

## **Digital Economy and Employment**

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**Abstract:** The article discusses the place of the digital economy in the formation of new types of specialization, as well as new jobs.

**Keywords:** digital economy, unemployment, labor force, information and communication system (ICT), digital services.

## INTRODUCTION.

Technological progress and globalization processes naturally contribute to the emergence of new forms of labor force use, such as contingent working, that is, non-permanent employment [1]. By this we mean such forms of labor that make the basic principle of personnel policy a diverse and very flexible deployment of the workforce. Already, the structures of labor collectives of some companies are formed in the form of three concentric circles.

Local institutions are also forced to adapt to globalization processes; many countries have partially liberalized their labor laws, which in turn have a direct impact on the functioning of the labor market. Globalization and information technologies increase the level of competition, on the one hand, on the other hand, they enhance the competitive advantages of individuals with a good education, a high level of professionalism, talent, responsibility and willingness to solve non-standard tasks.

The carriers of human capital received a new level of freedom and opportunities for selfrealization, and employers received access to the intellectual resources of the whole world. The digital labor market contributes to the formation of innovative employment. As a result of structural changes in the economy, the share of traditional industry, which formed the demand for standard employment, is decreasing. There is a growing service sector operating under conditions of flexible working hours, with longer or shorter working hours than provided for by current legislation.

Labor shortages in rapidly aging economies will create an urgent need for automation and increased productivity. The role of women in the economy is growing and childhood patterns are changing, which defines a new social landscape. In modern psychology and pedagogy, there is a trend towards a transition from the perception of childhood as a period of formation, preparation for "real adult life" to the perception of this period of life as an intrinsic value, having significance "here and now"[2]. As a result of demographic trends, 40 million people are replenished annually in the labor market, which means that in the period up to 2030. more than 600 million new jobs will need to be created in the global economy.

These jobs are more likely than ever to be created in the service sector, which today accounts for about 49% of all employed persons in the world, compared to 29% in agriculture and 22% in

industry. These workers will have to financially support an increasing number of older people, with the share of the world population over 65 years of age increasing from 8% now to 14% by 2040. **[3].** There is a growing need for greater mobility of labor resources, which leads to the strengthening of the role of a fixed-term employment contract. It is globalization and the reduction of the ability of the global economy to create a sufficient number of new jobs. Researchers call the main reason for the emergence of non-standard in the organization of employment **[4].** For example, the 2013 World Bank Report shows that the total annual rates of job creation range from 10% to 18%, and the elimination - from 10% to 15% **[5].** 

The ILO report "Working for a better future" emphasizes that during the transition period, the least prepared older people will be at risk of losing their jobs.

Almost 50% of companies predict that by 2022. automation will reduce the number of full-time workers.

Trend	The emergence of new work places	Transformation work places	Disappearance of workers places
Digitalization	high	high	average
Automation	short	high	high
Globalization	average	average	average
technologies	high	average	average
Greening	average	average	short
network	high	short	Influences almost

 Table 1. Likely degree of impact of trends on the creation, transformation or disappearance of jobs

There is a migration of factors of production in general. In the process of globalization, the chain of value added creation is broken, and creation is distributed all over the world. The global merging of markets leads to increased competition for labor and wages. The transition to a new post-industrial society, a knowledge economy, a global world, informatization has led to the emergence and growth of atypical employment models characterized by such features as autonomization, de-standardization, virtualization of labor relations, a decrease in the share of physical labor and an increase in the role of services.

Today, atypical forms of employment cover the mass strata of workers. Engaging casual workers allows organizations to save on office space and support staff, reduce absenteeism and increase efficiency, and significantly expand the scope of the search for new employees, allowing you to attract specialists from anywhere in the world.

Today, the COVID-19 pandemic has added to the above factors, which contributed to the spread of remote employment, incl. part-time remote employment. Taking into account the above trends, the economy of the future is expected to undergo significant changes, involving an increase in tension, as well as the emergence of both fundamentally new and stagnant segments of the economy.

The digital labor market is characterized by a high level of flexibility, which is associated with an almost unlimited level of labor mobility. At the same time, the main feature of the mobility of this segment of the labor market is its virtuality. That is, the movement of labor occurs without its physical movement from one point of the world to another. Specialists single out the formation of a new type of mobility - digital, which occurs without the physical movement of the workforce, which to a large extent allows the employer to reduce the cost of maintaining it.

Globalization and information technologies increase the level of competition, on the one hand, on the other hand, they enhance the competitive advantages of individuals with a quality education, a high level of professionalism, talent, responsibility and willingness to solve nonstandard tasks. In the digital labor market, intellectual work is becoming the most in demand, which is associated with the specifics of the services provided. The carriers of human capital received a new level of freedom and opportunities for self-realization, and employers received access to the intellectual resources of the whole world. The digital labor market contributes to the formation of innovative employment.

The carriers of innovative human capital are individuals who constantly improve their knowledge, professional skills and use them to produce innovations in any field of activity using ICT. The digital space is being actively developed, first of all, by economically active youth. Data from a report by the US Bureau of Labor Statistics show that the demographic structure of those employed in the digital segment is dominated by those aged 16 to 35, they make up 50% of the total number of employed in this segment.

The main customers of labor services in the virtual labor market are innovative global companies and young fast-growing companies. The digital labor market is characterized by a high level of dynamism. There are four models of labor market dynamics depending on the ratio of factors: the intensity of labor force recovery (high, low "[7].) and the intensity of job recovery (high, low): • a model with high labor turnover, when the labor market demonstrates the ability to the rapid renewal of the structure of jobs.

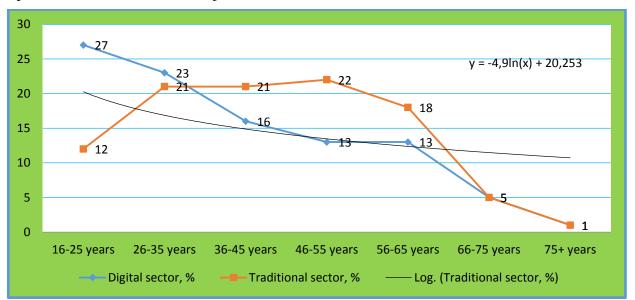


Fig.1. The age structure of employed in the US in the digital sector, compared with the traditional sphere. [6]

Models correspond where the innovative human capital is concentrated, which is engaged in the production of innovations, research and scientific development. Labor services in this market segment are characterized by a high level of intelligence, and the result depends on the individual's ability to innovate, work with dynamic information flows, and make non-standard decisions.

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