In late 2008, as a result of the global economic crisis, countries around the world reported a significant decrease in the level of remittances sent by their citizens working abroad. Tajikistan alone reported a decrease of almost 25 percent.1 This sharp decline alarmed Central Asian experts, who warned that the lack of jobs overseas would force migrants to return en masse to their countries of origin and create social and political instability. However, November 2009 data showed that remittances in Tajikistan fell by only 6.1 percent, lower than the 7.3 percent that had been forecast in late 2008.2 Yet, the sudden drop in remittances reported globally could reflect a familiar cycle in labor migration whereby remittances surge during the summer months, followed by a burst of remittances sent home before the school year begins.

The latest data also indicates that the drop in remittances did not affect the number of migrants from Tajikistan and other Central Asian countries seeking jobs abroad. In fact, the number of people migrating abroad during the global economic crisis remained stable. Despite earlier predictions, most migrants were unwilling to travel to their country of origin because they feared that tighter immigration regulations would prevent them from going abroad again. Furthermore, although remittance levels shrank globally in 2009, it was only for a relatively short period of time. In South Asia, for example, the economic crisis only slowed down the overall increase in remittances; it did not trigger a decline. Importantly, the remittances returned to their 2008 level by late 2010, while by early 2011 they had grown in the whole of Central Asia by an average of 20 percent.3

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This chapter argues that labor migrants continued to be an important economic force in Central Asia during the years of global financial crisis. The latter forced more Central Asians to look for jobs abroad in spite of facing greater uncertainty and challenges in finding a stable income in Russia and beyond. Unless domestic economies in poor countries like Kyrgyzstan, Tajikistan, and Uzbekistan create enough incentives to entice workers in their own countries to take up jobs domestically, the current trend of out-migration will continue to increase. Contrary to predictions by regional experts, labor migrants will not demand political changes at home because they will not return unless they see attractive opportunities in their homeland. The roughly two million Central Asian migrants currently residing in Russia have already built extensive networks there, and these connections will encourage more people to emigrate. Partly as a result of the crisis, Central Asian diasporas are now scattered across many Russian cities. This, coupled with opportunities for land and air travel, as well as a general knowledge among the region’s population of how to travel and live in Russia and Kazakhstan, make labor migration an entrenched process that cannot simply be overturned by government decrees.

According to World Bank data, in the late 2000s migrants faced increased personal risks. Their ability to work and send remittances largely depended on the availability of jobs, strict immigration controls and Russia’s imposition quota on the foreign labor force, as well as unpredictable exchange rates. Still, remittances remain a stable source of capital inflow to developing countries compared to foreign direct investments. National governments also see labor migrants as a convenient financial resource that can help sustain the majority of the population. The global economic crisis has demonstrated to the local governments the benefits that labor migration brings. The main challenge to them, though, is how to direct remittances into economic and social development, rather than being channeled into personal consumption.

This chapter offers three differing viewpoints about labor migration during the economic crisis. These viewpoints were compiled from interviews conducted between late 2008 and early 2009 with several dozen experts in Central Asia. It discusses how the lack of cooperation between migrant-receiving and migrant-exporting states affects the daily lives of labor migrants, in addition to examining how national governments deal with issues of labor migration. Finally, it offers recommendations to the Central Asian governments on how to reap the potential benefits from migration, as well as how to improve the lives of those who have migrated.