.³¹ This is reflected by international remittances volumes, which are more important for countries with lower GDP, for instance, Croatia (7.3% of GDP), Latvia (3.2% of GDP), and Romania (3.1% of GDP) ranked the highest in the EU in terms of remittances received relative to GDP in 2020.³²

Regarding the employment sectors, in 2019, manufacturing, wholesale and retail trade were the most popular ones, employing 15 and 12% of EU-28 migrants as reported by the European Commission. Also, the majority was employed in the service sector,

³¹ Widuto A. Regional Inequalities in the EU // European Parliamentary Research Service. May, 2019. URL: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2019/637951/EPRS_BRI\(2019\)637951_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2019/637951/EPRS_BRI(2019)637951_EN.pdf) (accessed: 31.11.2021).

³² Personal Remittances Statistics // Eurostat. URL: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Personal_remittances_statistics#Western_European_countries_are_the_focal_point_for_cross-border_remittances (accessed: 31.11.2021).

including accommodation, food, construction, administrative, and support. As regards skills, in 2011—2019, the movement of highly skilled workers increased by 4%, promoting the movement of knowledge in the region. In 2019, 34% of EU movers had a tertiary level of education.³³ “Yet they are often employed in unskilled or low-skilled jobs despite the professional training and education in Europe.”³⁴ Language could be one of the main reasons, as many scholars find that it is one of the obstacles for labour migration. Speaking a country’s language increases the likelihood of migrating to that country, whereas linguistic heterogeneity across European nations may partly explain why European labour is relatively immobile.³⁵ Marques (2010) mentions that shared language and borders, and macroeconomic factors such as higher average income level as well as larger migrant communities in the destination country function as migration drivers.

Digitalization and automation processes brought forth new challenges. In Europe, new economic policies focusing on the knowledge economy have become a new factor driving migrations trends. The OECD explains that such policies have new challenging implications for all sectors, not only migration: “the confinement of the knowledge economy to fringes in all sectors of production has similarly powerful

³³ Annual Report on intra-EU Labour Mobility 2020 // European Website on Integration. February 19, 2021. URL: https://ec.europa.eu/migrant-integration/library-document/annual-report-intra-eu-labour-mobility-2020_en (accessed: 31.11.2021).

³⁴ Brenke K. Labor Mobility in Central and Eastern Europe: The Migration of Workers to Germany Has Been Limited in Scope. DIW Weekly Report // DIW Berlin. URL: https://www.diw.de/de/diw_01.c.455826.de/publikationen/economic_bulletins/2011_03_3/labor_mobility_in_central_and_eastern_europe_the_migration_of_workers_to_germany_has_been_limited_in_scope.html (accessed: 31.11.2021).

³⁵ Fenoll A. A., Kuehn Z. Does Foreign Language Proficiency Foster Migration of Young Individuals within the European Union? IZA Discussion Paper No. 8250 // Institute for the Study of Labor (IZA). June, 2014. URL: <https://docs.iza.org/dp8250.pdf> (accessed: 31.11.2021).

implications for inequality.”³⁶ The concept of a knowledge-based economy is applied to services, research, and development as well as high-technology industries. However, in each sector, it sets borders and excludes the majority of the labour force. According to the 2018 study by ESPON, “such knowledge-based migration is highly age-selective, with young, skilled and mobile people moving and leaving behind older and less-educated workers. This is a key factor in explaining growing public discord and anti-EU politics.”³⁷

Unger explains the relationship between knowledge economy and migration. The high-skilled workers from the regions with inadequate job opportunities in science and technology fields concentrate in the regions with advanced knowledge economies that offer higher wages.³⁸ While analyzing the inequalities in Europe, the researchers of the European Investment Bank determined that inequality of income is determined by the workers’ skills, as there has been a small income increase for low-skilled jobs and a larger income increase for high-skilled jobs in the EU labour market. Moreover, new technologies and automation affect the low-skilled workers and threat to replace them, while the high-skilled workers mostly benefit from increased productivity.³⁹ The 2019 annual review of the Job Market and Development of Wages in Europe by the European Commission acknowledged the threat that advancing technologies could replace

human labour in routine tasks and cause job polarization. According to the review, the non-routine cognitive tasks are on increase in all EU regions, which requires skill development: “The demand for workers performing routine tasks is falling relative to that of workers performing non-routine tasks. There is a clear need for policies that smooth the transition between jobs.”⁴⁰

The researchers often consider education as a solution when the jobs are undergoing automation. However, analysis by the OECD indicates that highly educated migrants tend to concentrate in the regions where the highly educated natives concentrate.⁴¹ This causes further exacerbation of intra-regional and intra-state disparities. While the economically dynamic cities and metropolitan regions have to deal with the social and political challenges and impacts of an inflow of labour migrants, the lagging regions, mainly Southern and Eastern Europe, have to deal with the continuous out-migration, which causes economic and demographic decline and “brain drain.”

These trends have long been predicted by scholars, and they urged to apply proper policies. In 2009, while the EU was expanding to the East, Rangelova predicted “the outflow of skilled workers to the labour market of the ‘old’ EU countries unless an economic catching up occurs” (Rangelova, 2009). Rodríguez-Pose (2018) introduced the concept of “places that don’t matter,” which recognizes that, along with other factors, the lagging behind of some regions is caused by the current European migration patterns. The exacerbation of the

³⁶ Unger R. M. *The Knowledge Economy* // OECD NAEC. 2014. URL: <https://www.oecd.org/naec/THE-KNOWLEDGE-ECONOMY.pdf> (accessed: 31.11.2021).

³⁷ *Addressing Labour Migration Challenges in Europe: A Enhanced Functional Approach* // ESPON. June, 2019. URL: <https://www.espon.eu/sites/default/files/attachments/ESPON%20Policy%20Brief%2C%20Labour%20migration%20challenges.pdf> (accessed: 31.11.2021).

³⁸ Unger R. M. *The Knowledge Economy* // OECD NAEC. 2014. URL: <https://www.oecd.org/naec/THE-KNOWLEDGE-ECONOMY.pdf> (accessed: 31.11.2021).

³⁹ Bubbico R. L., Freytag L. *Inequality in Europe* // European Investment Bank. January, 2018. URL: https://www.eib.org/attachments/efs/econ_inequality_in_europe_en.pdf (accessed: 31.11.2021).

⁴⁰ *Labour Market and Wage Developments in Europe: Annual Review 2019* // European Commission. 2019. URL: <https://op.europa.eu/en/publication-detail/-/publication/439aaf5c-0435-11ea-8c1f-01aa75ed71a1/language-en> (accessed: 31.11.2021).

⁴¹ Diaz Ramirez M., Liebig T., Thoreau C., Veneri P. *The Integration of Migrants in OECD Regions: A First Assessment. Regional Development Working Papers 2018/01* // OECD. 2018. URL: https://www.oecd-ilibrary.org/urban-rural-and-regional-development/the-integration-of-migrants-in-oecd-regions_fb089d9a-en (accessed: 31.11.2021).

territorial disparities as a result of migration is one of the vital political issues for the EU today. The research by the ESPON finds the likelihood of the “peripheralization” of some EU states along with the urbanization of other states as adverse migration trends may be witnessed in Central European nations such as the Baltic states, Poland, Romania, Croatia, and Bulgaria, as well as Hungary. Hence Eastern and Southern Europe still lag significantly behind in immigration attractiveness compared to Western Europe. Nevertheless, the European Union is aware of this and has put effort into bettering the case. For instance, the EU has funded the implementation of the EU cohesion policy 2014—2020⁴² and 2021—2027⁴³ that are primarily intended to reduce regional disparities and enforce social, economic, and territorial cohesion.

The EAEU Common Labour Market Challenges

Free movement of people is a tool of integrating the states from the social perspective. According to Belashchenko, Tolkachev and Shodzhonov (2020), the level of impact of social factors on integration, such as effective migration policy, creation of common job opportunities, support and guidance for the migrants will define the EAEU development direction. Despite the established legal framework, the EAEU’s efforts to establish a common labour market are faced with some challenges.

The economic inequality of the states determines the disproportions in the labour movement, thus, the theory of attraction and expulsion of labour force seems to be relevant in explaining migration patterns in the EAEU.

Russia attracts workers from its less economically developed partner states. According to the Labour Migration Department, Russia receives the highest percentage of labour migrants from the EAEU, accounting for more than 97.1%. In contrast, Kyrgyzstan and Armenia are the main donor countries in the Union, accounting for 48 and 27.1% respectively of the labour migrants within the EAEU over 2014—2018.⁴⁴ The formation of such a regional migration subsystem results from uneven economic development and employment opportunities, different demographic potentials, geographical proximity and liberalization (Dzhunisbekova et al., 2017).

Kofner warns that such disproportions might threaten the proper functioning of the common labour market.⁴⁵ However, Gaeva (2019) thinks that such disproportional distribution of human capital and socio-economic potentials between the EAEU countries have strengthened incentives for migration within the union. Abrosimov and Shevchenko (2017) describe the asymmetric type of cooperation, in which a leader or a dominant group in the region pulls the rest of the countries. They provide examples of the EAEU led by Russia and the EU led by the group represented by its largest economies — Germany, France, Italy, and Spain. As for the “pull” factors within the EAEU, they are primarily rooted in socioeconomic issues of the donor countries. For instance, Todorov, Kalinina and Rybakova (2018) identified unemployment in the weaker states and wage differences between the urban and rural areas as major pull factors.

Russia and Kyrgyzstan are significantly interdependent in the labour sector. Russia is a

⁴² An Introduction to EU Cohesion Policy 2014—2020 // European Commission. June, 2014. URL: https://ec.europa.eu/regional_policy/sources/docgener/informat/basic/basic_2014_en.pdf (accessed: 31.11.2021).

⁴³ Cohesion Policy 2021—2027 // European Commission. URL: https://ec.europa.eu/regional_policy/en/2021_2027/ (accessed: 31.11.2021).

⁴⁴ Statistics // Eurasian Economic Commission. URL: http://www.eurasiancommission.org/en/act/finpol/migration/Pages/statistical_data.aspx (accessed: 31.11.2021).

⁴⁵ Kofner J. C. Did the Eurasian Economic Union Create a Common Domestic Market For Goods, Services, Capital, and Labor? // MIWI-Institute for Market Integration and Economic Policy. October 30, 2019. URL: <https://miwi-institut.de/archives/1176> (accessed: 31.11.2021).

destination country for almost 90% of labour migrants from Kyrgyzstan.⁴⁶ The inflow peak dates back to 2015 after Kyrgyzstan obtained the membership of the EAEU. When analyzing the perspective of Kyrgyzstan on Eurasia, Nurmatov (2019) underlined the importance of a common labour market, taking into account the county's dependence on external employment opportunities and remittances, which are comparable to the entirety of state revenue. Another interesting perspective is that the large outflow seems to be a result of obtained capital (legal, economic, social, and cultural) by the migrants from Kyrgyzstan in the past thirty years (Gabdrakhmanova, Sagdieva & Fryer, 2020).

The empirical research conducted in Moscow by Sagynbekova found that low wages, unemployment, and limited living standards are primary push factors for the citizens of Kyrgyzstan to look for employment opportunities abroad.⁴⁷ This trend does not seem to slow down. In 2020, there was still a drastic wage difference; the average wage in Kyrgyzstan was KGS 18,940 (USD 223),⁴⁸ whereas in Russia it was RUB 69,278 (USD 985).⁴⁹ Thus, the influx of labour migrants from the donor countries is likely to increase along

with the new opportunities the EAEU provides for the citizens of its member states.

Some researchers (Ryazantsev et al., 2017) believe that some countries benefit from having as many people as possible working abroad due to high dependence on the remittances, yet the remittances are not solely able to stimulate these states' economies. For instance, remittances account for 30% of GDP in Kyrgyzstan and 11% of GDP in Armenia.⁵⁰ The governments of the EAEU states rely on labour migration to compensate for the employment gaps, but it has not brought noticeable success yet. The experiences of regional unions show that the positive effect of remittances is short-term and requires rational use. For example, the governments could influence the effective use of remittances for the benefit of specific sectors of the national economy such as infrastructure or education (Dzhunisbekova et al., 2017). Thus, the "weaker" members of the union should consider sustainable ways of development to remain competitive with its current and future allies, as Todorov, Kalinina and Rybakova (2018) claim that high outflow of the working-age population might cause problems in the national labour markets of the donor states.

Throughout the process of development of the single labour market of the EAEU, the labour migrants of the member states have received a good deal of advantages regarding the formal procedures that expand employment opportunities. For instance, *Gazeta.ru* reports that subsequent to Kyrgyzstan's accession to the EAEU and the mutual recognition of driver licenses, Kyrgyz migrants began to acquire jobs as taxi and municipal transport drivers more

⁴⁶ Statistics // Department of External Migration under the Ministry of Foreign Affairs of Kyrgyz Republic [Статистика // Департамент внешней миграции при Министерстве иностранных дел Киргизской Республики]. (In Kyrgyz). URL: <http://ssm.gov.kg/ru/main/page/39/0> (accessed: 31.11.2021).

⁴⁷ Sagynbekova L. International Labour Migration in the Context of the Eurasian Economic Union: Issues and Challenges of Kyrgyz Migrants in Russia. Working Paper No. 39 // University of Central Asia — Institute of Public Policy and Administration (IPPA). August 23, 2017. URL: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3023259 (accessed: 31.11.2021).

⁴⁸ Monthly Average Wage // National Statistics Committee of Kyrgyz Republic. URL: <http://www.stat.kg/en/opendata/category/112/> (accessed: 31.11.2021).

⁴⁹ Labour Market, Employment and Wages [Рынок труда, занятость и заработная плата] // Rosstat. (In Russian). URL: https://rosstat.gov.ru/labor_market_employment_salaries (accessed: 31.11.2021).

⁵⁰ Migrant Remittances Account for 30% of GDP in Kyrgyzstan and Tajikistan, 11% of GDP in Armenia [В Кыргызстане и Таджикистане трансферты трудовых мигрантов составляют около 30% ВВП, а в Армении — порядка 11% ВВП] // Eurasian Development Bank. September 10, 2020. (In Russian). URL: <https://eabr.org/press/news/v-kyrgyzstane-i-tadzhikistane-transferty-trudovykh-migrantov-sostavlyayut-okolo-30-vvp-a-v-armenii-p1009/> (accessed: 31.11.2021).

often.⁵¹ Other popular employment sectors in Russia among migrants from Kyrgyzstan are trade, construction, transport services, etc.⁵² However, there are challenges related to the qualification of labour migrants in the EAEU. Sagynbekova's survey shows that the majority of the interviewed workers were employed in the trade and service sectors, primarily in unskilled positions.⁵³ The International Organization for Migration in Kyrgyzstan and the Tian Shan Policy Center study indicates that a lack of language skills creates barriers in obtaining proper jobs as little over half of the Kyrgyz migrants working in Russia are fluent in Russian.⁵⁴

⁵¹ Falyakhov R. Can't Survive at Home: How the Kyrgyzs Are Earning a Living in Russia [Фалыхов Р. На родине не выжить: как киргизы зарабатывают в России] // *Gazeta.ru*. March 31, 2019. (In Russian). URL: <https://www.gazeta.ru/business/2019/03/02/12219025.shtml> (accessed: 31.11.2021).

⁵² Poletaev D. V., Zlobina T. A. Monitoring of Implementation of the Labor Migrants' Rights from Kyrgyzstan in the Russian Federation and the Republic of Kazakhstan in Accordance with the Terms of Accession of the Kyrgyz Republic to the EAEU Protocol // Tian Shan Policy Center (TSPC) of the American University of Central Asia (TSPC AUCA). 2018. URL: https://auca.kg/uploads/tspc%20images/Monitoring%20of%20implementation%20of%20the%20labor%20migrants'%20rights%20from%20Kyrgyzstan%20in%20Russia%20and%20Kazakhstan%20in%20EAEU_TSPC_2017-2018.pdf (accessed: 31.11.2021).

⁵³ Sagynbekova L. International Labour Migration in the Context of the Eurasian Economic Union: Issues and Challenges of Kyrgyz Migrants in Russia. Working Paper No. 39 // University of Central Asia — Institute of Public Policy and Administration (IPPA). August 23, 2017. URL: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3023259 (accessed: 31.11.2021).

⁵⁴ Poletaev D. V., Zlobina T. A. Monitoring of Implementation of the Labor Migrants' Rights from Kyrgyzstan in the Russian Federation and the Republic of Kazakhstan in Accordance with the Terms of Accession of the Kyrgyz Republic to the EAEU Protocol // Tian Shan Policy Center (TSPC) of the American University of Central Asia (TSPC AUCA). 2018. URL: https://auca.kg/uploads/tspc%20images/Monitoring%20of%20implementation%20of%20the%20labor%20migrants'%20rights%20from%20Kyrgyzstan%20in%20Russia%20and%20Kazakhstan%20in%20EAEU_TSPC_2017-2018.pdf (accessed: 31.11.2021).

Thus, low professional qualifications and poor language skills reduce the opportunities for migrant workers in foreign labour markets and lead to an exacerbation of socioeconomic problems. “The quality of education in the EAEU sending countries does not often correspond to the labour market demands of the destination countries.”⁵⁵ The experts in economics explain that labour migration does not always bring about convergence in the development level among member economies as long as there is a severe gap in technological development. Even though there is a system of recognition of education documents and qualifications (apart from medical, pedagogical, and legal), access to all types of job opportunities does not apply to the entire workforce within the integrated space. Therefore, new mechanisms to abolish the barriers for better job opportunities for the workers should be brought up soon.

As emphasized in the analysis of the EU single labour market, the qualification of the workers for various job positions is important to ensure equality and better integration. Ryazantsev and his colleagues (Ryazantsev, Ter-Akopov, Pismennaia & Khranova, 2017) described a favourable scenario for the EAEU common labour market, in which the quality of the labour force would be put in the first place as low level of professional qualification narrowed the employment prospects for the migrants. They offered to establish better conditions for the immigration of highly qualified workers within the EAEU. Ensuring effective employment of the population and improving the workforce's quality and competitiveness should be an essential social principle for the EAEU and its member states.

⁵⁵ Poletaev D. Addressing the Challenges of Labour Migration within the EAEU // International Centre for Migration Policy Development. May, 2019. URL: <https://www.icmpd.org/file/download/48453/file/Analytical%2520report%2520%25E2%2580%259CAddressing%2520the%2520Challenges%2520of%2520Labour%2520Migration%2520within%2520the%2520Eurasian%2520Economic%2520Union%25E2%2580%259D%2520EN.pdf> (accessed: 31.11.2021).

The EAEU has established “Work without borders” platform as a search engine to provide access to data on vacancies and job seekers in the joint portal. In most cases, however, the migrant workers rely on the relatives or acquaintances: “Migrants from Kyrgyzstan are mostly looking for work through ‘their acquaintances’ (74%), 9% are looking for a job through an ad in the media, 8% through an ad or online advertisement, 4% through an intermediary.”⁵⁶ Thus, migrant workers are vulnerable and risk getting deceived. The EAEU labour market still needs some time to adjust to the newly adapted portal. Yet, such strong ties of migrants in their diasporas have caused another challenging trend which Poletaev (2020) termed “parallel migrant communities” which could pose a major challenge for Russia in the future. He claimed that the trust gap had occurred between the local Russian and migrant societies: “The crisis of trust in Russian society is further exacerbated by feelings of alienation between foreign migrant workers and local residents.”⁵⁷ He compared this phenomenon to the “glass wall” between both local communities and migrants. Poletaev (2020) believes such metaphoric walls prevent migrants from fully adapting and integrating into Russian society.

Delving further into the social security aspect of labour migration, the EAEU workers are challenged by unsatisfactory social

protection. The International Organization of Migration (IOM) touched upon the women labour migrants, most of whom worked in the service sector, catering, textiles, and as domestic workers. They worked more than 10 hours per day and had scarce access to social protection services. The “broken family” phenomenon is another relevant problematic social outcome in Kyrgyzstan caused by the considerable outflow of citizens abroad for employment. Parents of more than 61,000 children are working away from their children. This might have severe implications for these families that could entail long-term consequences on families and society in general.⁵⁸ Protecting ethnic integrity is likely to become an important issue soon for Kyrgyzstan. Poletaev and Zlobina found that it is unsafe to take children abroad as they are likely to face difficulties accessing schools, medical, and other social services.⁵⁹

Overall, the EAEU labour market challenges are complex and require comprehensive action on behalf of the states, as well as the EAEU’s respective departments. In the 2019 report, the Higher School of Economics researchers recommended borrowing the EU’s approach to migrant workers integration via language and

⁵⁶ Poletaev D. V., Zlobina T. A. Monitoring of Implementation of the Labor Migrants’ Rights from Kyrgyzstan in the Russian Federation and the Republic of Kazakhstan in Accordance with the Terms of Accession of the Kyrgyz Republic to the EAEU Protocol // Tian Shan Policy Center (TSPC) of the American University of Central Asia (TSPC AUCA). 2018. URL: https://auca.kg/uploads/tspc%20images/Monitoring%20of%20implementation%20of%20the%20labor%20migrants%20rights%20from%20Kyrgyzstan%20in%20Russia%20and%20Kazakhstan%20in%20EAEU_TSPC_2017-2018.pdf (accessed: 31.11.2021).

⁵⁷ Poletaev D. From Mistrust to Solidarity or More Mistrust? Russia’s Migration Experience in the International Context // Valdai Discussion Club. December, 2018. URL: <https://valdaiclub.com/files/21924/> (accessed: 31.11.2021).

⁵⁸ Bruni V. Regional Overview: Survey on the Socioeconomic Effects of COVID-19 on Returnees and Stranded Migrants in Central Asia and the Russian Federation // International Organization for Migration. March, 2021. URL: <https://kyrgyzstan.iom.int/sites/g/files/tmzbd11321/files/documents/Regional-Overview-Survey-on-the-Socioeconomic-Effects-of-COVID-19.pdf> (accessed: 31.11.2021).

⁵⁹ Poletaev D. V., Zlobina T. A. Monitoring of Implementation of the Labor Migrants’ Rights from Kyrgyzstan in the Russian Federation and the Republic of Kazakhstan in Accordance with the Terms of Accession of the Kyrgyz Republic to the EAEU Protocol // Tian Shan Policy Center (TSPC) of the American University of Central Asia (TSPC AUCA). 2018. URL: https://auca.kg/uploads/tspc%20images/Monitoring%20of%20implementation%20of%20the%20labor%20migrants%20rights%20from%20Kyrgyzstan%20in%20Russia%20and%20Kazakhstan%20in%20EAEU_TSPC_2017-2018.pdf (accessed: 31.11.2021).

professional training, exchange programs, harmonizing education systems, and other social programs.⁶⁰

The Impact of COVID-19 on Common Labour Markets of the EU and EAEU

The global pandemic has brought about a major crisis in modern history forcing nearly all countries to enact restrictive measures. To prevent the virus from spreading, several businesses were temporarily shuttered, and many employees were confined and isolated in their homes. It has challenged not only the health sector but the economic markets of every region, particularly the labour markets as a result of new governmental restrictions intended to control and counteract the virus. Gavriluță, Grecu and Chiriac (2022) emphasized the importance of human sustainability in the context of the COVID-19 pandemic, considering the challenges and changes in the labour market. Lupton and Willis (2020) provided social perspectives on the effects of the pandemic as many people were isolated, which resulted in an economic downturn. Hodder (2020) stated that the COVID-19 crisis is a chance to rethink the future of work and focus on the skills, the value of work, and structural inequality.

The pandemic strains the EU's single labour market, exposing several existing flaws. Considering the severity of the crisis, it has been generally noticed that unemployment in Europe has grown surprisingly little, only by 5% in 2020, and the average unemployment rate in the EU-27 increased by less than 1.1%, from 6.5 to 7.6%.⁶¹ However, according to Gavriluță,

Grecu and Chiriac (2022) estimates, the young workers of the EU-28 with primary or secondary levels of education have been the most vulnerable to the challenges, while tertiary education has been observed as an important element for sustaining human development in times of crisis. Thus, the crisis caused additional tension for individuals seeking employment and companies or countries seeking skills. Regarding the situation of external migrants in the EU, it was found that labour migrants are often employed in key occupations in the fight against the COVID-19 despite the restrictive measures, high unemployment rate, and low economic growth (Podra et al., 2021).

Van Eijken and Rijpma (2021) argue that in times of crisis, the current legal system has proven insufficient to respond to the pandemic's challenges. As a result, national action has taken prevalence. Even though the EU institutions were actively engaged in coordinating national responses and bringing them into compliance with the EU legislation, more binding coordination and regulation seem to be necessary. Moreover, already existing deficiencies in the European labour market seem to be exacerbated by the crisis as the people with low-wage and low-skilled occupations have been struck harder than those with high ones.⁶² The knowledge economy and the pandemic crisis have increased the demand for a high-skill workforce across the EU, which requires careful reconsideration of the current migration policies. Finally, given that COVID-19 is unlikely to go away anytime soon "EU law will need to provide legal certainty in the face of scientific uncertainty if it wishes to effectively safeguard EU's citizens"

⁶⁰ Eurasian Economic Integration: Development Prospects and Strategic Goals for Russia [Евразийская экономическая интеграция: перспективы развития и стратегические задачи для России] // National Research Institute Higher School of Economics. 2019. (In Russian). URL: <https://conf.hse.ru/mirror/pubs/share/262128617> (accessed: 31.11.2021).

⁶¹ Gros D., Ounnas A. Labour Market Responses to the COVID-19 Crisis in the United States and Europe. CEPS Working Document No. 2021-01 // CEPS. April, 2021.

URL: https://www.ceps.eu/wp-content/uploads/2021/04/WD2021-01_Labour-market-responses-to-Covid.pdf (accessed: 31.11.2021).

⁶² Hogarth T. COVID-19 and the Demand for Labour and Skills in Europe: Early Evidence and Implications for Migration Policy // Migration Policy Institute. February, 2021. URL: https://www.migrationpolicy.org/sites/default/files/publications/mpie-hogarth_covid19-labour-final.pdf (accessed: 31.01.2021).

fundamental freedom of movement and open borders” (Van Eijken & Rijpma, 2021).

The labour relations have been one of the most vulnerable areas of the economy during the pandemic in the EAEU as well. The EAEU member states implemented the same measures as the EU countries, such as travel restrictions, entry bans, and quarantines to prevent the spread of the infection. However, some regulations related to “social distancing” contradicted the international acts and principles of labour law. Golovina, Ramankulov, Tomashevski and Khassenov (2020) conclude that the COVID-19 has put forth public demand for updated legal mechanisms that enhance labour mobility of the population and transform modern labour relations into a more resilient form. The restrictions also suspended the private sector activities. As a result, the number of unemployed in the EAEU rose almost four times in the first half of 2020 compared to the previous year. In the EAEU, 2.096,8 thousand citizens were left without work since the beginning of the pandemic,⁶³ two times higher than in 2019. Moscow lost 40% of its migrant labour force due to shrinking job opportunities.⁶⁴ Russian GDP shrank by 2.7% in 2020.⁶⁵ The economic crisis in Russia led to a drop in the GDP of Kyrgyzstan and Armenia, as they supply the labour force to Russia, and remittances play a key role in their economies.

⁶³ On Unemployment in the Eurasian Economic Union [О безработице в Евразийском экономическом союзе] // Eurasian Economic Commission. March, 2021. (In Russian). URL: http://www.eurasiancommission.org/ru/act/integr_i_makroec/dep_stat/econstat/Documents/Express_Unemployment/expressunemp202103.pdf (accessed: 31.01.2021).

⁶⁴ How COVID-19 Affected Labour Markets in the EAEU States [Как COVID-19 повлиял на рынок труда в странах ЕАЭС] // 24kz. November 1, 2020. (In Russian). URL: <https://24.kz/ru/news/top-news/item/433388-kak-covid-19-povliyay-na-rynok-truda-v-stranakh-eaes> (accessed: 31.11.2021).

⁶⁵ Rosstat Revisited the Results of the 2020 [Росстат пересмотрел итоги пандемийного 2020 года] // Vedomosti. December 30, 2021. (In Russian). URL: <https://www.vedomosti.ru/economics/articles/2021/12/30/903433-rosstat-peresmotrel-itogi> (accessed: 31.11.2021).

The total losses of the donor economies due to the outflow of migrants could be more devastating than those of Russia.⁶⁶ Hundreds of thousands of Kyrgyz labour migrants in Russia lost their jobs following the outbreak of the virus. For most of them, employment in Russia is the only livelihood option as finding stable work is difficult back home.⁶⁷ These challenging outcomes reveal the impact of disproportions between the member states.

Conclusion

The authors reviewed the policy context, historical development, achievements and challenges of common labour markets of the two regional organizations, the EU and the EAEU. According to the treaties on coordination and regulation of the free movement of workers across the unions' borders, the EU and the EAEU share the same concept. There are more employment opportunities for the unions' citizens due to the simplified formal barriers and provisions, such as removal of visa regimes, anti-discrimination policies, protection of families and children, etc. The extent and quality of such practices seems to be different, e.g., the labour migrants of the EAEU have modest social package, which is determined independently by the host states. The EAEU took inspiration from the EU to

⁶⁶ Malakhov V. S., Morin A. S. Impact of the COVID-19 on Migration Processes and Policies in European Union and Russia // Monitoring the Economic Situation in Russia: Trends and Challenges of Socio-economic Development. 2020. No. 17. [Малахов В.С., Морин А.С. Влияние пандемии COVID-19 на миграционные процессы и миграционную политику в Европейском Союзе и России // Мониторинг экономической ситуации в России: Тенденции и вызовы социально-экономического развития. 2020. № 17]. (In Russian). URL: <https://www.iep.ru/upload/iblock/e20/4.pdf> (accessed: 31.11.2021).

⁶⁷ Ryskulova N. The Coronavirus Has Returned Migrants Home. This Threats Families and Local Economies [Рыскулова Н. Коронавирус вернул мигрантов домой. Это грозит нищетой их семьям и резким спадом — местным экономикам] // BBC. June 25, 2020. (In Russian). URL: <https://www.bbc.com/russian/features-53167907> (accessed: 31.11.2021).

liberalize its labour market and borrowed the EU strategy. However, the EU is ahead of the curve in terms of integrating and addressing issues, hence it may serve as a model for the EAEU. There are more successful practices in the EU toolkit that the EAEU may consider, such as granting the status of a “union citizen”, forming a special zone similar to the Schengen area, launching “professional cards” and common health insurance, creating digital tools for effective navigation and settlement of the workers in the hosting states, and, most importantly, considering the set up of a separate authority like the European Labour Authority (ELA) fully responsible for the coordination of the single labour market.

Both unions’ labour markets have been dealing with complex challenges extending from individual to global level, e.g., the recent global pandemic. The uneven distribution of the total number of workers is a result of the disparities between the receiving and donor states’ levels of social and economic development. On the one hand, such labour flows are beneficial for both donor and receiving states as one gets to compensate for its aging and declining population, while the other offsets the high unemployment rate in the country and fuels the economy with the remittances. Yet, such disparities in labour migration cause peripheralization of some regions of the unions. The recent pandemic has

also demonstrated that countries that rely heavily on migration are more vulnerable to economic downturns. Therefore, traditional methods of development, such as concentrating on production and investment, appear to be still an effective approach for donor countries to catch up economically with the rest of the union as the remittances alone fail to give impetus to economic development. Moreover, current trends, such as the development of the knowledge economy and the ongoing pandemic crisis have increased the demand for high-skilled labour mobility throughout the EU, causing additional brain drain. Meanwhile, the low-skilled labour flows dominate in the EAEU. This is a challenge as the automation and digitalization processes are likely to take away many manual jobs and offer new ones that would require an adjustment of skills. Finally, for both unions, labour relations have been one of the most sensitive economic issues during the COVID-19 pandemic. Apart from the increase in the unemployment rate and decline in job opportunities, the existing structural challenges have been aggravated, and common legislation was largely ignored at the outbreak of the crisis in both unions. The new reality demands revising legislative instruments that protect labour mobility and making modern labour relations more robust in face of economic and social uncertainties.

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