



Digital Labour Opportunities and (Im)mobility

Steps for Making Digital Remote Work a Global Possibility

Charles Martin-Shields

Summary

This policy brief offers advice for making digital remote work a viable solution to fill labour gaps without requiring workers to physically relocate.

From a technology standpoint, there is no reason someone who does computer-based work must physically relocate, assuming they have the required job skills and internet connectivity. The increased use of bilateral labour agreements (BLAs) between countries is evidence that there are major skills gaps and global competition for labour. Indeed, a BLA can serve as a “policy sandbox” where governments negotiate the legal and statutory terms of digital remote work. Digital remote work can be an especially useful solution when the country providing labour has a large pool of people who are willing to work and fill labour pool gaps in countries of employment, but for different legal or personal reasons cannot relocate across borders.

This latter point is no small thing: there is a significant body of migration research showing that the majority of people are not interested in moving across borders – or in the case of many refugees are unable to do so. The reasons for this are myriad. Digital labour *could* be a workaround to meet basic labour demand and facilitate economic inclusion. The word “could” is critical because banking, social and health insurance, and taxation, all of which are components of legal employment, remain bordered.

This policy brief will focus on a specific case from research on urban refugee livelihoods where the worker was able to work digitally in the U.S. from Malaysia, while being subject to social security, taxation and insurance in the U.S. The idiosyncrasies in

this case help point to spaces for reforming social security, tax and insurance rules to reduce their “bordered-ness” and make digital work more systematically viable.

Key policy messages:

- To make digital remote work viable at scale, development cooperation agencies should play a key facilitator role, linking relevant authorities in the tax, social insurance and banking regulation sectors. This is especially important for refugees, who often cannot move and who fall outside the protection of host country labour laws. These reforms could, for example, be built into BLAs.
- Achieving inclusive economic development goals via digital employment would require that remote workers earned competitive salaries. Thus, there would need to be buy-in from the private sector regarding wage competitiveness for workers in different countries, as well as a role for unions and civil society in negotiating digital remote work policy.
- While digital work can enable greater economic and labour participation for workers who cannot relocate for jobs, there are still sectors that require physical presence. Thus, digital remote work is not a replacement for immigration policy that facilitates safe and flexible migration for those people who do have to move.

Introduction

Digitalisation is reshaping how and where many workers are doing their jobs. While remote work had been a possibility for many workers prior to 2020, the COVID pandemic forced workers, employers and governments to make remote work viable at scale. For migration and refugee policy, the possibilities for working remotely, potentially across borders, would help solve a variety of problems related to immigration policy, labour demand and economic development (Meier, 2026). Indeed, technological advancements throughout history have ushered in changes to the nature of work, including mass urbanisation, the structure of physical presence in work places, and the political labour movement (Martin-Shields, 2024).

From a purely technological perspective today, there is no reason that, in sectors that operate largely on computers, work could not be done almost entirely remotely. This makes the idea of digital remote work interesting in discussions of labour migration policy and refugee employment. For people who are not willing or able to move but have qualifications and skills, as many refugees do, digital remote work could be a way to meet global labour demand and offer employment opportunities beyond the physical space of residence.

As a starting point, I will focus on three key policy areas that would require legal and regulatory cooperation to fully realise global digital remote work opportunities: banking, taxation and insurance. For banking, know your customer (KYC) and countering terrorist financing (CTF) rules require financial institutions to validate a customer's identity using documentation set by regulators, for example ID cards and passports; banks also require customers to have local addresses and contact details. Social, health and workplace insurance is the second area. Employers often provide contributions to social insurance systems in their country of incorporation. A system of legal recognition and distribution of these benefits in digital remote work scenarios has to be in place in the country of employment *and* the worker's

country of residence. Finally, taxation: in which country is a remotely hired employee taxed, and how is that revenue shared?

Given the range of benefits for actors ranging from migrants and refugees through to the private sector and governments aiming to fill jobs, how do we make digital remote work practically possible? As an empirical thought experiment, I use an example of an IT expert from Pakistan who has settled with his family as a refugee in Malaysia. The idiosyncrasies of his experience point to the legal and regulatory areas where greater cooperation and coordination are needed to make digital labour more systematically viable at a global level.

To close, this policy brief will offer specific policy advice on the legal and regulatory issues that would need to be resolved to make digital remote work function and on the role that development cooperation can play in supporting coordination between national partner agencies and achieving those legal and regulatory changes.

Technological considerations for digital remote work

Technological factors are perhaps the easiest part of digital remote work to address, although there are still challenges that have to be resolved. For jobs that are digitally mediated and are amenable to international hiring, a stable internet connection, VPN and access to co-working tools such as *Slack* or *Microsoft Teams* are a solid starting point for doing most work-related tasks. Globally, these technologies are readily available, though internet connectivity can vary from region to region and requires continued government and private sector investment – supporting these investments is a space where development cooperation can make first steps as a coordinating actor in the digital remote work space. Many development agencies already have digitalisation initiatives and projects, so this is potentially an easier entry point. With the technical infrastructure in place, the next question is how to identify which jobs are amenable from a

content and social perspective to a global labour market.

In fields such as software engineering, IT, non-lab-based research and development, and communications, work can be done entirely remotely and may not require specialised local knowledge. Some jobs in the medical, engineering and defence industries could be done remotely, but privacy and data security and a knowledge of national laws may raise some barriers to global remote work. Finally, jobs in many fields such as human resources are largely done on computers but do not lend themselves well to digital remote work – they often require not only internet connectivity, but also country- and even municipality-specific knowledge of workplace rules and regulations that are unlikely to be found internationally. In cases where sector-specific knowledge is required, employers can decide whether an international search makes sense.

There are cases of this already working in practice, for example within the EU. Can we take this a step further and apply it globally as a means of growing labour markets for people who would rather not move or, in the case of many refugees, cannot do so?

Regulatory and legal hurdles for migrants and refugees working across borders

The demand for labour and the availability of workers is not always geographically aligned. This is notably the case in fields such as nursing, home care and construction, all of which require someone to be physically present. Thus, from the start, we have to accept that international migration is a necessary part of maintaining a workforce. For work that can be done digitally, however, creating the conditions for international digital remote work can be a complementary pathway and can open up employment opportunities for the many people around the world who would not be willing or able to move.

Indeed, economic inclusion for those who cannot move is a key challenge that digital remote work can help address. Take the example of refugees: digital remote work is one avenue for refugees to pursue economic self-reliance, especially in situations where they cannot work in their host country. There have been efforts by NGOs and private sector actors to make digital working possible in refugee settings, often in the form of image tagging and very basic software training tasks. Firms such as Sama started doing this in refugee camps, for example in Dadaab, Kenya (Bates, 2010), as well as for urban refugees, but the sustainability of this model is limited since refugees in Kenya, as in many countries, are not legally integrated into the national workforce.

Thus, the question becomes: what would need to happen in law and regulation for digital remote workers to be able to access full employment across borders? This includes fair work contracts, the legal right to join unions in either the country of employment or residence, access to social and health insurance, retirement benefits and tax contributions. The problems that quickly arise are not technological, but are instead driven by legal, regulatory and social practices made for a world where physical presence and borders define access to jobs and employment.

Digital remote work in the life of a refugee: an example of success

I will use the example of a Pakistani refugee living in Kuala Lumpur, Muhammad (pseudonym), who described his work situation to me while I was doing research on digitalisation and refugee inclusion in Malaysia (from Martin-Shields & Munir-Asen 2024, p. 83).

Muhammad is a perfect example of how digital remote work can make it possible to have a livelihood in one country while living as a refugee in another country. The first reason that Muhammad's situation worked is that while Malaysia does not officially recognise refugees, it does allow UNHCR, the UN Refugee Agency, to provide registration and protection services within

its borders. There is stable internet and reliable computing infrastructure. The second key factor is that Muhammad had a bachelor's and a master's degree in computer science from a large public university in the United States, so he already worked in a sector that is amenable to remote work.

During his master's degree, he set up a business-to-business e-commerce company incorporated in the U.S. state where he studied. He could do this because his physical presence in the U.S. during his studies enabled him to obtain a Social Security number (the U.S. tax and social insurance identification number) and set up a bank account using his U.S. address. Even without a residence permit, the Social Security number is a lifetime identifier, and the bank account can be operated remotely. His business can also be run remotely since it is an e-commerce entity and does not require Muhammad's physical presence to operate.

When he was forced to seek asylum in Malaysia and apply for a new U.S. visa for himself and his family, his business was already established so he could continue having a work and financial life remotely. If he had not already been a U.S. resident, he could not have established a Social Security number, incorporated a business or set up a bank account remotely even if he had all the skills to do the work he was doing. His educational qualifications would not have been automatically recognised either. However, his example points to ways that regulatory and legal change could make his idiosyncratic experience more generalisable to workers who are not able to move across borders.

Turning idiosyncratic success into systematic reality

The foundational elements are making tax identification, an address and social insurance remotely available. In Muhammad's case, he set all this up during his time as a student in the U.S. Had he not had these already, there would have been no way for him to set them up from either Pakistan or from Malaysia. Since tax identification, a local address,

insurance and a local bank account are foundational elements of employment, bilateral labour agreements (BLAs) can serve as a policy sandbox for establishing mechanisms for cross-border tax, social insurance and banking activities.

In many countries, it is not possible to apply for a tax identification number without already having residence in the country. In Germany, for example, a tax ID number (TIN) can only be requested *after* an immigrant has registered their address with the municipality where they live. Establishing a bank account also requires an address and often an in-person identification process such as *Postident*. For digital remote work to be viable at scale for people who cannot move across borders, there would need to be bilateral agreements for remotely acquiring the equivalent of a TIN and opening a bank account in the country of employment. Social and health insurance is another area where BLAs would be necessary. In the case of Muhammad, his U.S. Social Security contributions were automatically collected as tax on the income he earned through his e-commerce business. For digital remote workers, where and how tax is paid and how social insurance contributions are invested would need to be governed by bilateral or regional agreements between countries.

Something else that is important to note about Muhammad's experience is that he is the business owner, not an employee of a firm in a different country. Employees face a different set of social and professional pressures, so policy-makers have to consider the negative aspects of working remotely. One key issue among many is bias in hiring and promotion, as well as the risk of feeling dislocated from the social aspects of work. It is likely to be harder for workers who are not physically present to build the social networks and rapport with supervisors that is often part of career advancement. For development cooperation actors and civil society organisations, one remedy for this is finding ways to ensure that digital remote workers can access union membership in their country of employment.

Making remote digital working work: recommendations for policy-makers

There are real possibilities for making digital remote work globally possible, especially with regard to international labour mobility and employment of refugees beyond host countries. Sets of recommendations for policies that affect individuals and policies that affect employers are provided below. Given the complexity underlying these recommendations, it is important to note that no single government ministry or agency can address the topic of digital remote work on its own. It will take a whole-of-government approach and BLAs can serve as a vehicle for creating digital remote work policies. None of these reforms would be easy and they would require a willingness to engage in relatively bold policy-making.

Development cooperation agencies and ministries can play a unique and important role in these processes as a facilitator. In many cases, tax, employment, insurance and regulatory authorities cooperate across borders in siloed ways. Some actors who need to be involved in digital remote work policy, such as municipal authorities, may have no experience working with international partners. Development cooperation covers a wide variety of sectors; this generalist capacity can smooth government-to-government coordination and help actors such as municipalities navigate cross-border issues on which they may lack in-house expertise.

Policy recommendations affecting employees:

- Governments involved in negotiations to establish conditions for digital remote work have to agree on processes for employees to register addresses, apply for tax ID numbers, have

qualifications recognised and be involved in social insurance schemes. There also have to be clear rules about who is included in remote work – refugees in particular often fall through legal gaps.

- Banking regulators would need to agree on processes for remotely handling KYC and CTF identification checks. This could be managed as an in-person process in the country of residence where a trusted party checks approved ID, similar to the *Postident* process in Germany.
- Development cooperation agencies can serve as the technical intermediary in a larger BLA process, leveraging their knowledge and experience to help regulators, ministries and civil society actors such as labour unions on both sides of a BLA negotiation understand each other and find solutions to conflicting domestic regulatory and political interests.

Policy recommendations affecting employers:

- Tax ID numbers and social insurance are often the responsibility of individuals to obtain, and employers can play a key role in providing quasi-physical presence. For a purely remote worker, an employer can provide a local address for banking and registration purposes.
- Governments would need to be willing to set rules regarding remuneration to ensure that the globalisation of employment markets through digital remote work does not lead to firms simply engaging in wage arbitrage or wage suppression in their country of incorporation.
- For governments of countries where workers reside, taxation of income earned abroad is an issue that would need to be resolved as part of a BLA so that countries of residence also generate revenue through greater employment.

References

Bates, T. (2010). Why outsourced tech jobs are saving refugees in Kenya. *Fast Company*. <https://www.fastcompany.com/1550882/why-outsourced-tech-jobs-are-saving-refugees-kenya>

Martin-Shields, C. (2024). *Urban refugees and digital technology: Reshaping social, political, and economic networks*. McGill-Queens University Press.

Martin-Shields, C., & Munir-Asen, K. (2024). Do information communication technologies (ICTs) support self-reliance among urban refugees? Evidence from Kuala Lumpur and Penang, Malaysia. *International Migration Review*, 58(1), 69-93.

Meier, A. (2026). *Algorithmic migration: How digitalisation and artificial intelligence are reshaping global mobility* (SWP Comment 2026/C 11). German Institute for International and Security Affairs (SWP): <https://doi.org/10.18449/2026C11>

Dr Charles Martin-Shields is a Senior Researcher in the Transformation of Political (Dis)Order department at the German Institute of Development and Sustainability (IDOS) in Bonn.

Email: charles.martin-shields@idos-research.de

The German Institute of Development and Sustainability (IDOS) is institutionally financed by the BMZ, based on a resolution of the German Bundestag, and the state of North Rhine-Westphalia (NRW) as a member of the Johannes-Rau-Forschungsgemeinschaft (JRF).

Suggested citation:

Martin-Shields, C. (2026). *Digital labour opportunities and (im)mobility: Steps for making digital remote work a global possibility* (IDOS Policy Brief 13/2026). IDOS. <https://doi.org/10.23661/ipb13.2026>

Disclaimer:

The analyses expressed in this paper are those of the author(s) and do not necessarily reflect the views or policies of the German Institute of Development and Sustainability (IDOS).



Except otherwise noted, this publication is licensed under Creative Commons Attribution (CC BY 4.0). You are free to copy, communicate and adapt this work, as long as you attribute the German Institute of Development and Sustainability (IDOS) gGmbH and the author(s).

IDOS Policy Brief / German Institute of Development and Sustainability (IDOS) gGmbH

ISSN (Print) 2751-4455

ISSN (Online) 2751-4463

DOI: <https://doi.org/10.23661/ipb13.2026>

© German Institute of Development and Sustainability (IDOS) gGmbH

Tulpenfeld 6, 53113 Bonn

Email: publications@idos-research.de

<https://www.idos-research.de>

Printed on eco-friendly, certified paper.

