



Economic Attitudes of Migrants in Uzbekistan

KEY MESSAGE

- Migration experience is associated with attitudinal shifts toward economic openness.
- Families with migrants show stronger support for private ownership and competition compared to non-migrant families.
- Over time, migrants' exposure abroad appears to reinforce market-oriented values.
- Policies fostering entrepreneurial ecosystems for migrants can harness these pro-market attitudes for development.

INTRODUCTION

Uzbekistan has one of the highest rates of labor emigration among young people in the world. A substantial proportion of households in Uzbekistan have at least one family member working abroad

or receiving remittances, according to various national and international survey estimates. Beyond the financial benefits of remittances, migration facilitates the transfer of human capital, including new skills, work practices, and perspectives on economic and social systems. These migration-induced attitudes and views can be particularly valuable as Uzbekistan undergoes rapid market-oriented reforms aimed at enhancing economic efficiency, competitiveness, and innovation. However, such transformations often entail social costs, including increased inequality, regional disparities, and disruptions to existing labor market structures. In this context, the exposure of migrants to market economies abroad - and the subsequent diffusion of pro-market attitudes and adaptive behaviors - can play a crucial role in shaping public perceptions and facilitating smoother transitions toward a more open and dynamic economic system. In this way, migration functions as an important channel for the circulation of

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social and economic ideas within the country.

This policy brief presents descriptive evidence suggesting that migration experience may influence the attitudes of migrant families toward private ownership and business competition. The analysis draws on recent survey data from 2018 to 2025, tracking households before and after migration events in Uzbekistan. It explores how the migration experience shapes perceptions of two key dimensions of Uzbekistan's transition toward a more open and market-based economy: private ownership and competition. The findings indicate that families with migration experience tend to adopt more market-oriented and entrepreneurial views. Exposure to economic systems abroad, particularly in countries with vibrant private sectors, appears to shape migrants' understanding of competition, entrepreneurship, and self-reliance.

Many Uzbek migrants travel to Russia or Kazakhstan, where they are likely to work in the private sector, particularly in services, construction, and trade. This exposure introduces them to market-based practices such as contract negotiation, job competition, performance-based pay, and informal entrepreneurship. Consequently, migrants can internalize market-oriented norms.

In this context, it is advisable for the

government to actively engage with migrant families and leverage their experiences to promote inclusive, and well-informed economic reforms. Integrating migrant perspectives into the reform process can help smooth Uzbekistan's transition toward a market economy while maintaining public support and strengthening social cohesion.

Current State of Migration in Uzbekistan

In recent years, labor migration has become a defining feature of Uzbekistan's economy and society. In 2024, around 1.35 million Uzbek citizens were legally residing abroad.¹ Different household survey estimates indicate that roughly one in four households in Uzbekistan has at least one family member working abroad or receiving remittances. Remittances remain a major source of household income, accounting for roughly 14% of the country's GDP.² Migration plays a vital role not only in alleviating poverty through financial transfers but also in promoting the circulation of knowledge, skills, and new ideas. Migrants often return with new experiences, work practices, and entrepreneurial mindsets that they have acquired abroad. This exchange of human and social capital contributes to domestic development, help-

¹ Gazeta.uz, (2025) 'Число трудовых мигрантов из Узбекистана за рубежом снизилось более чем на треть'. Available at: https://www.gazeta.uz/ru/2025/01/21/migrant/?utm_source=push&utm_medium=twitter

²World Bank (2024) *Personal remittances, received (% of GDP) – Uzbekistan*. World Bank Open Data. Available at: <https://data.worldbank.org/indicator/>

ing to modernize local labor markets, support small business formation, and gradually influence social and economic attitudes toward openness and innovation.

Evidence from Survey Data

The evidence presented in the brief draws upon the Listening to the Citizens of Uzbekistan Survey (L2CU)³, which is a nationally representative household panel, covering the years 2018–2025. The analysis compares market-related attitudes among families with at least one current migrant member (“migrant families”) and those without any migrant member (“non-migrant families”). All respondents in the selected sample are between the ages of 15 and 65.

Descriptive comparisons reveal that, throughout the survey period, migrant families consistently demonstrated stronger support for the statement that “private ownership of business and industry should be increased” (Figure 1, Panel A), relative to non-migrant households. Likewise, they expressed greater agreement with the notion that “there should be more competition between businesses in Uzbekistan” (Figure 1, Panel B). Non-migrant families, on the other hand, remained a touch more skeptical, - suggest-

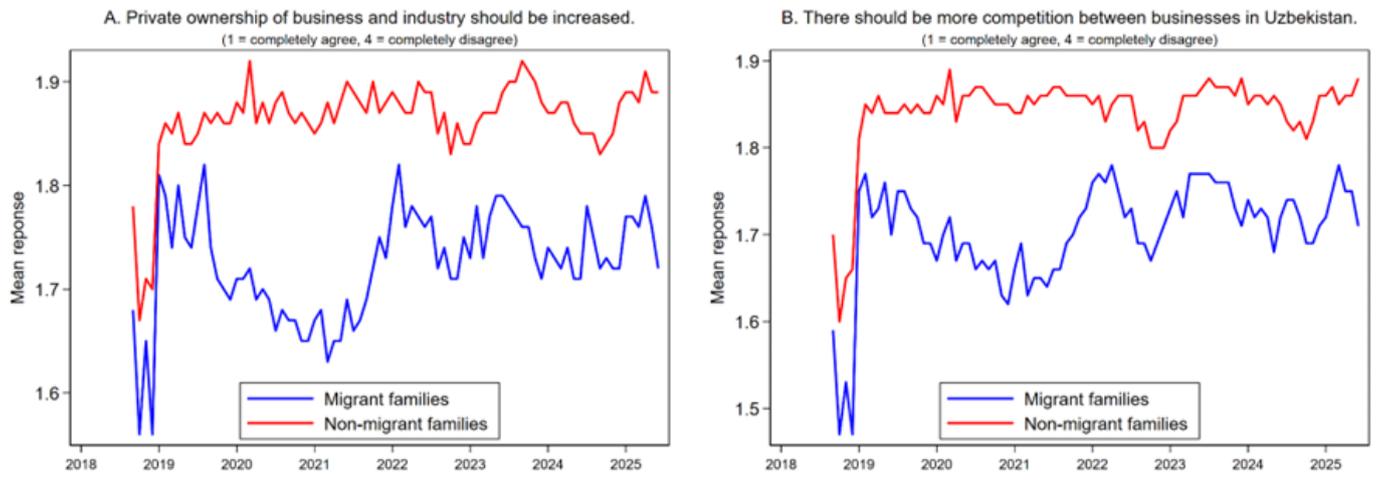
ing a slower diffusion of market-oriented attitudes across communities.

Migration often serves as a driver of change, as individuals who experience and compare foreign and domestic work environments develop new perspectives and expectations. However, these new changes in attitudes may also be partially explained by the inherent socioeconomic and family-level differences of migrant families. It is well understood that migrant and non-migrant households differ in both observed and unobserved characteristics - income, education, regional placement, and perhaps the unquantifiable quality of life experience. Yet, the persistence of the gap between the two groups suggests something deeper: a divergence in outlooks that cannot be explained solely by differences in endowments.

To examine whether migration itself, beyond pre-existing household differences, actively shapes these attitudes, we leverage the panel structure of the L2CU dataset to track households over time, observing shifts in attitudes before and after a migration event. By comparing attitudes before and after migration events within the same household, we can isolate the effect of migration itself, showing that shifts in market-oriented values occur even after controlling for prior family-level differences. Specifically, we examine the mean responses of migrant families across ten survey

³World Bank (2025). Uzbekistan – Listening to the Citizens of Uzbekistan 2018–2025 (L2CU). Ref: UZB_2018-2025_L2CU_vo3_M. Dataset downloaded from World Bank Microdata Library on 10 September 2025

Figure 1: Mean response for respective questions by family migration status



Source: Author's own calculation using L2CU survey (2018-2025)

rounds preceding and then following the migration of a household member. The results, shown in Figure 2, indicate that exposure to migration experiences abroad tends to broaden acceptance of competition and private enterprise. Migrants, while in the process of migration, may transfer their experiences to fellow household members and contribute to attitudinal changes. These dynamics may help explain the pronounced drop in views coinciding with the migration event and the subsequent slow adjustment back to the broader declining trajectory. Migration, it seems, is not only a journey of miles and money, but also of minds - quietly transforming how families perceive the economy and their place within it.

Migration as a Channel of Social and Economic Diffusion

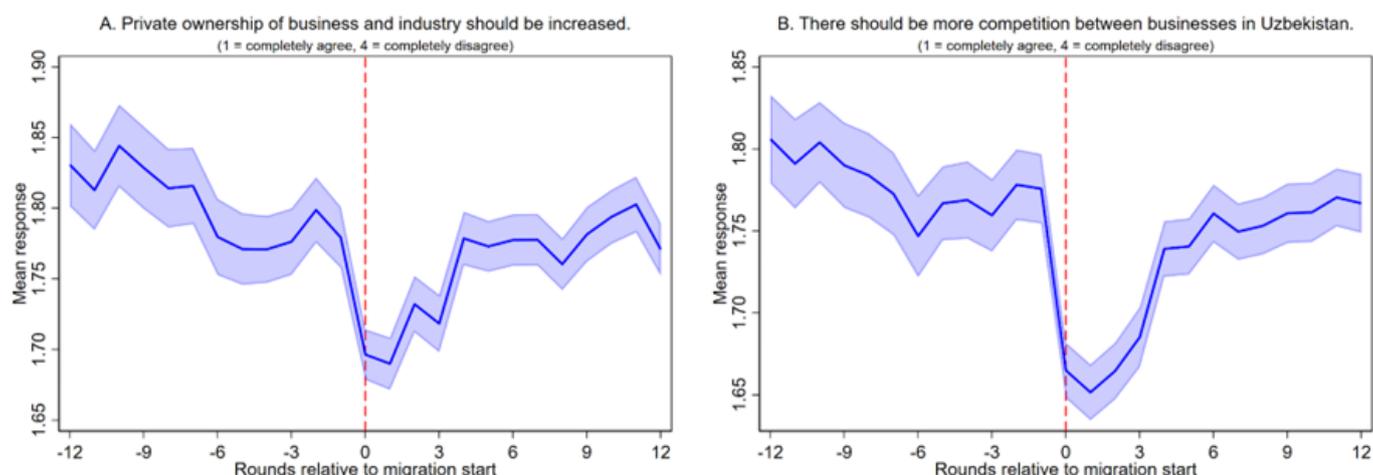
The results from the above analysis are consistent with broader evidence that migration contributes to attitudinal and institutional change. As noted by

Lodigiani⁴ emigration to countries with more mature market institutions can positively influence home-country institutional quality by shaping political and economic expectations among migrants and their families. Similarly, the findings for Uzbekistan suggest that migration exposure reinforces support for private ownership and market competition. This alignment implies that migration not only facilitates financial transfers but also transmits pro-market norms and values that can enhance societal readiness for economic reform.

The transfer of ideas and attitudes occurs through several channels. Directly, return migrants bring back first-hand experience with competitive markets, private entrepreneurship, and regulatory environments that reward initiative. Indirectly, knowledge circulates through communication with relatives abroad,

⁴Lodigiani, E. (2016) 'The effect of emigration on home-country political institutions', *IZA World of Labor*, 307. Available at: <https://wol.iza.org/articles/effect-of-emigration-on-home-country-political-institutions>

Figure 2: Attitudinal changes around migration timeline



Source: Author's own calculation using L2CU survey (2018-2025)

social remittances, and digital connectivity that links migrant households with global networks. These exchanges influence local perceptions of risk-taking, self-employment, and the role of government in the economy. Over time, such micro-level interactions accumulate into broader social acceptance of market-oriented principles, demonstrating how migration operates as both an economic and a cultural transmission mechanism.

Policy Implications

Fostering market-oriented attitudes among households with migration experience can play a pivotal role in accelerating Uzbekistan's transition toward a more innovative and competitive economy. Strengthening institutional linkages between migration experience and domestic enterprise development can help transform migration from a short-term coping or survival strategy into a long-term driver of modernization and structural change. At the same time, several

limitations should be noted. The analysis provided above shows correlation without establishing strong causality between migration and attitudes. Also, migrant and non-migrant households may differ in unobserved characteristics that influence both migration decisions and economic views. Regardless, the study's findings provide several policy implications as described below.

1. Promote attitudinal diffusion by supporting community-based programs that normalize competition, private ownership, and market participation as key engines of growth. Beyond material and financial contributions, migration can serve as a catalyst for cultural and attitudinal change. Exposure to more open and competitive market environments abroad often reshapes migrants' economic values and aspirations. To maximize this potential, local initiatives should aim to reinforce the diffusion of pro-market attitudes - such as appreciation for private

enterprise, innovation, and merit-based competition - through educational campaigns, public dialogues, and local entrepreneurship clubs. By normalizing these values in communities with high migration rates, policymakers can help create a more dynamic and opportunity-driven economic culture that supports long-term development and productivity gains.

2. Monitor social cohesion to mitigate potential disparities in economic attitudes and behaviors between migrant and non-migrant households that may emerge over time. As migration and remittances transform household behaviors and economic expectations, gaps may arise between migrant and non-migrant groups in terms of consumption patterns, investment decisions, and social norms. To prevent such disparities from leading to social fragmentation, it is crucial to monitor community dynamics and develop inclusive policies that foster cohesion. Regular household surveys and Mahalla consultations can help detect emerging divides early on, while targeted programs - such as joint training, cooperative enterprises, and inclusive local development projects - can foster shared prosperity. Maintaining balanced development across different household types ensures that the benefits of migration-driven transformation are equitably distributed and contribute to broader social stability.

3. Leverage migrant networks to facilitate

the transfer of skills and market knowledge acquired abroad. Migrant networks serve as a valuable channel for transferring practical skills, entrepreneurial know-how, and innovative practices acquired in host countries. By organizing targeted training programs and peer-to-peer learning initiatives through these networks, policymakers can foster knowledge diffusion that enhances local business capacities. Encouraging collaboration between returning migrants, local institutions, and financial organizations can further amplify the impact of these initiatives by linking foreign experience with domestic opportunities for economic development.

DISCLAIMER

The study's findings, interpretations, views, conclusions, and recommendations, as contained in this publication, reflect the authors' and do not necessarily reflect the official opinion of WIUT or CPRO.

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