# Labor Migration of The Population and Evaluation of Supply Chain on the Labor Market

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Abstract- The article considers internal and external labor migration and supply chain effects in the process of forming the internal labor market in the Republic of The quantitative and qualitative Uzbekistan. composition of labor resources is identified in conjunction with other factors determining the pace of the country's economic development, the level of the population welfare and the overall economic potential of the socio-economic system as a whole are determined. Within this context, scientific research in the field of organized labor migration and its impact on employment, formation of basic concepts characterizing migration processes, development of a new migration policy seem relevant. Economic transformations associated with the development of new forms of ownership, labor relations, the emergence of new socially vulnerable segments of the population in the republic suggest the improvement of the state employment policy. To that end, it is advisable to develop and use more advanced forms and methods for regulating labor migration of the population, including within the republic. The considered positive and negative consequences of the labor import impact on the economy of the receiving state mainly indicate the systematic nature of labor migration and its complexity for scientific analysis. Certain short term positive effects can give an impetus to negative trends in the long-term, which dictates the need for government management by migration processes, aiming to maximize the positive effects and minimize costs.

**Keywords-** Labor migration, migration processes, supply chain, internal and external migration, international

chain, internal and external migration, international

migration, labor import, migration policy, external labor migration.

## 1. Introduction

The Republic of Uzbekistan still maintains the regime of expanded reproduction and the rapid growth of labor resources. Currently, it is the most significant donor for the labor markets of countries with a shortage of labor resources, in particular, for Russia. Unfortunately, migration processes are happening in an insufficiently civilized and effective way, as a result of the disunity of migration policies between sending and receiving countries and the lack of an effective mechanism for regulating labor migration in the Eurasian space.

Labor migration of the population is of great importance for both sending and receiving countries. In the sending countries, it reduces demographic pressure on local labor markets and has economic effects in the form of remittances [1]. In the recipient countries, it provides labor and creates a large part of the gross product, thereby helping to build up economic potential. According to different estimates of Russian specialists, labor migrants create from 5 to 10% of the country's GDP [2]. At the same time, the counterproductive type of labor migration, which had formed in the CIS and does not always adjust correctly the division of labor and certain professional deformation of the labor markets of the receiving countries, creates the prerequisites for illegal employment. All these factors undermine the regulating basis migration significantly reduce the efficiency of interstate labor migration and create risks for the demographic

security of receiving and sending countries, and ultimately cast some doubt on the feasibility and possibility of achieving integration of sending and receiving countries in the labor sphere.

During the period of independence and market reform of the economy, Uzbekistan experienced several migration waves. The complex interweaving of various factors, differing in their power of influence, and often in multidirectional effects, led to quantitative and qualitative changes in migration processes. The current migration situation in Uzbekistan is relatively favorable.

Labor migration has both positive and negative consequences. Migration has improved the social and economic situation in the rural areas, reducing unemployment rate, stimulating market relations and raising the standard of living. Partially, the problem of employment of the released labor force from rural areas, as well as unemployment in cities, is solved by the population itself through temporary labor migration of rural residents to the cities, as well as migration of rural and urban residents abroad.

Naturally, a negative attitude towards labor migration cannot disappear at once; however, the perception of labor migration, especially the external one, as something negative, undesirable should be overcome as not corresponding to the economic or demographic realities of the modern stage of Uzbekistan' development.

It is also worth noting the rather liberal labor legislation of Uzbekistan, which does not prevent citizens from leaving to work abroad (with regard to internal migration, there is a more significant restricting factor in the form of temporary registration in large cities, primarily in Tashkent).

It should be noted that the problem of labor migration involves the multiplicity of such particular cases and the methods of their identification and systematization. Absence of demand for low-skilled labor migrants can vary widely depending on social, sect oral or regional statuses, which indicates the complexity and scale of the problem. Accordingly, the problem of creating a mechanism for the labor migration development requires the participation of the state, the private sector and civil society.

These issues are of great scientific and practical importance, since timely and adequate answers to them can be a significant contribution not only to the exchange of labor resources, the establishment of a civilized labor market, but also to the effective development of individual states. Migration is one

of the necessary conditions for the labor market functioning and supply chain affects it significantly. The scale and directions of labor migration affect both the labor supply of the national economy in quantitative terms and the quality of the labor potential. Accounting for migration patterns is especially important when analyzing the processes of internal labor market formation during the period of Uzbekistan's integration into the modern world economy. The quantitative and qualitative composition of labor resources in conjunction with other factors determines the pace of the country's economic development, the level of well-being of the population, the overall economic potential of the socio-economic system as a whole. In the conditions of the transforming economy in the Republic of Uzbekistan, economic problems and contradictions associated with changes in the political, social, and economic structures of the society entail an increase in the scale of external migration. In this regard, the impact of labor migration on the quality of the aggregate labor potential of the society and the population employment, both at the national and regional levels, requires an in-depth comprehensive economic analysis.

Currently, the intensity of international migration processes, including labor migration, has grown. The direction and nature of migration flows have changed because of the reasons underlying them. In this regard, it seems relevant to study organized labor migration and its impact on employment, to work out basic concepts characterizing migration processes, and to develop a new migration policy.

# 2. Literature Review

Modern migration takes a wide variety of forms throughout the world, but still, the motives for moving people from one country to another remain entirely unclarified. Naturally there are suggestions that the migrants seek, first of all, to increase their income (wages), to improve working and living conditions. From the perspective of the migrants themselves, the economic factors of displacement and the desire to achieve a higher level of utility are most important.

The scientific views on labor migration develop within the framework of economic, geographical, historical, demographic, systemic, political and other approaches. The choice of the approach depends on the tasks faced by the researcher and on the nature of the initial material.

In accordance with the classification of migration theories proposed [3], consistent with the ideas elaborated [4], the main groups of migration theories are economic, sociological, geographic, and mixed. In this study, we will be interested in the economic theories of labor migration.

Ii should be pointed out immediately that all economic approaches to explaining the nature of labor migration consider it as a mechanism for the redistribution of labor. The factors that cause the migration movement, as well as its effects, are different in these theories. Let us consider some of the migration theories in terms of explaining the factors, mechanisms and consequences of labor migration for individuals (labor migrants), households and the economy as a whole [5, 6].

According to the Uzbek scholar [7], one of the real strategies of civilization for labor migration is to develop advanced approaches to the organized dispatch of labor for its targeted use in regions with a shortage of labor resources.

The complexity of this social process also lies in the fact that, unlike natural movement, i.e. fertility and mortality, as well as marriages and divorce rates that are most closely and directly related with them [8] or the social movement, i.e. social development and changes in social status [9], migration is a process that simultaneously develops both in space and in time [10].

The neoclassical concept of migration should be recognized one of the first serious theoretical justifications for the movement of labor. The Theory of Wages [11] can be considered the basis of this concept, which focuses on international differences in wages as the main causes of migration. He was one of the first to consider migration as a decision of a rational individual who is able to correctly assess his prospects on the basis of complete and reliable information. The problems of unemployment and relocation costs were not taken into account. As an incentive for migration, [11] considers the differentiation in wages between countries caused by the uneven distribution of factors of production — labor and capital.

A supporter of the neoclassical ideas of the American economist, Nobel Prize winner [12] considered the problems of forced technological unemployment. Labor immigration restrictions act as a factor improving production capacities, owing to the impact on the growth of real wages. In general, the ideas of [12] are liberal-humanistic in nature. He puts forward the idea of more loyal working

conditions, in particular, flexible working hours and shorter working weeks, which, along with the introduction of the most advanced labor-saving technology, will result in the largest increase in gross domestic product combined with a minimal negative rise in unemployment [12].

In the system of migration theories, the concept of "human capital" belongs to the theories of the micro level, since it evaluates the "cost-benefit" ratio from the standpoint of an individual or a household. Representatives of this theory [13-16] viewed migration as an investment in "human capital" aimed at increasing income, educational level, etc. Critics of neoclassical approaches paid attention to the fact that such a theory does not explain the mechanism of return migrations, or labor migrations that are not accompanied by an increase in wages [17]. The place of immigration is characterized by the greatest usefulness of the individual with regard to the maximum benefit in the conditions of income differentiation in the region of departure and region of arrival.

The concept of a new migration economy became a significant attempt to compensate for the limitations of the neoclassical approach. It paid special attention to the micro level and made it possible to take into account the elements of the economy response to the rational expectations of the migrant population. Within the framework of this concept, migration is considered as a family (household) strategy aimed at minimizing the risk of sharp fluctuations in income through their diversification and overcoming the financial constraints of production opportunities. In addition, it emphasizes the importance of such a factor as income of the neighborhood of the family making the decision on migration. Supporters of the new migration economy concept have changed the object of study: instead of an individual, a family appeared, making the decision to move. This was caused by the results of empirical studies of migratory movements of the residents from developing countries, which the neoclassical concept could not explain [18, 19].

The connection between migration and the labor needs of market economies has long been a sustainable area of research in the social sciences. [20] Approach is rooted in a critical, radical tradition. From this point of view, social production is inseparable from the reproduction of the socioeconomic structure. For a hierarchical society, reproduction involves the reproduction of this hierarchy. Fundamental institutions, such as labor

markets, will reflect this hierarchy and contribute to its preservation and reproduction. In this context, regulation of labor markets refers to the processes through which labor markets are not merely able to match workers with jobs, but are also able to sustain and reproduce this social structure [20, 21].

The concept of a new migration economy states that often the decision on labor migration is not made by a person individually, but rather jointly with other members of his family, who do not change their place of work and residence. This assumption takes us to the level of maximizing the incomes of not a single person, but of a whole household, a certain community of people [22], who will share both the expenses and the income from the migration of one member of this community. A decision on migration that was unprofitable for an individual can become beneficial for a family. Relations arising in connection with the distribution of income and expenses within the family are built on the basis of strict control of the head of the family over all its members or an implicit contractual agreement. The theoretical and practical confirmation of this fact that may at first glance seem quite controversial is the significant amount of cash transfers by migrants, which are better explained by intertemporal agreement within the family than exclusively altruistic motives [23].

Studies of international migration at the beginning of the 21<sup>st</sup> century were considered by a critical insight into the changes in the paradigms of settlement, assimilation and adaptation; first of all, it is necessary to consider diaspora and transnational approaches, as well as complementarity in migration studies [24].

The theory of prosperity, or "technological development," explores all types of migration with an emphasis on resettlement. Its author, [25], considers population growth to be beneficial for the development of the country and humanity as a whole, therefore immigration is considered as an important positive element of economic and demographic development.

[26] Argues that the overwhelming resistance of local residents to the proposal to create migrant jobs rewrites and even expands the unfree labor relations and the conditions in which these workers work and live. At the same time, local residents confirm the control of regulatory bodies not only for labor, but in fact for rationalized working bodies, deepening the regulatory immobilization and over-exploitation of migrant workers.

The essence of the new international economic order, developed [27, 28], is to develop a mechanism for fuller and more equitable compensation for developing countries of external migration on behalf of developed countries of immigration for the use of foreign labor and, above all, highly qualified personnel. In this concept, unlike past postulates, based on the priority role of demand in the global labor market, the emphasis is made on the supply of foreign labor and reimbursement of all costs associated with its relocation and use in the country of entry, even when it comes to temporary labor migration [27].

Migrant workers experience high levels of precarious work, denizenship, social exclusion, social inequality, and eventually health inequities, which is a result of discrimination experienced by these groups. This demonstrates that the government cannot solve these problems because of control and lobby through powerful economic and political structures that benefit from the existing situation. Nevertheless, given that there are economic losses to migrant skill underutilization and the growing frustrations manifest in uprisings against these systems of dominance, the current situation is unsustainable and transformation is expected [29]. In the context of important migration flows in the EU/EFTA countries, understanding the process of migration decision-making is central to better comprehending current migration patterns in today's legal context of free movement of people. The survey data collected [30] help consider the emigration intentions and plans of German immigrants living in Switzerland. This group of migrants has a shorter duration of residence in emigration than other nationalities, and it is highly educated and integrated into the labor market. The results show that labor market considerations prevail over family obligations. In addition, they confirm the heterogeneity between groups regarding the emigration intentions, which cannot be confirmed when planning emigration. Moreover, while emigration intentions are explained by the perceived difference in opportunities and the desired thinking between the place of residence and destination, emigration planning is based on real opportunities. Migration policies and, in particular, integration policies have little impact on emigration, since emigration planning is caused by external or personal factors.

In the process of economic development, migration is a result of violating a stable location, which is

reflected in the theory of world systems. The constant increase in population affects the global market economy, which is associated with the spread of capitalism in most of the world. In the peripheral regions, labor, land and raw materials are under the influence and control of markets, which leads to the formation of migration, a part of which has an international focus [31].

Each classification of factors is based on a specific task that the researchers set for themselves. The most common classifications are those by the possibilities of regulating the influence of factors on the migration processes, including managed (factors-regulators), unmanaged (factors-conditions) and unmanaged, but indirectly regulated migration processes.

Thus, summarizing the overview of theoretical approaches to the definition of the essential categories of labor migration and the basic economic theories of this socio-economic process, and disregarding the analysis of other scientific approaches in the study of labor migration, our classification enables to draw some conclusions.

Firstly, it vividly shows that labor migration of the population in the Republic of Uzbekistan is one of the social phenomena, which is the object of study for a large number of sciences and the analysis of which inherently presupposes comprehensiveness in the investigation. Moreover, it is very important to note that certain types and categories of the migratory movement of labor resources are directly a subject of these sciences rather than all its diversity.

Secondly, no matter what type of migration movement in the Republic of Uzbekistan is discussed, as a final result, the overwhelming number of these types is determined by the economic need to obtain means of subsistence and to some extent is connected with the labor market. At the same time, this does not mean that all these types and categories of the migration movement are directly a subject of economic science. This is only economic migration, and above all labor migration in the Republic.

However, in our opinion, it should be noted that with a view of future research it is necessary to rely on a narrow approach to the interpretation of labor migration. This concerns both the concept of "labor migration" and the definition of a "labor migrant". Within this approach, the definition of labor migration implies the temporary nature of the labor resource movement in the Republic of Uzbekistan.

In theoretical approaches to determine the impact of labor migration consequences on the economies of sending and receiving states, it is necessary to rely on those related to the labor market, the formation of national human capital and economic development.

### 3. Materials and methods

In the process of research, based on the principles of the systemic approach, the methods of analysis and synthesis were used; when determining the main theoretical conclusions, the principle of unity of the historical and the logical was applied; tabular and graphical methods of data analysis and the method of relative values allowed ensuring the validity of economic analysis, theoretical conclusions and proposals developed.

The methods of statistical observation, tabulation and classification are also used in the article. By the fullness of coverage of units of population, the following types of statistical observation are distinguished:

Complete enumeration is the collection and receipt of information embracing the whole population under study. It is characterized by high material and labor costs, lack of operational information. It is used in the census of the population, in the acquisition of data in the form of statements covering large and medium-sized enterprises of various forms of ownership.

Incomplete enumeration is based on the principle of random sampling of the units of the population under study, and all types of units that are present in the population should be represented in the sample. It has a number of advantages over complete enumeration: reduced time and money costs. This type of observation is employed in the article.

Ways of obtaining statistical information may be as follows:

Direct statistical enquiry is an observation when the recorders themselves establish the fact that is subject to registration by direct measurement, weighting, and counting.

Documentary observation is based on the use of various kinds of accounting documents.

It includes a reporting method of observation, when enterprises submit statistical reports on their activities on a strictly mandatory basis.

Enquiry means obtaining the necessary information directly from the respondent. This method of sampling is also used in the article.

Tabulation is consists of the following stages:

- Selection of a classification characteristic;
- Determination of the order of group formation;
- Development of a system of statistical indicators for the characteristics of individual groups and the population as a whole;
- Development of statistical table layouts for presenting the results of the report. Most often, simple final summaries do not satisfy the researcher, since they give too general ideas about the phenomenon under study. Therefore, statistical material is subject to classification.

Classification is a method for division of the whole population into groups according to some essential characteristic. For example, people are classified by sex and age. Classification creates the basis for subsequent tabulation and data analysis. The characteristic by which classification is carried out is called a grouping (classification) attribute or a base of classification.

Subdivision of the considered population of data into homogeneous groups according to their common characteristics is done in order to study the structure of this population or the relationships between the individual elements of this population. Classification makes it possible to identify the effect of individual units on average totals; for example, the unemployed can be grouped by the level of education for more effective creation of new jobs.

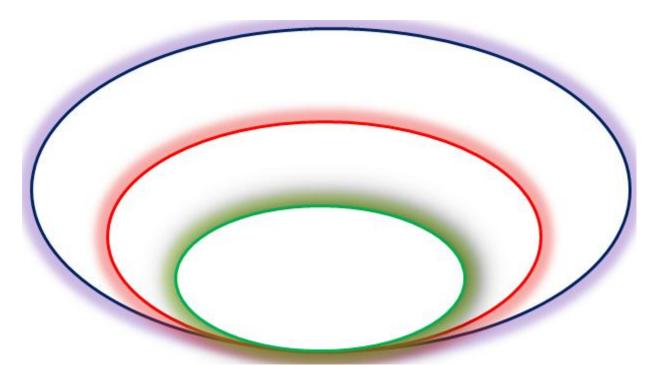
# 4. Results

The main result of this study is the structural and dynamic characteristics of labor migration of the Republic of Uzbekistan identified by the authors. In order to understand the migration processes taking place in the Republic of Uzbekistan, it is necessary to analyze international migration processes, since the roots of the current situation in the field of migration have developed over the past 20 years.

External labor migration is represented in Uzbekistan by two directions: emigration and immigration. In turn, in both components of external labor migration one should distinguish between the migration exchange of the Republic of Uzbekistan with the CIS countries and the exchange with other foreign countries.

Proceeding from the figures for 2017, obtained from the UN Department of Economic and Social Affairs (UN-DESA) and adjusted for the number of refugees, there are 258 million international migrants in the world, 234 million working-age migrants (aged 15 years and older) and 164 million migrant workers. In this article, the term "international migrants" refers to persons of foreign origin (or foreign citizens whose place of birth is not known), while the term "working age migrants (aged 15 years and older)" refers to a subgroup of international migrants.

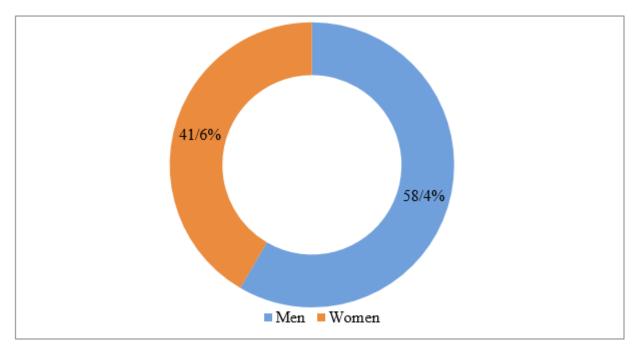
The term "migrant worker" refers to international migrants of working-age and older, who have or do not have a job in the current country of residence. The total number of working-age migrants is 4.2% of the total world population aged 15 years and older, and the number of migrant worker is 4.7% of all workers. A higher proportion of migrant worker as part of the total labor force in destination countries compared to their share in the world working-age population is related to the fact that migrants are characterized by a higher level of economic activity of (70.0%) than non-migrants (see Fig.1).



**Figure 1.** Global estimates of the stock of international migrants and migrant workers for 2017 *Source*: [32]

The majority of migrant workers are men; in 2017 the total number of male migrant workers was estimated at 95.7 million, and female migrant workers totaled 68.1 million, accounting for 58.4 and 41.6% of all migrant workers, respectively. The predominance of

men among migrant workers can be explained by their predominance among international working-age migrants (54.2% against 45.8% in women) and a higher level of their economic activity (75.5% against 63.5% in women) (see Fig.2).



**Figure 2.** Global estimates of the composition of international migrants and migrant workers for 2018 *Source*: [32]

In addition, from 2013 to 2017, the share of men among migrant workers increased from 55.7% to 58.4% [32], which corresponds to the increase in the share of men among working-age migrants from 51.9% in 2013 to 54.2% in 2017. At the same time, the

share of women among migrant workers decreased from 44.3% to 41.6% in the same period.

It is very difficult to assess the real scale of potential labor migration in Uzbekistan, since there are a huge number of illegal labor flows passing through the third

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#### countries.

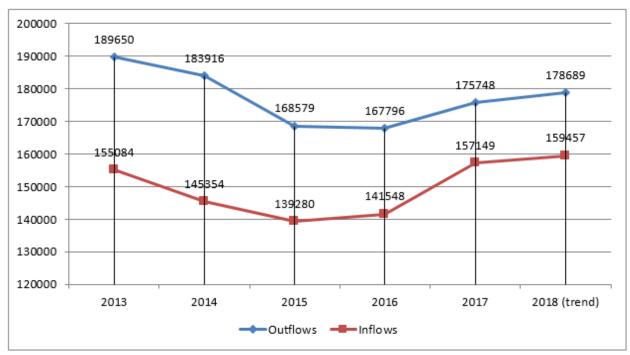
Labor migration has positive effects for sending states. First of all, it is a significant flow of remittances from migrant workers coming from abroad to their relatives and families. Mostly these transfers are sent from Russia.

At present, a stable migration "bridge" has been established between the CIS countries, which is characterized by large-scale migration flows and a steady geographical focus [32]. In the future, the Central Asian countries are the most realistic suppliers of labor resources for Russia. In other words, the CIS countries have formed a powerful migration system, characterized by large-scale labor migration. This was facilitated by the national legislation, as well.

In recent years, a controversial trend has been observed in the Republic of Uzbekistan. Thus, since 2013-2015, there is a decline in both departing and

arriving people. In 2014-2015, the main recession occurred as a result of the crisis in the Russian Federation with Western countries, which affected the economic situation in this country. And because the main migration flow in the Republic of Uzbekistan accounts for the Russian Federation (more than 70%), the main reason for the decline in migration was caused by the processes occurring in Russia [33].

However, the positive economic and political processes taking place in Uzbekistan after 2016 led to the formation of organized labor migration of Uzbek population to the Russian Federation on the basis of Intergovernmental Agreements. These processes resulted in an increase in the number of people leaving the country in 2015-2018 by 6%, and the number of people arriving at the Republic grew by 14.5% during this period (see Fig. 3)



**Figure 3.** International migration inflows and outflows (persons, per year) *Source*: [33]

In 2017, the inflow of migrants increased by 15 thousand people due to the wide spread attraction of highly qualified specialists of compatriots living abroad by the President of the Republic of Uzbekistan for employment in their homeland. A similar trend is observed in the outflows, as a result of which the migration inflow remained almost unchanged.

Currently, of the fourteen regions of Uzbekistan, only ten (including the city of Tashkent) are densely populated, although they occupy only a quarter of the territory of Uzbekistan, and four regions with a low population density occupy the remaining three quarters of the territory of the Republic. At the same time, about 80% of the total population, labor resources, economically active and employed population, children born, 74% of gross domestic product, 79% of investments and 88% of consumer spending are concentrated in the densely populated regions. Moreover, whereas the regions with high population density account for about 80% of the labor resources of the Republic, the unemployed population makes only 55% of their total number. While in Uzbekistan the nationwide official unemployment rate is 0.5%, in the densely populated regions it is 0.3%, since the regions with low population density are characterized by less developed socio-economic

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conditions [33].

At present, the rural-urban migration of the population is the largest domestic migration flow, which is determined, firstly, by the fact that a high natural population increase still remains in the countryside, and, secondly, there is the greatest excess labor. At the same time, in all the years of the reforms, the number of migration flows was steadily decreased here [34]. The decrease in migration from villages to cities is conditioned by the complex interweaving of a number of factors and prerequisites. On the one hand, in rural areas the factors constraining migration have enhanced: an increase in land area for private subsidiary farming, the development of nonagricultural types of labor activity and rural entrepreneurship. On the other hand, there is a decline in production in a number of industries in the cities, the process of withdrawing excess labor from enterprises is underway, the sphere of education decreases relatively, which reduces the demand for labor and interest in migration of rural youth to the cities. The factor of entrepreneurship is also of considerable importance in the development of both external and internal labor migration. People who seek to earn initial capital to open their business are migration involved in processes. With development and expansion of entrepreneurship in Uzbekistan, the importance of this factor is enhancing, especially when finding employment in foreign countries. Economic transformations in the Republic associated with the development of new forms of ownership, labor relations, and the emergence of new socially vulnerable segments of the population suggest the improvement of the state employment policy. At the same time, it is advisable to develop and use more advanced forms and methods of regulating labor

migration of the population, including within the Republic.

Assessment of the labor migration impact on economic development is complicated by a number of factors: the widespread illegal employment, the shortcomings in the migration statistics system, and the dependence of the effect on the scale and duration of the foreign labor use. It should also be noted that in some cases the consequences of attracting highly skilled labor differ drastically from the immigration of low-skilled workers. Nevertheless, the analysis of the most significant Russian and foreign scientific studies made it possible to form a typology of the positive and negative consequences of using foreign labor resources for the economies of the receiving countries.

# 5. Discussion

Labor immigration primarily affects the labor market of the receiving state. As already noted, this impact has both positive and negative consequences (see Table 1). First, the import of labor resources facilitates mitigation of the problem of labor shortages. Most of the developed countries have now entered a period of decline in the total number of working-age population caused by a decline in the birth rate. This problem can be solved, basically, only in two ways: by a sharp increase in labor productivity and the promotion of labor immigration. The first option is the most favorable, but it requires time and technological development. The second option offers prompt satisfaction of the resulting shortage, especially for small and medium businesses.

**Table 1.** Implications of the foreign labor use for the country of labor migrants' entry

Positive consequences	Negative consequences
Consequences for the labor market	
Mitigating the problem of labor shortages.	Dumping in the labor market leads to lower wages for
	local employees.
Migrant employment in the household contributes to the	Increased unemployment rate among the local
employment of women.	population and the marginalization of less skilled
	workers.
Increased employment in small business and	Criminalization of certain sectors of the labor market.
entrepreneurship.	
Providing employment in unskilled jobs.	
Employment of migrants in "non-prestigious" sectors of	
the economy contributes to vertical mobility of local	
employees.	
Consequences for human capital development	
Improving the quality of the labor force through the	Subject to the prevalence of low-skilled labor and the
selection of young and skilled workers (in the segment	availability of substitution trends, the overall level of
of highly skilled labor).	national human capital is reduced.
	Increased poverty (in case of a migrant's downgrade due
	to job loss).

Second, the employment of migrant workers in the household contributes to the employment of women. In developed countries the labor niches of medical attendants, nurses and housekeepers turned into migrant ones in a short time. However, the ability to use cheap hired foreign labor for many women is a factor that stimulates their access to work.

Third, employment in small business and entrepreneurship is increasing. This effect is observed as both in attracting low-skilled and highly skilled labor.

As a rule, small business is highly dependent on the magnitude of costs, especially at the stage of creation and development. Foreign labor resources make it possible to obtain the necessary labor in case of their shortage and to reduce their cost. This effect is also observed when using illegal migrants, especially in the countries with high social guarantees in labor market. Fourth, labor migration provides employment in unskilled jobs. Significant changes in the social structure of developed countries have had a major impact on the labor market. For a growing middle class, unskilled jobs are not prestigious in both economic and socio-psychological aspects. In this regard, the inflow of low-skilled migrants provides non-prestigious areas with the desired manpower, although, as already noted, it bears a number of social and political risks.

Fifth, the employment of migrants in "non-prestigious" sectors of the economy contributes to the vertical mobility of local workers, encouraging them to improve their skills and hunt for more prestigious and well-paid jobs. In a situation where local employees do not have the ability or desire to improve their skills and get employed in higher-paying jobs, the probability of unemployment or their relocation from this region is very high.

Labor migration has a number of negative consequences for the labor market. First of all it concerns unemployment and wage levels. From the position of the government management by migration processes, it is necessary to conduct continuous monitoring of the unemployment dynamics and remuneration rate in order to promptly respond to negative trends that may worsen with an increase in migration flows.

The criminalization of certain sectors of the labor market is another negative impact for the receiving state. In addition to tax evasion, criminalization, as a rule, reduces the overall level of competition in the segment/industry, which leads to slowdown in the economic growth rates and technological development. It should not be forgotten about the set of possible negative socio-political consequences of

such a phenomenon.

Labor migrants, entering a new community, become part of the aggregate national human capital of the receiving state. Depending on the level of qualification and education, age and health, the incoming labor flow can both increase the level of national capital development and decrease it.

In the post-industrial economy based on the knowledge and technologies of the 5<sup>th</sup> and 6<sup>th</sup> generation, human capital becomes a strategic resource, critical for sustainable development, national competitiveness, and growth of the population's well-being. The developed Western countries, being attractive to migrant workers, are trying to improve the quality of the workforce by selecting young and skilled workers. Currently, there is global competition at the intra-industry, inter-industry, inter-regional and inter-country levels. For example, the United States uses both labor and educational channels to saturate growth points with highly qualified personnel. The IT sphere is annually filled with the best specialists from India, China, South Korea, Russia, etc.

With the prevalence of low-skilled labor, the overall level of national human capital decreases. A situation should be considered negative when, along with the entry of low-skilled workers, highly qualified workforce leave the country massively. With this trend of substitution, the reduction in the level of human capital is most significant.

It should also be noted that low wages in the cheap labor segment can lead to an even greater decline in the human capital of migrants, due to the poverty of the latter. In such cases, the foreign worker has to save on food, medical care, advanced training, etc. The gradual erosion of the human capital of labor migrants results in deepening of poverty and in decrease in their contribution to the economy, both through labor activity and through the consumption of goods and services.

The considered positive and negative consequences of the labor import for the economy of the receiving state mainly indicate the systematic nature of labor migration and its complexity for scientific analysis. Certain positive effects in the short term can give an impetus to negative trends in the long-term, which dictates the need for the government management by migration processes, the task of which will be to maximize positive effects and minimize costs. The peculiarities of such migration policy include, firstly, the complexity and timeliness of obtaining reliable statistical information; secondly, the need to create a system of indicators for comprehensive monitoring of the impact of foreign labor on various aspects of economic and social development of the state.

### 6. Conclusion

The integration of immigrants especially when it comes to education, training and English language ability remains critical for supply chain managers. The mechanism for state influence on the processes of productive and appropriate employment formation, and accordingly rationalization of external and internal labor migration should include measures to strengthen and enhance the state policy in the labor market:

- To ensure the accelerated development of family business, small enterprises and private entrepreneurship;
- To widely use the system of microlending to individual entrepreneurs, including from the rural areas;
- To maximize the development opportunities for home-based forms of labor in cooperation with large industrial enterprises and relatively small businesses;
- To intensify the development of labor-intensive techniques, focused on the use of agricultural and local raw materials and the production of finished products;
- To pay more attention to the development of the services sector and to the solution of issues of youth employment in nonfarm payroll jobs in rural areas;
- To intensify the work of employment services for vocational training of the unemployed and improvement of the community service system;
- to use the available opportunities to increase competitiveness and professional mobility of the labor force with regard to changing situations in urban and rural labor markets;
- To form an adequate attitude of government bodies, non-government organizations and public groups of the population to labor migrants in the territory of Uzbekistan;
- to increase the effectiveness of the local departments for labor and social protection in terms of employing the unemployed population in need of work, especially in rural areas;

The above measures, ensuring the intensification of the labor market, the expansion of the sphere of applying labor application, improving the employment management, can play a significant role in the positive development of the processes of internal labor migration of the population in the Republic.

In our opinion, the implementation of the proposed measures, on the one hand, will further improve the population employment in the Republic, streamline the accounting for employment, on the other hand, it will strengthen the social protection of citizens seeking temporary and one-time jobs.

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