

UDC 325.1, 338.2

JEL Classification F22, E20, E24, J61

Anastasiia Skorohod

## Economics and Politics of Ukrainian War Refugees' Hosting in Poland

*Following full-scale Russia's invasion of Ukraine, the European Union initiated the Temporary Protection Directive, granting war refugees immediate access to basic rights in all member states. Under the Directive, Poland has amended its national law and provided our refugees with shelter and immediate access to the local labor market. Since then, for almost three years, about one million Ukrainian refugees (mainly women and children) have been staying in Poland. As per Article 4 of the Directive, the duration of temporary protection cannot exceed three years. This implies that the current regime will be terminated on 4 March 2025.*

*As a means to speculate about the future evolution of Ukrainian-Polish relations in general, and in the sphere of the refugee problem in particular, this article focuses on the cost-benefit analyses of refugees' hosting in Poland. For this purpose, the research is based on an interdisciplinary approach, combining a review of the legal framework and data collection with policy and economic analysis. The article is structured as follows: after a brief review of recent publications on the theoretical aspects of the problems of refugees and practical issues of Ukrainian refugees' hosting in Poland, the legal regime enabling our citizens to stay in Poland is explored. The next section presents a description of specific features of Ukrainian war refugees, preceding an analysis of the expenses of the Polish authorities on granting shelter. The final section offers insights into the cost-benefit analysis of hosting refugees (migrants) in different countries.*

**Keywords:** *Ukraine, Poland, war refugees, cost-benefit analysis, Temporary Protection Directive, labor market*

DOI 10.37659/2663-5070-2024-13-54-66

## Problem Statement

Full-scale Russia's aggression against Ukraine has forced millions of Ukrainians to flee their native country. Neighboring countries, predominantly members of the European Union, opened their borders, welcoming our refugees and providing them with financial and humanitarian assistance. Poland became the primary recipient of Ukrainian refugees: by May 2022, 3.5 million Ukrainians — or 53% of all people who fled the country — had crossed the border into Poland. The government and people of this country have provided our compatriots with temporary, but immediate protection, allowing them immediate access to the labor market, free public education, health care, and social assistance.

Since March 2022, the number of Ukrainians staying in Poland has been almost constant (about 1 million). Among the main problems of countries hosting refugees are refugees' competition with native populations for scarce financial and material resources (food, water, employment, housing, medical services), increased demand for educational and medical services, transportation, etc. All of them could not help but create economic, political, and social consequences for the host country, which in turn, will be one of the factors determining future Ukrainian-Polish relations. As for now, a holistic view on the Ukrainian war refugees' impact on the economy of Poland is missing.

## Task Statement

The paper aims to inquire into the economics and politics of Ukrainian war refugees staying in Poland in order to reveal some of the factors that can influence future Ukrainian-Polish relations. To accomplish the stated aim, the following phases of the research were set: after a short acquaintance with the latest publication on the discussed topic, the legal framework enabling Ukrainian refugees to stay and work in Poland has to be explored, and privileges granted to them have to be examined. The benefits awarded to our compatriots have to be analyzed against the background of their contribution to the Polish GDP.

## Literature Review

The issue of refugee hosting in foreign countries has been examined by different theorists and practitioners from different angles. The first of them is the distinction of refugees from migrants, which was most profoundly explored by Gina Taylor [1]. General problems of refugees as a distinct type of migration were explored by Caroline B. Brettell and James F. Hollifield [2], who underscored that both types should be examined from the points of view of anthropology, demography, economics, geography, law, political science, and sociology.

Examining grand theories of European integration in the twenty-first century, Liesbet Hooghe and Gary Marks [3] evaluated three theories — neofunctionalism, intergovernmentalism, and post-functionalism — that were designed with European integration in mind. Their conclusion was: "none of these theories is fundamentally wrong-headed .... However, they do so from contrasting perspectives, using different bodies of evidence to shed light on distinct puzzles" [3, p. 1128].

Alexander Betts [4] addressed one of the most serious gaps in the international refugee regime: a disjuncture between a strongly institutionalized norm of *asylum* and a weakly institutionalized norm of *responsibility sharing*. He noted that while States' obligations towards refugees staying within their territory were relatively clearly defined, States' obligations to support refugees who were on the territory of another State were much weaker. This had led to a major power asymmetry within the refugee system in which geography and proximity to the crisis de facto defined State responsibility.

Michaela Hynie [5] discussed how policies shape refugee identities, stereotypes, and interactions in ways that then affect community welcome, arguing that integration is not just about the skills and efforts of refugees themselves, but rather the interaction between refugees and their social environments. Policies, theories and actions, supporting the inclusion of refugees are analyzed by Stephen Dobson, Gabriella Agrusti and Marta Pinto [6], who denoted two risks: (i) if refugees are unexpected and undesired arrivals, there is a risk that they will be regarded as grit in the smooth functioning of existing society, institutional arrangements and culture; (ii) when refugees are considered the *surplus population* to be

disciplined into the host society, the risk is that well-meaning inclusion can result in the reverse and what has been termed *inclusive exclusion*.

In spite of the availability of a considerable quantity of research papers, some researchers noted that the economic impact of refugees on the host countries is controversial and not quite understood [7], insufficiently researched, and difficult to be unambiguously evaluated [8]. According to Alix-Garcia et al., who combined official statistics, data on nighttime lights, and household survey data from northern Kenya, refugees may also have a positive effect on the economy and the society in the host regions, demonstrating local entrepreneurial activity [9].

The best review of 49 empirical studies, published before Russia's full-scale invasion of Ukraine, is presented by Paolo Verme and Kirsten Schuettler [10]. The authors differentiate the literature on the basis of their interpretation of two types of economic shocks: a *population shock* with a sudden increase in population generated by an inflow in a particular geographical area and an *expenditure shock* determined by the increased financial flows that a forced displacement crisis may attract.

Since 2022, the papers on the problems of Ukrainian refugees have been quickly growing in numbers. Nicolo Bird and Neree Noumon [11], in particular, argue that the higher proportion of women and children among them leads to more spending in host countries on education, child-care, and health services. The same is denoted by other numerous recent publications of the International Monetary Fund (IMF), World Bank and the Office of the United Nations High Commissioner for Refugees (UNHCR) — all of them pointing out that managing the significant influx of refugees from Ukraine will remain a challenge as long as the war continues, requiring growing government funding of social services, education, and healthcare.

Karolina Sobczak-Szelc et al. [12] examined Polish system of admitting asylum seekers developed after 1989 from a broader perspective than simply the state level: the authors proceed on the assumption that asylum-seeking is not only about crossing borders and asking for protection but also about commitments accepted or denied by the states in the area of providing various kinds of assistance to persons who flee war.

Oleksandra Kapinus et al. [13] are discussing migration problems on the European continent related to the war in Ukraine as a special case of migration issues being the most controversial on the European continent. Elzbieta Ociepa-Kicińska and Małgorzata Gorzałczyńska-Koczkodaj [14] provide detailed examination of the forms of aid provided to Ukrainian refugees, stating that the economic impact of refugees is predicated on a number of additional variables, including reaction of the host countries, the level of social welfare for refugees, and on the human capital the refugees are contributing.

Atanas Dimitrov and Vasil Pavlov [15], based on the usual perception of refugee inflows as a burden to the host country, at least in the short term, substantiate the thesis that employment is often regarded as one of the most essential factors of refugee and generally migrant integration. Mobility and labor market trajectories of Ukrainian migrants to Poland in the context of the 2014 Russian invasion of Ukraine were disclosed by Agata Górny and Roos van der Zwan [16].

Mateusz Błaszczuk et al. [17] analyzed the agility of local policy responses — the authors focused on the reception of refugees during the first period of the war in Ukraine in Wrocław, indicating the actors involved in the organization of aid rendered to newcomers from Ukraine, the range of resources mobilized, the way in which tasks were divided, and the relations between the cooperating stakeholders.

Factual material is retrieved from the data set Ukraine Support Tracker Data, compiled by Kiel Institute for the World Economy [18] and routine publications of UNHCR, International Organization for Migration (IOM), IMF and, World Bank.

## Results

### **Legal Framework Enabling Staying of Ukrainian Refugees**

The term *refugee* derives from the root word *refuge*, from an Old French word meaning "hiding place". This term was first applied to French Protestant Huguenots looking for a safe place against Catholic persecution (started in 1540). In international law, the term *refugee* appeared only after the First World War.

With time going on and with the constant expansion of regional and global armed conflicts,

mankind called for specification of the term and detailed regulation of the legal status of refugees, as well as the creation of specialized international bodies dealing with the problem. Thus, in 1947, the United Nations founded the International Refugee Organization (IRO), which in 1952 was replaced by the Office of the United Nations High Commissioner for Refugees (UNHCR). The main mission of the newly founded organization was to deal with the refugee crisis that resulted from World War II. Initially, the UNHCR was intended to operate only for 3 years. But later on, humanitarian crises caused by numerous conflicts spread out the scope of UNHCR's operations. Currently, this agency is mandated to lead and co-ordinate international action to protect and assist refugees worldwide. According to data published on its website, it operates in 136 countries.

The in-house budget of the UNHCR does not provide for rendering financial assistance to Ukrainian refugees, as UNHCR is one of the few UN agencies almost entirely (by 98%) dependent on voluntary contributions to fund their operations. Two percent of UNHCR's annual budget, covered by a subsidy from the UN regular budget, is used to fund about 200 administrative posts at Headquarters. Therefore, with a modern global refugee system built on the voluntary cooperation of states, with no binding obligation to share the costs of providing asylum, UNHCR can implement its solutions only with the approval and active contribution of states.

In order to present organization's requirements in a more structured and transparent way and in an attempt to tap into new funding sources, UNHCR structures its budget on the basis of four pillars, each of which represent the needs of particular population groups within each operation/program: refugees, stateless persons, reintegration activities and internally displaced persons.

Specifically for Ukraine, in 2022 UNHCR launched the inter-agency 2022 Regional Refugee Response Plan (RRP) for the Ukraine Situation and coordinated its implementation. The RRP brought together the activities of 142 partners across seven countries (Bulgaria, the Czech Republic, Hungary, the Republic of Moldova, Poland, Romania, and Slovakia).

In 2024, UNHCR is appealing for \$993.3 million to support the needs of affected popula-

tions in Ukraine, as well as Ukrainian refugees in other countries in the Europe region. UNHCR 2024 budget for Ukraine is \$598,939,099 (Pillar 1 — \$10,491,461, Pillar 2 — \$3,464,509, Pillar 3 — \$108,006,578, Pillar 4 — \$476,976,550), the rest is designed for European countries, hosting Ukrainian refugees. Of that sum, the biggest beneficiary is the Republic of Moldova (\$102.8 M), followed by Poland (\$85 M) [19].

In 2023, of \$10.929 billion UNHCR's total expenditure, \$1.371 billion was implemented through 1,266 funded partners working in 108 operations. The contribution of the European Union to UNHCR in 2023 was \$261.5 million.

Simultaneously with donating funds to UNHCR, the EU is realizing its own cost-intensive assistance program for Ukrainian refugees. First of all, EU countries bordering Ukraine immediately allowed entry to all Ukrainian refugees. Simultaneously the legal framework of hosting refugees was redefined: acknowledging risk that the asylum systems of EU countries would be unable to process applications timely, thus negatively affecting the efficiency of national asylum processes, on 4 March 2022 the Council unanimously adopted the Decision to activate for the first time the Temporary Protection Directive (TPD).

The purpose of Council Directive 2001/55/EC (Document 32001L0055 with full title "Council Directive 2001/55/EC of 20 July 2001 on minimum standards for giving temporary protection in the event of a mass influx of displaced persons and on measures promoting a balance of efforts between Member States in receiving such persons and bearing the consequences thereof") was to establish minimum standards for giving temporary protection in the event of a mass influx of displaced persons and on measures promoting a balance of efforts between Member States in receiving such persons and bearing the consequences thereof. The directive was initially introduced for one year, until 4 March 2023; however, in September 2023, it was extended for a second time to remain active until 4 March 2025.

Alongside the TPD, in 2022, the European Commission launched the *EU solidarity with Ukraine* platform ([https://commission.europa.eu/topics/eu-solidarity-ukraine\\_en](https://commission.europa.eu/topics/eu-solidarity-ukraine_en)), aimed at the facilitation of coordination of activities on the ground, in cooperation with the Ukrainian

authorities and relevant entities. The Solidarity Platform brings together EU countries, associated Schengen countries, EU agencies (including the EU Asylum Agency, Frontex, and Europol), UNHCR, IOM, as well as Ukrainian authorities.

Funds for assistance to Ukrainian war refugees can be received from different sources, including the Asylum, Migration and Integration Fund, founded in 2021 (Regulation (EU) 2021/1147) [20]. The Fund aims to reinforce national capacities and improve procedures for migration management. Four specific objectives of the Fund are the following: to strengthen and develop all aspects of the common European asylum system; to support legal migration to the Member States; to contribute to countering irregular migration; and to enhance solidarity and responsibility sharing between the Member States, in particular towards those most affected by migration and asylum challenges.

The financial envelope for the implementation of the Fund for the period from 1 January 2021 to 31 December 2027 is determined to be EUR 9,882,000,000 [20], of which 63.5% will be allocated to programs that are jointly managed by the EU and the Member States, whose entitlements are varying subject to, among other factors, the number of third-country nationals residing in the country, the asylum claims received, the return decisions taken, and the effective returns carried out.

The decision to activate the TPD, setting up of the Asylum, Migration and Integration Fund, and establishment of the Solidarity Platform provided war refugees with temporary, but immediate protection, allowing them immediate access to the labor market, education, health care, or social assistance. At the same time, EU countries were, to varying degrees, to implement additional specific instruments for dealing with war refugees.

Within the bounds of the common European Union's policy on Ukrainian refugees, each EU member country prescribed its own rules of hosting our compatriots. First of all, all EU countries bordering Ukraine have allowed entry to all Ukrainian refugees. Simultaneously, the national legal framework of countries hosting refugees was redefined. In Poland, in particular, on 12 March 2022, the Polish parliament passed the act amending the act on assistance to citizens of Ukraine in connection with the armed conflict on

the territory of that country, which immediately entered into force [21]. In conformity with that Act Ukrainian citizens who left their homeland as a result of Russian aggression were provided with the possibility to obtain a Polish personal identification number (PESEL), enabling them not only to carry out economic activity on the territory of Poland on the same principles as Polish citizens, but also provides access to all kinds of social welfare, healthcare, and education.

### **Specific Features of Ukrainian War Refugees**

By the time of full-scale Russia's invasion of Ukraine, Polish society was well acquainted with Ukrainian economic migrants. Starting from the early 1990s, Ukrainian economic migration to various Central European countries, especially Poland, was quite intensive. It was intensified in 2008, when seasonal workers from Ukraine were given the right to work in certain agricultural and hotel services in Poland without restrictions, and the process of obtaining a work permit was simplified. The first wave of economic migrants was characterized by a prevalence of short-term seasonal mobility of Ukrainian citizens earning their primary living in Ukraine. Such a *modus vivendi* was rather common, notwithstanding the expansion of the European Union to the east.

Many more Ukrainians started coming to Poland in search of work since 2014 — after the annexation of Crimea and the Russian-sponsored separatist conflict in the Donbas region. This was stimulated by a liberal model of access to the Polish labor market for our citizens after introduction in Poland in May 2014 of a uniform temporary residence/work permit for Ukrainians; this novelty was triggered mainly by high demand for workers in the booming Polish economy — a country with an ageing and shrinking workforce.

An influx of Ukrainian citizens to work in Poland was accelerated in June 2017, when a visa-free regime between Poland and Ukraine was introduced. As a result, according to the Central Statistical Office, in February 2020, just before the beginning of the COVID-19 pandemic, there were more than 1.3 million Ukrainians in Poland, constituting a majority of the total foreign population estimated at 2.1 million persons [22]. This period was marked by a growing diversity of sectors for employment, as Ukrainians became engaged in trade, hospitality, industry, and services. Flexible regulations regarding short-term

stays and employment against the background of restrictive rules regarding long-term employment and settlement provided grounds for the temporary migration regime in Poland, which came to an end only with the COVID-19 pandemic regulations [16].

The recent wave of Ukrainian refugees took its rise at the end of February 2022. By the end of that month, about 2.3 million Ukrainian refugees had entered neighboring EU countries (predominantly Poland). As of the end of December 2023, 956,633 individuals from Ukraine were either active PESEL holders, recognized refugees, or asylum-seekers [23].

Relative to other refugees, Ukrainian war refugees have some characteristics that distinguish them from the typical portrait of the previous influxes of refugees:

- By gender, age and race structure: while the “average” refugee in the context of previous waves (in 1981 and 2000 — from Afghanistan, in 1991 — from Iraq, in 2012–2017 — from Syria, South Sudan and Myanmar) was a relatively low-educated young man, in the case of the 2022 refugees from Ukraine it was a woman, in the majority of cases accompanied by children: as demonstrated by PESEL data, over 90 per cent of refugees are women, children and older persons, with 37% being children under 18, and 63% — females [24]. In general, Ukrainian war refugees drastically differ both from our economic migrants entering Poland before 2022 (mainly young men who had come to Poland to earn money) and from the refugees from MENA countries with a predominantly Muslim population. The changes in the age and structure of Ukrainian citizens currently staying in Poland mean that our compatriots are generally younger than the Polish population.
- By the level of education: a relatively high share of Ukrainian refugees have a tertiary level of education. For instance, more than half of the Ukrainians who were staying in Warsaw in 2023 had a higher or unfinished higher education, and 32% of them had a professional and technical education [25]. In addition, slightly more than a third know the Polish language at a good or very good level.
- By the availability of already existing social networks (diaspora): at the end of 2021, 1.57 million Ukrainian citizens were officially authorized to stay in the EU, representing the third biggest non-EU citizen group [26]. The largest groups lived in Poland, where the share of Ukrainian citizens has risen to 1.7% of the total host population [15].
- By immediate access to employment, granted by the Temporary Protection Directive since 2022.
- By spontaneous and enforced character of migration: as Ukrainian war refugees were not planning in advance to migrate, they generally had no opportunity to prepare for their life in the new country, at least by learning the language; their qualifications, gained in a different education system and work experience in different labor market conditions were accompanied by weak, if any, relation to the host country. In many cases, Ukrainian refugees were not able to prepare in advance proper documentation certifying their level of education or skills. Such forced migration often causes difficult situations — legally, socially, professionally, and emotionally.
- By the diametrically different attitude towards refugees from Ukraine compared to migrants from MENA countries: according to the Public Opinion Research Center CBOS (a publicly funded independent research center) data from the end of 2021, only 33% of respondents to a nationwide survey believed Polish authorities should allow migrants storming the Belarus-Poland border to apply for asylum. Contrary to that, in March 2022, Poles almost unanimously (94%) believed that Poland should accept the refugees from Ukraine [17].

### **Costs of Granting Shelter**

According to *Article 13* of the Council Directive 2001/55/EC of 20 July 2001, the Government of Poland:

- Ensured that persons enjoying temporary protection had access to suitable accommodation or received, if necessary, the means to obtain housing. Alongside granting collective accommodation for free, for more than two years, the government paid

financial compensation for individuals offering accommodation and food to people displaced from Ukraine in private homes. Also, Ukrainian citizens could receive financial assistance for renting housing in Poland through the Step Home program, implemented by the Habitat for Humanity Poland charitable foundation.

- Made provision for persons enjoying temporary protection to receive necessary assistance in terms of social welfare and means of subsistence, if they did not have sufficient resources, as well as for medical care. First of all, the Government of Poland provides one-time financial assistance in the amount of 300 zlotys to citizens of Ukraine to meet their primary needs upon arrival in the country. In 2022, assistance was provided to families whose income does not exceed the minimum established by law: PLN 776 per month for a person living alone and PLN 660 for a person living in a family. As of January 2023, cash assistance was being received by 293,073 (out of 1,563,386) Ukrainian refugees — more than all refugees registered for temporary protection in neighboring countries.
- Provided necessary medical or other assistance to persons enjoying temporary protection who had special needs, such as unaccompanied minors or persons who have undergone torture, rape or other serious forms of psychological, physical or sexual violence.

In implementing this Directive Polish government provided Ukrainian war refugees with access to benefits on the same basis as Polish citizens, including, in particular: family benefits, child benefit (PLN 500–120 Euro per month per child), Good Start benefit, family care capital, subsidized reduction of the parent's fee for the child's stay in a crèche, children's club or day-care center.

Regarding access to education for Ukrainian war refugees, Poland is unique in Europe. Due to the enormous influx of Ukrainian children, the Polish government chose to create two parallel systems: one involving the integration of Ukrainian children into the Polish school system and the second — allowing Ukrainian children to study remotely following the Ukrainian cur-

riculum. No fees are charged from Ukrainian students of public tertiary education institutions; moreover, they may apply for maintenance grants and student loans.

Even this short summary, far from being complete, gives grounds to state that solutions implemented in Poland are among the most extensive and beneficial for war refugees.

In sum, during first three months after the Russia's full scale invasion estimated total value of annual spending by the Polish government and of Poles' private spending in connection with helping Ukrainian refugees was PLN 25.4 billion (EUR 5.45 billion) or almost 0.97% of Poland's GDP [27], of which estimated value of total annual spending by the public authorities on helping refugees at the same period was PLN 15.9 billion (EUR 3.41 billion), and minimum value of Poles' private spending was PLN 5.5 billion (EUR 1.18 billion). 77 % of adult Poles have gotten involved in helping refugees from Ukraine in March–June 2022. This help has taken a variety of forms: from financial and material support, to various types of voluntary work, and to inviting people deprived of homes into one's own house or flat. The Polish government in 2023 spent about PLN 5 billion.

One of the most valuable forms of assistance for Ukrainian refugees in Poland was access to the Polish labor market. It was granted by Article 12 of the Council Directive 2001/55/EC, stating that Member States shall authorize, for a period not exceeding that of temporary protection, persons enjoying temporary protection to engage in employed or self-employed activities, subject to rules applicable to the profession [28].

The abovementioned and other specific characteristics of Ukrainian war refugees facilitate their integration prospects (e.g., educational profile, existing social networks, immediate access to employment), while others may, on the contrary, hinder successful integration into the labor market (age and gender structure). Some of those characteristics, distinguishing them from other refugees, have an ambivalent character. For instance, a high level of education against the background of language problems is unlikely to guarantee a well-paid job corresponding to their qualifications; but, on the other hand, such highly educated refugees may be better equipped to learn the language of their host country than low-educated or illiterate refugees.

Contrary to the pre-war segments of the Polish economy, preoccupied by male population, employed mainly in construction and industry, since 2022, the following segments of the labor market in Poland have become more available for Ukrainian war refugees:

- **Low-Skilled Labor:** Many refugees have taken up jobs in sectors that require low-skilled labor, such as agriculture, construction, and hospitality. This has helped fill labor shortages in these industries. Statistics of structure by occupational group demonstrate that while of all employed persons only 5% were engaged in elementary occupation, for Ukrainian refugees this share was 49%; at the same time the ratio for professionals was 22% vs 8% [29]. In total, only 35% of Ukrainians who work in Poland do jobs appropriate to their qualifications.
- **Service Sector:** Many refugees have found work in retail, restaurants, and other service-oriented jobs, helping to sustain these businesses amid labor shortages.
- **Manufacturing:** Ukrainian refugees contributed to the manufacturing sector, particularly in industries like textiles, food processing, and logistics, where there has been a need for additional labor.
- In **Education and Healthcare**, more and more often Ukrainian qualified teachers, doctors, and nurses become sought after due to the rising demand of war refugees for the services in this sphere.
- **Entrepreneurship:** Some refugees have started (or transferred from Ukraine) their own businesses, contributing to the local economy and creating additional job opportunities both for Ukrainians and Poles. By 30th September 2023, more than 10 thousand Ukrainians ran their own businesses according to the administrative social security ZUS data [29].

Overall, due to the prevalence of women with children, the most sought-after labor market segments were those that were characterized by less scale of manual labor, and more service-related jobs, including those that required higher levels of literacy, or occupations allowing part-time work with fewer night and weekend shifts [23].

In terms of the labor force, for all European countries together, the estimated impact is an increase of about 0.5%, or more than 1.2 million workers. For Poland, the largest labor force increase is found to be 2.1%.

Results for employment show a relative positive change in Poland by 1.9% while the overall impact across all host countries is estimated to be 0.4%, with most countries below that mark [23].

## Discussion

### Cost-Benefit Analysis of Sanctuary Provision

Currently, the overall impact of refugees on the economy of the host country is next to impossible to calculate more or less precisely. Comparable studies indirectly related to refugees — addressing the impacts of migration on the economy of host countries — provide the following results:

- J. Edward Taylor, Mateusz J. Filipskib, Mohamad Allousha, Anubhab Guptaa, Ruben Irvin Rojas Valdesa, and Ernesto Gonzalez-Estradac [30] examined the impacts of three Congolese refugee camps in Rwanda on the surrounding host-country economy using an *in silico* approach informed by microsurvey data gathered inside and outside of camps. The simulations found that an additional refugee increased total real (inflation-adjusted) income within a 10-km radius around the two cash camps by US\$205 and \$253 annually. These were equivalent to 63% and 96% of the average host-country per-capita income around the camps, and they exceed the value of per-refugee WFP assistance (\$126 and \$120, respectively). Most of the difference (\$70 and \$126) consisted of income spillovers resulting from market interactions between refugees and host-country businesses and households. Other transfers to refugees, including private remittances, accounted for the rest (\$10 and \$7). The authors conclude that Congolese refugees in Rwanda, given the opportunity to interact with the economy around them, appear to generate considerably more income than the cash aid they receive. However, spillovers are smaller when refugee aid is in the

form of food instead of cash, which they were reselling at prices discounted by 20%. With regard to the labor market, the influx of refugees exogenously increases labor supply, but this process depends on the structure of the host country's economy and the rules governing interactions between refugees and the host community.

- Aziz Atamanov, Johannes Hoogeveen, and Benjamin Reese [31] explored the issue of why donors should invest more in refugee autonomy through the case study of Uganda, the country that has established a legal framework allowing refugees (1.56 million in 2023) to be economically active and offering access to land and housing. The authors state that when a development approach to hosting refugees is followed and refugees get the opportunity to earn incomes, there are two key beneficiaries: refugees themselves, who gain dignity, financial autonomy, and pathways to self-reliance, and the international community, providing less humanitarian aid. A third potential beneficiary, named by the researchers, is "the Government of Uganda, which might be rewarded by the international community with additional financing in return for its inclusive refugee policies" [31, Footnote 9].
- Jennifer Alix-Garcia and David Saah [32] examined the economic impact of refugees on host communities on the basis of the 1993 and 1994 refugee flows to western Tanzania from Burundi and Rwanda. The authors identified a significant increase in non-humanitarian food prices and a smaller impact on aid-related food prices. The study also demonstrated a positive impact of refugee camps on the assets of neighboring rural households. However, the authors also detected a negative impact on household wealth in urban areas.
- Semih Tumen examined the impact of refugee migration from Syria to Turkey on labor markets, consumer prices, and housing rents. Tumen pointed out a moderate loss of employment among local informal workers, indicating that they were partially replaced by refugees. Also, the author detected a decline in the prices for goods produced in labor-intensive informal sec-

tors, caused by the labor cost advantages that have been reduced by refugee flows. Semih Tumen concluded "that the labor market is the key mechanism driving the impact of refugees on the socioeconomic outcomes in host countries. The effect of refugees on labor market outcomes in host countries also has important impacts on various outcomes such as education, prices, crime, fertility, productivity, international trade, and political preferences" [33].

- In the course of the theoretical examination of the macroeconomic effects of large immigration waves, carried out by Philipp Engler, Ms. Margaux MacDonald, Mr. Roberto Piazza, and Galen Sher [34], the authors have found positive and sizable effects of large waves of immigration in OECD countries on domestic total factor productivity. These findings allowed the authors to declare that immigration does not have negative consequences on domestic employment, thanks to the rapid and vigorous positive response of investment.

The abovementioned papers provide a general idea of the possible impact of refugees on the economy of host countries. But, as it was mentioned by Taylor et al, the results of the evaluation of the influence of migrants cannot be treated as comprehensive when dealing with refugees due to notable difference between migrants and refugees: (i) while refugees' migration is involuntary and in a majority of cases temporary, most migrants choose their destination and duration in the host economy; (ii) while certain rights of refugees are guaranteed by international conventions and national laws, migrants have no such rights, being subjected to a host country's immigration laws [30].

Of relatable use can be some papers, either dealing with specific issues of the problem or indirectly related to the overall macroeconomic effect of Ukrainian war refugees in Poland. In the first group of sources one should mention the research of the experts of the service portal *About Ukraine 24/7* [35], according to which spending from Ukrainian banks' cards abroad in April 2022 compared to 2021 increased by about 3–4 times; thus, as experts counted, since the beginning of

the war every Ukrainian, stimulating consumer demand, invested in the economy of European countries \$400 per month. On another page of the same organization [36], we can find a more detailed description of the factors conditioning the input of Ukrainian refugees into the economy of the EU countries:

- Spending on purchases — up to \$2 billion per month abroad.
- Legal employment: IMF economists concluded that when immigrants (or refugees) enter the labor market, natives move into new occupations that in many cases require higher language and communication skills or more complex tasks. As they improve their skills, the economy gains productivity.
- Payment of taxes: the corresponding data for the Czech Republic, in particular, testify that the receipts of taxes and other contributions of Ukrainian refugees to the Czech budget almost doubled the expenditures on them. The Centre for Migration Studies at the University of Warsaw reported that employed refugees paid about \$2.4 billion (PLN 10 billion) in taxes in 2022. This amount alone is higher than the financial assistance provided to Ukraine (excluding the costs of education and healthcare). In 2023, Ukrainians paid in taxes PLN 15-20 billion.
- Use of bank cards and transactions with ATMs — in March 2022 alone, about \$10 billion was withdrawn by Ukrainians abroad.
- Rental housing: a quarter of refugees can pay for housing. This factor both strengthens the economy and drives up property prices. The money paid to people who provided housing is received by the locals.

As of September 2024, according to the IMF, the EU has spent €30-37 billion to support refugees from Ukraine (0.2% of the EU's GDP). Meanwhile, the contribution of migrants is quite visible in host countries: according to OECD, refugees contribute to annual GDP growth by 1.2% in Poland as well as in the Czech Republic and Estonia. Directly for the Czech Republic the ratio between expenditures and revenues from welcoming Ukrainian refugees changed in 2023 from 7 to 5.4 in the first quarter to 3.9 to 5.8 in the last quarter [37].

As early as May 2022, Oxford Economics [38] predicted that if 650,000 Ukrainians remained in Poland, the GDP of this country could grow by 1.2% by 2030, and if 1 million Ukrainians remained — by 2%, compared to the scenario without forced Ukrainian migrants. Similar forecasts were made by the National Bank of Ukraine, which estimated that, thanks to refugees from Ukraine, by 2026, the GDP of Poland would increase by 2.2–2.3% compared to the baseline scenario [39].

## Conclusion

Ukrainians were, are, and will be grateful to Poland, its government and people for the assistance rendered to them since the war started. But today, as the third year of the ongoing war is approaching its end, rather serious changes in the policy and attitude towards war refugees are becoming evident.

Speaking about the latter, it should be noted that on state support for Ukrainian refugees the Polish government spent PLN 15 billion (approximately EUR 3 billion) in 2022, and about PLN 5 billion in 2023. The scale of the assistance has already caused significant budgetary implications, impacting other areas of public spending. Partial funding received from the European Union amounted to €248 million (over PLN 1 billion), which was considered to be insufficient, and in June 2024 Poland, alongside Germany and Czechia, formally requested financial assistance from the European Union due to the prolonged and large-scale assistance requirements.

The reaction of Poles to the diversion of funds from the Polish budget for refugees' assistance is being modified over time. According to surveys, currently 60.4% of Poles think that help from the state, in the form of benefits, is better for refugees than for Poles themselves [25]. Only 31% of respondents now strongly believe Poland should assist Ukraine, a steep decline from 62% in January 2023.

Anti-Ukrainian sentiment in Poland under the slogan of preventing "Ukrainization of Poland" is actively fueled by the pro-Russian far-right Confederation party, which initiates the blockage of checkpoints on the Polish-Ukrainian border and advocates for a reduction in refugee payments. The most popular myths, propagated by the representatives of this party, are that refugees

take the jobs of locals, do not pay taxes, and do not help the economy to develop, increasing the burden on the healthcare system, education system, and housing market. As a result, at present, 72% think Poland should prioritize its own interests, especially concerning food exports. Reports indicate that among those least willing to accept refugees from Ukraine are young women aged 18–24 (47% in favor) and Poles who assess their own financial situation negatively (50%).

The abovementioned changes can be detected not only on the national level, but also on the supranational. One of the recent examples is the resolution supporting financial assistance to Ukrainian refugees for their return home following the conclusion of the war, adopted by the Parliamentary Assembly of the Council of Europe on June 27th, 2024.

Based on the analysis of the latest events, some experts have already announced the forthcoming end of a pan-European *Willkommenkultur*.

In conclusion, the ongoing processes in Poland are of vital importance for Ukraine, facing the threat of losing its citizens and, thus, its future. Therefore, it is imperative, without further delay, to develop a national state policy of repatriation of our refugees.

## References:

- Taylor, G. (2006). Migrants and refugees. In I. Papadopoulos (Ed.), *Transcultural health and social care: Development of culturally competent practitioners* (pp. 45–64), Elsevier Health Sciences (Churchill Livingstone). [https://books.google.com.ua/books?id=sipVCwAAQBAJ&dq=Refugees+vs+migrants&lr=&hl=uk&source=gbs\\_navlinks\\_s](https://books.google.com.ua/books?id=sipVCwAAQBAJ&dq=Refugees+vs+migrants&lr=&hl=uk&source=gbs_navlinks_s)
- Brettell, C. B., & Hollifield, J. F. (2007). *Migration theory: Talking across disciplines* (2nd ed.). Routledge. <https://doi.org/10.4324/9780203950449>
- Hooghe, L., & Marks, G. (2019). Grand theories of European integration in the twenty-first century. *Journal of European Public Policy*, 26(8), 1113–1133. <https://www.tandfonline.com/doi/full/10.1080/13501763.2019.1569711>
- Betts, A. (2018, December). The global compact on refugees: Towards a theory of change? *International Journal of Refugee Law*, 30(4), 623–626. <https://doi.org/10.1093/ijrl/eey056>
- Hynie, M. (2018). Refugee integration: Research and policy. *Peace and Conflict: Journal of Peace Psychology*, 24(3), 265–276. <https://doi.org/10.1037/pac0000326>
- Dobson, S., Agrusti, G., & Pinto, M. (2021). Supporting the inclusion of refugees: policies, theories and actions. *International Journal of Inclusive Education*, 25(1), 1–6. <https://doi.org/10.1080/13603116.2019.1678804>
- Braithwaite, A., Salehyan, I., & Savun, B. (2019). Refugees, forced migration, and conflict: Introduction to the special issue. *Journal of Peace Research*, 56(1), 5–11. <https://doi.org/10.1177/0022343318814128>
- Maystadt, J. F., & Verwimp, P. (2014, July). Winners and losers among a refugee-hosting population. *Economic Development and Cultural Change*, 62(4), 769–809. <https://www.journals.uchicago.edu/doi/abs/10.1086/676458>
- Alix-Garcia, J., Walker, S., Bartlett, A., Onder, H., & Sanghi, A. (2018, January). Do refugee camps help or hurt hosts? The case of Kakuma, Kenya. *Journal of Development Economics*, 130, 66–83. <https://doi.org/10.1016/j.jdevec.2017.09.005>
- Verme, P., & Schuettler, K. (2019). *The impact of forced displacement on host communities: A review of the empirical literature in economics* (Policy Research Working Paper No. 8727). World Bank Group. <http://documents.worldbank.org/curated/en/654811549389186755>
- Bird, N., & Noumon, N. (2022, December 15). Europe could do even more to support Ukrainian refugees. *IMF Blog*. Retrieved March 4, 2023, from <https://www.imf.org/en/Blogs/Articles/2022/12/15/europe-could-do-even-more-to-support-ukrainian-refugees>
- Sobczak-Szelc, K., Pachocka, M., Pędziwiatr, K., Szałańska, J., & Szulecka, M. (2022). Poland's position on the map of forced mobility in the European context. In K. Sobczak-Szelc, M. Pachocka, K. Pędziwiatr, J. Szałańska, J., & M. Szulecka, *From reception to integration of asylum seekers and refugees in Poland* (pp. 20–40), Routledge. <https://doi.org/10.4324/9781003196327-2>
- Kapinus, O., Pylypchenko, O., Kobets, Yu., Kiselyova, E., & Turenko, V. (2023). Migration problems on the European continent related to the war in Ukraine. *Review of Economics and Finance*, 21(1), 962–970. <https://doi.org/10.55365/1923.x2023.21.106>
- Ociepa-Kicińska, E., & Gorzałczyńska-Koczkodaj, M. (2022). Forms of aid provided to refugees of the 2022 Russia–Ukraine war: The case of Poland. *International Journal of Environmental Research and Public Health*, 19(12), 7085. <https://doi.org/10.3390/ijerph19127085>
- Dimitrov, A., & Pavlov, V. (2023). Economic challenges to Ukrainian refugee integration in Central and Eastern Europe. *Journal of Liberty and International Affairs*, 9(3), 98–118. <https://doi.org/10.47305/JLIA2393089d>
- Górny, A., & van der Zwan, R. (2024). Mobility and labor market trajectories of Ukrainian migrants to

- Poland in the context of the 2014 Russian invasion of Ukraine. *European Societies*, 26(2), 438–468. <https://doi.org/10.1080/14616696.2023.2298425>
17. Błaszczak, M., Dolińska, K., Makaro, J., & Pluta, J. (2024). Governance agility in reception of war refugees from Ukraine: The case of Wrocław, Poland. *Social Policy & Administration*, 58(1), 189–204. <https://doi.org/10.1111/spol.12958>
  18. Antezza, A., Bushnell, K., Dyussimbinov, Y., Frank, A., Frank, P., Franz, L., Kharitonov, I., Kumar, B., Rebinskaya, E., Trebesch, C., Schramm, S., Weiser, L., & Schade, C. (2024). *Ukraine support tracker data* [Data set]. Kiel Institute for the World economy. Retrieved August, 2024, from <https://www.ifw-kiel.de/publications/ukraine-support-tracker-data-20758/>
  19. UNHCR. (2024). *Ukraine situation: UNHCR's 2024 plans and financial requirements*. UNHCR Regional Bureau for Europe. <https://data.unhcr.org/en/documents/details/106081>
  20. European Parliament and Council of EU. (2021). *Regulation (EU) 2021/1147 of the European Parliament and of the Council of 7 July 2021 establishing the Asylum, Migration and Integration Fund*. European Union, European Parliament and Council. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32021R1147>
  21. *Amendment to the law on assistance to Ukrainian citizens in connection with the armed conflict on the territory of the country*. (2022, March 28). gov.pl, Office for Foreigners. <https://www.gov.pl/web/udsc-en/the-law-on-assistance-to-ukrainian-citizens-in-connection-with-the-armed-conflict-on-the-territory-of-the-country-has-entered-into-force>
  22. *Population of foreigners in Poland at the time of COVID-19*. (2020). Główny Urząd Statystyczny <https://stat.gov.pl/statystyki-eksperymentalne/kapital-ludzki/populacja-cudzoziemcow-w-polsce-w-czasie-covid-19,12,1.html>
  23. OECD. (2022, July 27). *The potential contribution of Ukrainian refugees to the labour force in European host countries: OECD policy responses on the impacts of the war in Ukraine*. Paris: OECD Publishing.
  24. UNHCR. (2024, January 26). *Regional refugee response for the Ukraine situation 2024: Poland Chapter* [EN/PL]. <https://reliefweb.int/report/poland/regional-refugee-response-ukraine-situation-2024-poland-chapter-enpl>
  25. Demchuk, K., & Krayevska, O. (2023). The transformation of Polish-Ukrainian relations in the context of migration policy implementation. *Studies in European Affairs/Studia Europejskie*, 27(4). <https://www.ceeol.com/search/article-detail?id=1214930>
  26. Bógel, G., Brzozowski, J., Czerna-Shaw, K., Mátyás, L., & Tausz, K. (2024). Refugees: Economic costs and eventual benefits. In *Central and Eastern European Economies and the War in Ukraine: Between a Rock and a Hard Place* (pp. 241–291). Cham: Springer Nature Switzerland.
  27. Baszczak, Ł., Kielczewska, A., Kukołowicz, P., Winczewicz, A., & Zyzik, R. (2022, July). *How Polish society has been helping refugees from Ukraine*. Warsaw: Polish Economic Institute.
  28. European Parliament and Council of EU. (2021). *Council Directive 2001/55/EC of 20 July 2001 on minimum standards for giving temporary protection in the event of a mass influx of displaced persons and on measures promoting a balance of efforts between Member States in receiving such persons and bearing the consequences thereof*. European Union, European Parliament and Council. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32001L0055&qid=1648223587338>
  29. UNHCR. (2024, March). *Poland: Analysis of the impact of refugees from Ukraine on the economy of Poland*. Deloitte, UNHCR Regional Bureau for Europe. <https://data.unhcr.org/en/documents/details/106993>
  30. Taylor, E. J., Filipskib, M. J., Allousha, M., Gupta, A., Rojas Valdesa, R. I., & Gonzalez-Estradac, E. (2016, July 5). Economic impact of refugees. *PNAS*, 113(27), 7449–7453.
  31. Atamanov, A., Hoogeveen, J., & Reese, B. (2024). *The costs come before the benefits: Why donors should invest more in refugee autonomy in Uganda* [Policy Research Working Paper No. 10679]. World Bank. <https://openknowledge.worldbank.org/handle/10986/40974>
  32. Alix-Garcia, J., & Saah, D. (2010). The effect of refugee inflows on host communities: Evidence from Tanzania. *The World Bank Economic Review*, 24(1), 148–170. <https://academic.oup.com/wber/article/24/1/148/1734945>
  33. Tumen, S. (2016, May). The economic impact of Syrian refugees on host countries: Quasi-experimental evidence from Turkey. *American Economic Review*, 106(5), 456–460. <https://doi.org/10.1257/aer.p20161065>
  34. Engler, P., MacDonald, M., Piazza, R., & Sher, G. (2023, December). *The macroeconomic effects of large immigration waves* (IMF Working Paper WP/23/259). <https://doi.org/10.5089/9798400261794.001>
  35. *About Ukraine 24/7: Service portal*. (n.d.). VisitUkraine.Today. <https://visitukraine.today/?srsltid=AfmBOoqLR916wlnHD6-YTCijdzFOQGvpus4D-PiSbUH8SkLxTEGNLly2H>
  36. *Ukrainians contribute more to the European budget than some countries spend on their support: Details in figures*. (2024, September 12). VisitUkraine.Today. <https://visitukraine.today/blog/1543/ukrainian-refugees-support-the-european-economy-what-are-the-implica->

- tions-for-ukraine#how-exactly-do-ukrainians-support-the-eu-economy
37. Kroupová, E., & Andrlé, J. (2024, April 10). *Ukrainian refugees already contribute more money to the state than they receive in support*. People in Need. <https://www.peopleinneed.net/ukrainian-refugees-already-contribute-more-money-to-the-state-than-they-receive-in-support-11360gp>
38. Urban, M. (2022, May 12). *Refugees will lift economy's potential, but challenges remain* (Research Briefing: Poland). Oxford Economics. <https://www.oxfordeconomics.com/wp-content/uploads/2022/05/Poland-Refugees-will-lift-economy-potential-but-challenges-remain.pdf>
39. Tucha, O., Spivak, I., Bondarenko, O., & Poharska, O. (2022, December). *Vplyv ukraïnskykh mihrantiv na ekonomiky krain-retsypiientiv* [The impact of Ukrainian migrants on the economies of recipient countries]. National Bank of Ukraine. [https://bank.gov.ua/admin\\_uploads/article/Migration\\_impact\\_2022-12-15.pdf?v=4](https://bank.gov.ua/admin_uploads/article/Migration_impact_2022-12-15.pdf?v=4)

Скороход А. А.

### Економіка та політика надання українським біженцям війни притулку в Польщі

Після повномасштабного вторгнення Росії в Україну Європейський Союз ініціював Директиву про тимчасовий захист, забезпечуючи біженців війни негайним доступом до основних прав у всіх державах-членах. Відповідно до Директиви Польща внесла зміни до національного законодавства та надала нашим біженцям притулок і негайний доступ до місцевого ринку праці. Відтоді протягом майже трьох років у Польщі перебуває близько мільйона українських біженців (переважно жінок і дітей). Відповідно до статті 4 Директиви тривалість тимчасового захисту не може перевищувати трьох років. Це означає, що дія чинного режиму буде припинена 4 березня 2025 року.

З метою створення бази для прогнозування подальшої еволюції українсько-польських відносин загалом, і у сфері проблеми біженців зокрема, ця стаття сфокусована на аналізі витрат і виграшу від прийому біженців у Польщі. З урахуванням поставленої мети дослідження ґрунтується на міждисциплінарному підході, що поєднує аналіз законодавчої бази та збір даних із політичним та економічним аналізом. Стаття структурована таким чином: після короткого огляду останніх публікацій з теоретичних аспектів проблеми біженців та практичних питань розміщення українських біженців у Польщі досліджується правовий режим перебування наших громадян у Польщі. У наступному розділі подано характеристику українських біженців війни, що передуює аналізу витрат польської влади на надання притулку. Останній розділ пропонує аналіз витрат і виграшу від прийому біженців (мігрантів) у різних країнах. Насамкінець, автор згадує зміни в ставленні Польщі до українських біженців на третьому році війни й наголошує на необхідності терміново розробити державну політику репатріації українських біженців, оскільки Україна ризикує втратити своїх громадян і, відповідно, своє майбутнє.

**Ключові слова:** Україна, Польща, біженці війни, аналіз витрат і вигод, Директива про тимчасовий захист, ринок праці