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Article

Contemporary Trends in Labor Migration from Uzbekistan in a Globalised Economy

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Abstract: This article examines the changing scale, geography and institutional organization of external labor migration from Uzbekistan in a globalised economy. The study applies descriptive statistics, growth-rate and volatility analysis, log-linear trend estimation and ratio-based assessment of institutional capacity to official data from the Central Bank of Uzbekistan, the Migration Agency, the Office of the President and the United Nations, with a statistical cut-off of 30 September 2026. Remittance inflows rose from USD 6.0 billion in 2020 to USD 18.9 billion in 2025, a compound annual growth rate of 25.8 percent, but year-on-year growth ranged from −32.9 to +109.9 percent and the 2022 value exceeded its log-linear trend by about 60 percent. In January–June 2026, inflows reached USD 9.3 billion, 13 percent above the same period of 2025, and person-to-person card transfers became the main channel (51.7 percent). Inflows from the United Kingdom, the European Union and the United States grew faster than total inflows, indicating diversification of destinations. Occupation-specific training covered only about 8.5 percent of reported foreign employer demand, and about 35 percent of trainees had been placed. The discussion shows that these results are consistent with international evidence on remittance volatility, transfer costs and managed skill partnerships. The main implication is that migration outcomes should be assessed by employment quality, legal protection, skill acquisition and the productive use of remittances, rather than by placement numbers alone.

Keywords: labor migration; Uzbekistan; remittances; diversification; vocational training; migrant protection; digital finance.

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1. Introduction

Globalization has widened access to foreign labor markets, but it has also raised the importance of certified skills, language proficiency and legal status. The United Nations estimated 304 million international migrants in 2024, equal to 3.7 percent of the world's population, a measure that covers all international migrants and not only migrant workers [1]. For Uzbekistan, external labor migration remains an important source of employment and household income, and in April 2026 official information placed the number of Uzbek citizens working abroad at approximately 1.2 million across nearly 40 countries [2].

The economic effect of migration extends beyond the number of citizens employed abroad. It includes foreign-exchange inflows, household consumption and savings, the acquisition of skills, and the fiscal and administrative costs of protecting workers. Classical theories explain labor migration by wage differentials, household risk diversification and the networks and institutions that sustain migration flows once they are established [3].

More recent work treats migration as an integral part of broader development processes whose outcomes depend on the conditions in origin and destination countries rather than as an automatic route to development [4]. Cross-country evidence shows that international remittances significantly reduce the level, depth and severity of poverty in developing countries [5], and household data for Uzbekistan indicate that migration and remittances raise consumption and reduce poverty among receiving households [6]. At the same time, studies of Central Asian economies dependent on remittances from Russia show that crises in destination countries are transmitted directly to households and to children's human capital through falling transfers [7].

Migration therefore also creates exposure to exchange-rate movements, demand conditions in destination countries, recruitment fraud and changes in migration rules. Most studies on Uzbekistan focus either on remittances or on household welfare, while the recent diversification of destinations, the shift towards managed recruitment and the digitalization of transfers and services have received less systematic attention. This article treats labor migration as a labor-market, human-capital and social-protection issue rather than as a remittance phenomenon alone. It asks three questions: how remittance inflows have changed since 2020, what evidence indicates a diversification of destination countries and recruitment channels, and which policy instruments can raise the development return from migration while reducing risks for workers and their families.

2. Materials and Methods

The study uses descriptive statistics and institutional evidence published by the Central Bank of Uzbekistan, the Migration Agency under the Cabinet of Ministers, the Office of the President of Uzbekistan and the United Nations. Annual remittance data cover 2020–2025, and the most recent flow data cover January–June 2026. Administrative indicators on employment, training, legal assistance and digital services are used to assess policy capacity. The statistical cut-off date is 30 September 2026.

Four groups of indicators were calculated. First, the dynamics of remittance inflows were described by year-on-year growth rates and by the compound annual growth rate, CAGR = (V_2025 / V_2020)^(1/5) − 1, where V is the annual inflow. Second, the volatility of inflows was measured by the standard deviation of annual growth rates and by the deviation of each year from a log-linear trend, ln V_t = a + b·t, estimated by ordinary least squares over 2020–2025; the implied trend growth rate equals exp(b) − 1. Third, the diversification of destinations was assessed by comparing the growth of inflows from individual countries and regions with the growth of total inflows. Fourth, institutional capacity was assessed by ratio indicators: the coverage of reported foreign employer demand by training places, the placement rate of trainees, and the average amount of wages recovered per applicant. All calculations were carried out on the published values.

The indicators have limitations. Cross-border transfers received by individuals cannot be equated with migrant earnings because they may include funds unrelated to employment and do not identify every sender or purpose. Administrative totals may refer to different reporting periods and may overlap. Changes in transfers from individual countries can reflect wages, exchange rates, payment channels and a low statistical base as well as changes in migrant numbers. The analysis therefore interprets remittance data as evidence of financial flows linked to migration, not as a direct count of workers.

3. Results

Scale and volatility. Remittance inflows increased from USD 6.0 billion in 2020 to USD 18.9 billion in 2025 [8]. The compound annual growth rate was 25.8 percent, but the annual path was highly uneven (Table 1, Figure 1). Inflows more than doubled in 2022, declined by one-third in 2023, and then recovered in 2024 and 2025. The 2025 level was 28 percent above 2024 and about 11 percent above the previous peak recorded in 2022. The

standard deviation of annual growth rates was 50.7 percentage points, against an average growth rate of 33.9 percent, and the 2022 value exceeded the log-linear trend by about 60 percent, whereas the values for 2023 and 2024 were 12 and 7 percent below it. This pattern shows why a rising multi-year trend should not be interpreted as stable year-to-year income for recipient households.

Table 1. Remittance inflows to Uzbekistan, growth and deviation from trend, 2020–2025

Year	Inflows, USD bn	Year-on-year change, %	Log-linear trend, USD bn	Deviation from trend, %
2020	6.0	+0.3	7.1	−14.9
2021	8.1	+35.0	8.7	−6.4
2022	17.0	+109.9	10.6	+60.2
2023	11.4	−32.9	13.0	−12.4
2024	14.8	+29.8	16.0	−7.3
2025	18.9	+27.7	19.6	−3.5
2020–2025	CAGR 25.8%	Mean 33.9; SD 50.7	Trend growth 22.6% per year	—

Note: inflow values from the Central Bank of Uzbekistan; growth rates, trend and deviations calculated by the author.

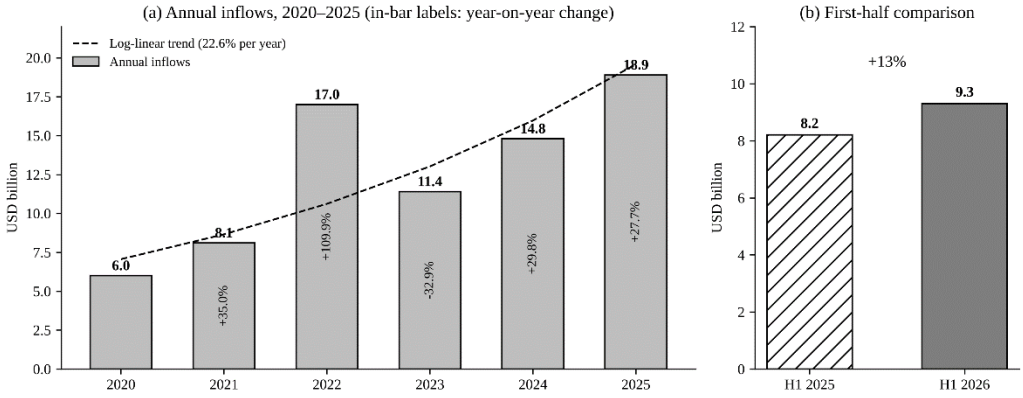


Figure 1. Cross-border remittance inflows to Uzbekistan: (a) annual inflows and log-linear trend, 2020–2025; (b) first-half comparison, 2025–2026

Digital channels. The latest data indicate continued growth at a slower pace. In January–June 2026, inflows reached USD 9.3 billion, up 13 percent, or USD 1.1 billion, from the same period of 2025 [9]. Digital channels gained further importance: direct person-to-person transfers to bank cards accounted for 51.7 percent of inflows in the first half of 2026, compared with 46 percent for the whole of 2025, while traditional international money-transfer systems accounted for 46.7 percent and SWIFT bank transfers for 1.6 percent.

Diversification of destinations. Russia, Kazakhstan, the Republic of Korea and Türkiye remain the traditional destinations for Uzbek workers, but official sources show a broader geographic reach. In 2025, the Migration Agency concluded cooperation agreements with 224 employers in 33 countries and signed intergovernmental or interagency migration agreements with six countries [10]. At the Tashkent International Migration Forum in May 2026, the Agency reported an additional intergovernmental declaration, two interagency agreements and 21 agreements with employers [11]. These indicators measure institutional links rather than completed job placements, yet they show a larger recruitment network. Remittance data are consistent with diversification (Figure 2). In 2025, inflows from the United Kingdom increased by 39 percent, from European Union countries by 37 percent, and from the United States and the Republic of Korea by 15 percent each; in January–June 2026, the corresponding growth rates were 62 percent for

the United Kingdom, 27 percent for the European Union and 19 percent for the United States. Inflows from the United Kingdom and the European Union thus grew faster than total inflows in both periods. High percentage growth may partly reflect a low base and exchange-rate changes, so these figures do not prove an equivalent rise in migrant numbers, but they indicate stronger financial links with higher-income destinations.

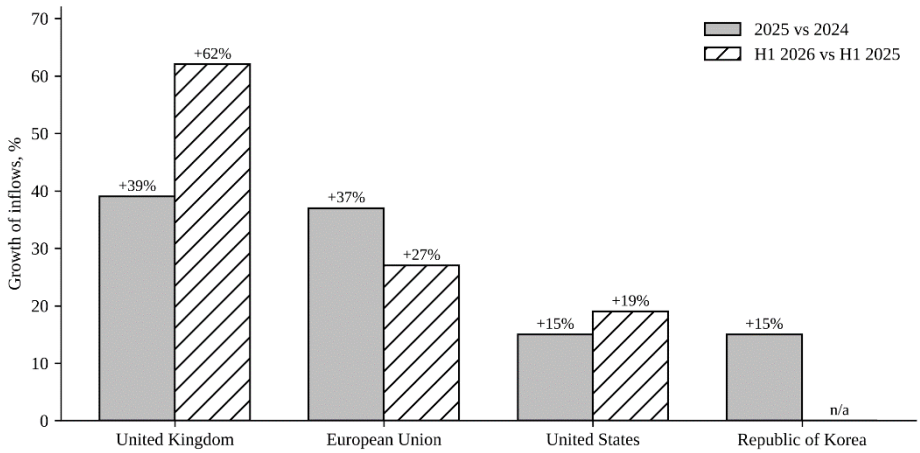


Figure 2. Growth of remittance inflows to Uzbekistan from selected higher-income destinations, %

Skills matching and managed recruitment. The policy focus is moving from general recruitment towards occupation-specific preparation. According to the April 2026 official review cited above, foreign employers had submitted demand for more than 100,000 qualified workers, including 40,000 nurses for Germany and 15,000 workers for construction, logistics and services in Japan. Twelve joint projects with foreign companies were training 8,500 citizens under a profession-plus-language model, 3,000 graduates had already found employment, and the government proposed increasing the number of projects to 20 and total participation beyond 10,000. The ratio indicators reveal a capacity gap (Table 2): training places covered only about 8.5 percent of reported demand, and the proposed expansion would raise coverage to about 10 percent. The two figures are not directly equivalent, because orders differ by occupation, timing and eligibility requirements, but the gap is large under any reasonable adjustment.

Table 2. Indicators of the capacity of managed recruitment and worker protection

Indicator	Value	Derived ratio
Foreign employer demand for qualified workers (April 2026)	> 100,000	—
Citizens in profession-plus-language training (12 projects)	8,500	≈ 8.5% of demand
Graduates employed abroad	3,000	≈ 35.3% of trainees
Proposed participation (20 projects)	> 10,000	≈ 10% of demand
Wage and compensation applications reviewed (2025)	3,089	—
Amount recovered from foreign employers (2025)	USD 1.9 million	≈ USD 615 per applicant
Citizens re-employed after losing jobs abroad (2025)	9,249	—
Users of the “Horijda Ish” platform (Jan–Oct 2025)	524,000	25 services

Note: values from official sources cited in the text; ratios calculated by the author.

Worker protection and digital governance. Risks remain substantial even when employment is organized. Wage non-payment, document retention, contract substitution and loss of legal status can quickly place workers in a vulnerable position. During 2025,

the Migration Agency reviewed wage and compensation applications from 3,089 citizens and recovered USD 1.9 million from foreign employers, provided legal or consultative assistance to 8,743 applicants, returned identity documents to 406 citizens and found jobs for 9,249 citizens who had become unemployed abroad [12]. By April 2026, support services operated in 37 countries, and the official review reported social assistance for 48,000 citizens, legal assistance for 17,000 and material assistance for 6,000. These totals use broader reporting categories than the 2025 case data and should not be added together, but their scale demonstrates continuing demand for accessible representation in destination countries. Digitalization is also used for prevention: the "Horijda Ish" platform offered 25 services and had been used by 524,000 citizens during the first ten months of 2025, and real-time vacancy monitoring, biometric identification, remote consultation and round-the-clock support have been proposed [13].

4. Discussion

The results confirm that Uzbekistan's remittance inflows combine strong long-term growth with high short-term volatility. The 2022 peak and the 2023 contraction coincided with exchange-rate and demand shocks in the main destination country, which is consistent with Central Asian evidence that destination-country crises are transmitted to households through remittances. For recipient households, the policy issue is therefore not only the level of inflows but their predictability. The rapid shift towards card transfers can reduce transaction time and improve access, but its welfare effect depends on the exchange rate, fees, fraud protection and the recipient's ability to use formal financial services. International evidence shows that higher transaction costs reduce recorded remittances and push transfers into informal channels [14], while remittances can promote financial development when households are connected to formal financial institutions [15]. Policy should therefore monitor the total cost of a transfer rather than the advertised commission alone and offer simple savings, pension and investment products that help households divide receipts between consumption, emergency savings, education and investment without prescribing how they spend private income.

The diversification of destinations can reduce concentration risk if workers gain access to several labor markets with different business cycles and regulatory regimes, but it also raises preparation costs, because employers in health care, construction, logistics and services require different certificates, language levels and licensing procedures. The profession-plus-language model corresponds to the concept of global skill partnerships, in which destination-country employers co-finance training in the origin country so that both migrants and non-migrants gain skills [16]. Evaluations of managed seasonal worker programmes show that well-designed schemes with employer validation, pre-departure preparation and protection can produce large income gains for participating households [17]. The low coverage of demand and the moderate placement rate found in this study indicate that Uzbekistan's training system has not yet reached this scale. Expanding enrolment without employer validation could produce certificates that do not lead to jobs; programmes should therefore publish completion, certification, placement, wage and six- or twelve-month retention rates, and contracts should be checked before departure for occupation, pay, hours, accommodation, insurance, deductions and dispute procedures.

The domestic return on training also matters. Temporary migration is often driven by the accumulation of savings and skills for use after return [18], and the prospect of migration can stimulate investment in education in the origin country, although the net effect depends on the scale of emigration of skilled workers [19]. Skills acquired for foreign employment can support productivity in Uzbekistan when qualifications are recognized and returning workers can connect with domestic employers, business services and finance. These conclusions are combined in a migration-cycle framework (Figure 3), which links pre-departure preparation, employment abroad, remittances and return to a common

results framework. Performance management should move from counting agreements and departures to measuring verified vacancies, training completion, certification, placement, contract retention, earnings, complaints and compensation recovered, disaggregated by destination, occupation and gender where confidentiality permits. Case data should also be used to identify employers and intermediaries associated with repeated violations, and platform design should display the verified employer, the licence status of intermediaries, complete contract terms, expected deductions and a traceable complaint channel, with assisted access for users with limited digital or language skills.

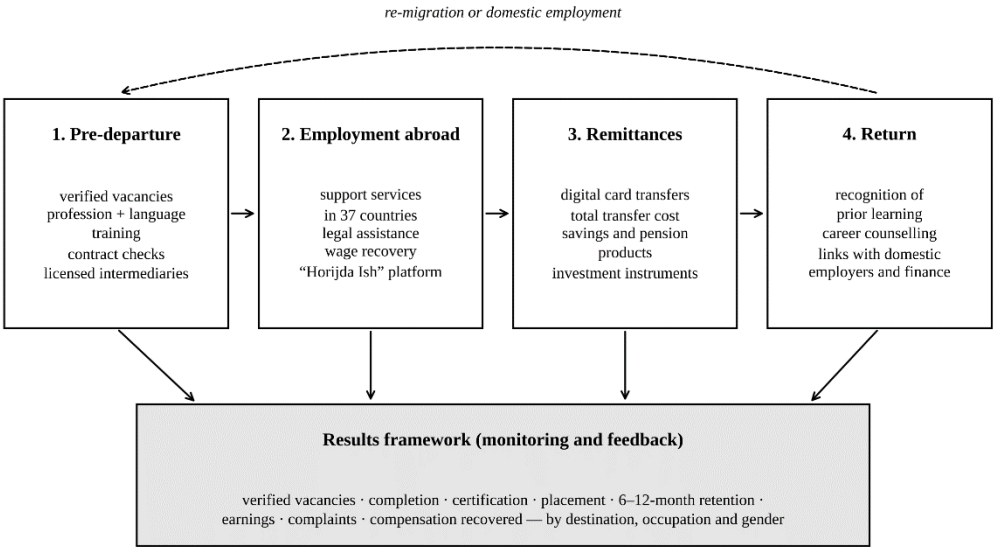


Figure 3. Migration-cycle framework for raising the development return from labor migration

The study has limitations. It relies on published administrative and financial data, which do not identify the number of migrants behind each transfer and may use different reporting periods. The analysis is descriptive and does not establish causal effects of migration policy instruments. Future research should use household survey and administrative microdata to estimate the effects of managed recruitment, training and return programmes on earnings, employment quality and household welfare.

5. Conclusion

Uzbekistan’s external labor migration system is becoming more geographically diverse, more closely linked to occupational training and more dependent on digital infrastructure: remittance inflows reached a record USD 18.9 billion in 2025, grew by 25.8 percent per year on average since 2020 and continued to rise in the first half of 2026, yet annual growth ranged from −32.9 to +109.9 percent, which limits the value of treating remittances as a predictable substitute for domestic income generation, while inflows from higher-income destinations grew faster than the total and training places covered less than one-tenth of reported foreign demand. The next stage of policy should therefore emphasize the quality and durability of employment rather than placement numbers by expanding employer-validated profession-plus-language training, checking contracts before departure, ensuring transparent recruitment and transfer costs, providing accessible legal support abroad, collecting systematic outcome data, offering households practical tools to save and invest part of their remittances, and helping returning workers use acquired skills in Uzbekistan, so that international mobility supports household welfare and human-capital development without weakening the domestic labor market or substituting for domestic job creation.

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