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THE ROLE OF FINANCIAL INCENTIVES IN MIGRATION POLICY AND ITS IMPACT ON THE ECONOMY IN A MARTYR STATE

KRUHLIAKOVA Vira

*PhD in Economics, Associate Professor,
Associate Professor of the department of Financial Management
Ivan Franko National University of Lviv
ORCID ID: <https://orcid.org/0000-0002-0688-8704>*

DUBYK Viktoriia

*PhD in Economics, Associate Professor,
Associate Professor of the department of Financial Management
Ivan Franko National University of Lviv
ORCID ID: <https://orcid.org/0000-0002-3475-4156>*

BILAS Diana

*Student of Bachelor's degree,
Ivan Franko National University of Lviv
ORCID ID: <https://orcid.org/0009-0005-3462-1133>*

Abstract. *Through the calculation of migration balance indicators and graphical structuring of Ukrainian refugees by gender and age categories, the article demonstrates the problem of labour outflow under martial law. Based on the GAP-analysis of the Strategy of the State Migration Policy of Ukraine, the article offers recommendations to prevent the aggravation of the demographic crisis. Carried out in the article the SWOT-analysis of the Human Development Strategy helps to identify recommendations for retaining human capital within the State. The article analyses the financial incentives that influence changes in the size of migration flow in Ukraine and contains recommendations for solving the problem of migration imbalance and outflow of human capital during and after the martial law.*

Keywords: *migration policy, human capital, financial incentives, State Migration Policy Strategy of Ukraine, Human Development Strategy, GAP analysis, SWOT analysis.*

As a result of the full-scale invasion of russia into Ukraine, the problem of a large outflow of labor and the loss of human capital is becoming more urgent. A significant reduction in the number of citizens, low birth rates, an increased rate of population aging and the risks posed by martial law entail a number of disadvantages for the demographic and financial well-being of the state. The total number of soldiers killed since the beginning of the full-scale russian invasion is more than 60,435. The number of civilian deaths, according to confirmed UN estimates, reached 12,456 people as of early 2025. As of the end of November 2024, more than 5,200,000 Ukrainian refugees remain abroad. There is a need of urgent reforms and modern changes that can prevent the active outflow of human capital and prevent the realization of a possible imbalance in the economy and demography of the country.

The **purpose** of the article is to study the financial incentives for the maintenance of human capital in the conditions of martial law in the context of migration policy.

The research **methods** used to reveal the topic of the work are: scientific modeling, comparative method, deductive and empirical methods, abstraction method, systematization and generalization of theoretical propositions, GAP analysis, SWOT analysis.

The scientific novelty of the study consists in the development of practical recommendations for substantiating prospective ways of human capital development, taking into account current military challenges.

As a **result** of the GAP and SWOT analysis, it was possible to study the goals of the Strategy of the State Migration Policy of Ukraine, the Strategy of Human Development, as well as financial incentives for retaining human capital in the state.

The GAP analysis of the Strategy of the State Migration Policy of Ukraine for the period until 2025 helped to identify measures to improve the policy objectives, which include: developing an improved electronic support system; facilitating the immigration of Ukrainians after a period of legal employment abroad; implementing accelerated adaptation of potential labor force into society; increasing the efficiency of training specialists to provide effective assistance to representatives of foreign nationalities. The analysis made it possible to assess the prospects of Ukraine's migration policy and to compare them with the desired achievements. There are characteristic differences between the desired and actual potential results, however, with effective editing of the goals in accordance with the nuances of the martial law, the implementation of the Strategy can be considered effective.

Due to the SWOT analysis of the Human Development Strategy, it was possible to establish the level of opportunities and threats in relation to the human capital development proposals. Thus, there is a reason to believe that the strengths of the Strategy's goals are its focus on topics important for the social condition of the state. These include issues of inclusion, patriotism, medical care, financial support for citizens, education, culture, sports, gender equality, employment of the population. The Strategy provides a number of opportunities related to raising awareness and developing socially important areas of activity. The weaknesses of the strategic goals are their insufficient detailing in accordance with the deadlines for implementation, as well as their inability to meet the challenges of martial law. Threats to the Strategy are the lack of ensuring its prompt implementation and the existence of possible risks for the social and economic state of society related to the lack of appropriate prioritization of the defined tasks to the needs of citizens during the war. The Strategy can be considered effective if it is implemented efficiently and achieves its operational and strategic goals.

To overcome the current problem of human capital outflow, the Government should focus on social support for the population. Examples of such a solution include development of specialized loan programs for entrepreneurs; providing free consultations concerning financial themes for business; creating favorable conditions for startups. These actions will preserve the labor market, help attract human capital, prevent a migration crisis and ensure a stable demographic situation in Ukraine during and after the war.

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