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## INTERNATIONAL WORK FORCE MIGRATION AND ITS RELEVANCE IN UZBEKISTAN

**Kamilova Nargiza Abdukahorovna**

*II Candidate of Economic Sciences, Associate Professor Samarkand Institute of Economics and Service Republic of Uzbekistan*

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### Abstract

International labor migration has economic consequences for both the exporting country and the importing country. The future economic efficiency gained from labor emigration is considered a positive development for the exporting country. The negative aspect of labor migration is considered to be the outflow of highly qualified specialists from less developed countries, which aggravates the economic situation of the state and slows down its further development. As a result, this leads to further polarization of countries, increasing the gap between developed and developing countries.

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The globalization of the world economy, the integration of the real market of goods, capital and labor are becoming increasingly important today. At the same time, national labor markets deserve special attention, which often lose their closedness, resulting in an increase in the scale and role of labor migration. The growth in the scale of labor migration encourages various countries to pay special attention to the effective regulation of migration flows in order to successfully solve economic and socio-demographic problems [1, p.2].

Labor migration plays an important role in international economic relations: first of all, it helps to reduce the unemployment rate in labor exporting countries and ensures the inflow of foreign currency from the countries of employment. Currently, this sector remains one of the main sources of foreign exchange earnings for some exporting countries.

The main reasons for labor migration are: the difference in wages around the world, the differentiation of the economic situation of countries, the search for decent employment opportunities. For example, the average income in developed countries is more than 70 times higher than in low-income countries, which is an activating factor for labor migration.

Labor immigration is also being accelerated by demographic shifts, as high-income countries face an aging population, while many low-income countries experience a growing young workforce.

According to the ILO, there were about 164 million migrant workers in the world in 2018, out of an estimated 266 million international migrants. The amount of remittances of labor migrants to countries with low and middle income reaches 529 billion dollars, which in total exceeds the inflow of foreign

direct investment in these countries [2, pp. 229-230].

Prior to the global pandemic period, India was the largest recipient of remittances in the world at \$80 billion, followed by China, the Philippines, Mexico and Egypt. As a percentage of GDP, the largest recipients of remittances were Tonga, Kyrgyzstan, Tajikistan and Nepal. About 9/10 of all labor income paid to foreign citizens comes from developed countries. The largest sources of labor income are the USA, Germany, Switzerland, Italy, Japan, Belgium and Saudi Arabia. The United States, Saudi Arabia, Russia and Germany are leading in terms of the number of foreign workers [3, p.54].

As a result of scientific and technological progress, there have been qualitative changes in international labor migration, and the share of qualified specialists among labor migrants has increased significantly, especially in the science-intensive sphere, where large companies hired specialists with creative, creative potential. About 70% of highly qualified specialists were sent to four countries: the USA, Canada, Great Britain and Australia.

International labor migration has economic implications for both the exporting country and the importing country. A positive development for the exporting country is considered to be the future economic efficiency obtained from labor emigration. Emigrants often acquire professional skills and certain qualifications abroad, which can serve as a fundamental labor support upon their return to their homeland. Thus, the exporting country will receive enriched labor resources in the future, provided that returning migrants are provided with favorable economic and social conditions for realizing their potential in business and creating new jobs. The negative aspect of labor migration is the outflow of highly qualified specialists from less developed countries, which aggravates the economic situation of the state and slows down its further development. As a result, this leads to further polarization of countries, widening the gap between developed and developing countries.

The countries-recipients of labor migration are considered to be developed countries, where the problem of demographic decline and population aging remains quite acute. Thus, labor migrants play an important role here in providing the labor market with a labor force and in filling the shortage of labor resources of certain specialties in various sectors of the economy (Table 1) [3, p.56].

**Table 1. Possible socio-economic consequences of international labor migration**

<b>Positive</b>	<b>Negative</b>
<b>Labor exporting country</b>	
Easing tensions in the domestic labor market	Loss of skilled labor force, human capital
Acquisition of a new qualification by an employee	Increasing dependence on foreign labor demand
Reducing the balance of payments deficit	Family degradation and adverse impact on the younger generation
Growth in savings and consumption driven by international remittances	Slowdown in structural changes, economic diversification and rising inflation
Facilitation of structural and technological restructuring of production	Reducing the intellectual potential of the country due to the "brain drain"
<b>Labor importing country</b>	
Mitigation of the labor shortage problem and reduction of labor costs	Dumping in the labor market and lower wages for local workers
Increasing the competitiveness of local goods and services by reducing costs	Rising local unemployment and declining skills for less skilled workers
Facilitating Structural Reforms of the Economy	Reducing incentives to introduce new labor-saving technologies
The growth of direct investment due to the presence of cheap labor	Growth of social tension due to the growth of illegal immigration

Save on education costs and improve the quality of the workforce by selecting younger, more skilled workers	Losses of capital associated with the transfer of part of wages by migrants abroad
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The demographic situation in Uzbekistan with its rapidly growing population, with a larger share of young people in the share of the labor force are factors that determine the active participation of the state in the international labor market. At the same time, such distinctive features of the labor force of our country as diligence, a high level of adaptation, impartiality to working and living conditions are a national advantage in the international labor market.

As practice shows, many migrants who have worked abroad are actively involved in entrepreneurial activities upon returning to their homeland. They invest their earnings in the development of production or the provision of services, create new jobs, thereby mitigating the problem of actual unemployment and poverty in the country.

In recent years, a number of legal acts have been adopted in Uzbekistan to regulate and improve migration processes. In particular, the Law "On Private Employment Agencies" and the relevant Government Decree on the procedure for issuing permits to private legal entities to carry out employment activities for citizens in the country and abroad were adopted.

Taking into account the scale and high level of informal employment, its importance in the socio-economic development of the country, the Government Decree introduced the procedure for issuing temporary labor certificates to self-employed citizens, including those temporarily traveling abroad to carry out labor activities, granting their holders the right to record work experience and receive incentive benefits, which will actually increase the number of people employed in the formal sector of the economy. This procedure provides for the voluntary payment of annual insurance contributions to the off-budget Pension Fund in the amount of 4.5 times the base value, work abroad is included in the length of service, as a result of which labor migrants, upon reaching retirement age, can receive a pension in the prescribed manner [4].

At the same time, in order to support labor migrants and members of their families, from 2020 it is planned to allocate living space in apartment buildings to needy labor migrants as part of the implementation of state programs for housing construction based on mortgage loans [5].

Based on the relevance and scale of labor migration in the life of the country, for the first time in the structure of the Government, the Department for the protection of the rights and support of citizens of the Republic of Uzbekistan engaged in temporary labor activities abroad was created.

According to official data, about 2.6 million citizens, or 20% of the total employed population of Uzbekistan, are currently working abroad. According to official statistics, the bulk of labor migrants work in Russia - 80.8%, Kazakhstan - 9.7%, Turkey - 5.6%, the Republic of Korea - 1.9% and other countries - 2.0%. Among the departed labor migrants, 52% are persons aged 16-30 years, 52% - persons over 30 years of age; of which 87.4% are men, 12.6% are women. One of the features of the socio-demographic characteristics of those engaged in temporary labor activity abroad is the level of education. Thus, about 24.5% of migrants are people with higher education; 70.2% - persons with secondary specialized education, 5.3% - persons with secondary education.

The excessive growth of labor emigration also has negative consequences for the country's labor market, since the most mobile and able-bodied population is lost as a result of the spread of out-of-town work. Despite the measures taken by the state to expand the organized export of labor, the bulk of immigrants from Uzbekistan find work on their own, mostly outside their professions and specialties, losing their professional knowledge and qualifications. At the same time, there is a growing shortage of specialists in the national labor market, problems with the staffing of industrial enterprises arise, and the most painful thing for society is happening - family degradation and deterioration in the upbringing and

education of children.

Considering the relevance of labor emigration for Uzbekistan during the period of transformation, modernization and structural changes in the economy, we consider it important to undertake the following for the development of this area:

- further development of the institutional system for regulating labor migration based on international experience, taking into account national characteristics;
- active search and conclusion of bilateral intergovernmental agreements with Russia and Kazakhstan (based on the scale of Uzbek citizens working in these countries) on employment and social security of labor migrants in these countries;
- formation of a sustainable, efficient system for organizing the entire cycle of the process, including registration of citizens, recruitment, examinations and medical examinations, language training, pre-departure training based on the successful experience of emigrant labor migrants;
- raising the legal culture of the population, conducting extensive information and explanatory work in the media, educational institutions, mahallas and in the field on the legalization of labor migrants working abroad.

Thus, in the context of the modernization of the country's economy and the rapid growth of labor resources, the tension in the labor market will increase, and in this context, labor emigration plays a stabilizing role, providing employment for a significant part of the able-bodied population, taking into account the fact that external labor migration is an important segment of the market labor of Uzbekistan.

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