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**PERCEPTIONS OF EMPLOYMENT SECURITY IN THE FACE OF  
ECONOMIC DISPARITIES: A COMPARATIVE ANALYSIS OF LABOR  
MARKET DYNAMICS IN UZBEKISTAN AND LATVIA**

**Nodarbinātības Drošības Uztvere Ekonomisko Atšķirību Apstākļos: Darba  
Tirgus Dinamikas Salīdzinošā Analīze Uzbekistānā Un Latvijā**

**BACHELOR'S THESIS**

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## ANNOTATION

This bachelor thesis is centered on a comparative analysis of labor market dynamics and perceptions of employment security amid economic disparities in Uzbekistan and Latvia. It explores how economic of employment security, integrating surveys to compare these perceptions with actual data. The study aims to provide insights for policymakers on improving employment security and managing economic inequalities, highlighting the interaction between labor market dynamics and employment backgrounds in both countries.

**Keywords:** Employment Security, Labor Market Dynamics, Economic Disparities, Uzbekistan, Latvia

## ANOTĀCIJA

Šī bakalaura darba mērķis ir veikt salīdzinošu analīzi par darba tirgus dinamiku un nodarbinātības drošības uztveri ekonomisko atšķirību Uzbekistānā un Latvijā. Tas pēta, kā ekonomiskie apstākļi, algu struktūras un valstu politikas ietekmē uz indivīdu uztveri par darba drošību, izmantojot aptauju, lai salīdzinātu šīs uztveres ar faktiskajiem datiem. Pētījums vēršas uz ieskatu sniegšanu politikas veidotājiem par nodarbinātības drošības uzlabošanu un ekonomisko nevienlīdzību pārvaldīšanu, izceļot darba tirgus dinamikas un nodarbinātības pieredzes mijiedarbību abās valstīs.

**Atslēgvārdi:** Nodarbinātības drošība, Darba tirgus dinamika, Ekonomiskās atšķirības, Uzbekistāna, Latvija

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## List Of Designations and Abbreviations

GDP – Gross Domestic Product

ILO – International Labor Organization

OECD – Organization for Economic Co-operation and Development

VET – Vocational Education and Training

EU – European Union

EUR – Euro

## INTRODUCTION

The global economy continues to develop very rapidly. This makes the idea of employment security and the reality of economic inequality increasingly important. There are both favorable and unfavorable circumstances that contribute to changes in labor markets, and these factors ultimately shape an individual's sense of job stability and overall employment security.

Nowadays, most people are facing a challenge with the employment. This topic has been chosen to delve deeply into individuals' perceptions of employment security in the face of economic disparities in both countries, as well as to explore how global economic shifts and national policies might impact on job security.

The **aim** of the bachelor thesis is to explore and compare the perceptions of employment security in the face of economic disparities. Additionally, the research seeks to understand how different economic conditions influence individuals' views on employment security in these diverse countries.

The main **tasks** for the purpose of achieving the aim of the thesis paper:

1. To gather quantitative data on perceptions of employment security from individuals in both countries.
2. To provide a comprehensive analysis of the workforce skills and educational levels, as well as the labor market environment.
3. Identify the crucial factors that influence overall perceptions of employment security as well as highlighting differences and similarities between the countries.
4. Offer insightful recommendations for policymakers to improve the employment security and manage economic disparities more effectively.

In order to proceed with the tasks mentioned, it is crucial to consider an objective and subjective factors for the successful analysis.

The main **object** is to analyse the labor market structure.

The main **subject** is to analyse individuals' perceptions of the employment security.

The study begins by examining the theoretical framework of the labor market dynamics and key concepts of employment security and its main dimensions in measuring it. Moreover, the author aims to provide an insightful recommendations for policymakers. Additionally, this

paper aims to provide valuable insights and recommendations for policymakers to improve the employment security and manage the economic disparities more effectively.

The **hypothesis** states that the perceptions of employment security will significantly differ between Latvia and Uzbekistan.

To achieve these goals, a **quantitative** method such as survey will be used to gather information on live experiences. And views on labor market dynamics and perceptions of employment security within both countries. The primary purpose is to collect data specifically from employed individuals in both countries to access their experience and views on employment security. The focus on the employed people is crucial as it would provide significant insights of those who are actively involved in the labor market and its conditions. By employing quantitative analysis, author aims to provide a comprehensive understanding of the socio-economic factors that influence employment security perceptions in each country.

# 1. THEORETICAL FRAMEWORK ON LABOR MARKET

## 1.1 Defining Labor Market

Nowadays, the labor market is one of the core elements of a market economy as well as a system of social relations that guarantee the rational use and normal reproduction of labor. Labor is human activity in the production process and the expenditure of one's energy and potential; it is quite an important and certainly fundamental factor in the process of production. The main elements of labor are expedient human activity, means, and products of labor. The results of labor are better living conditions of humans, economic benefit to mankind, and gaining knowledge and experience.<sup>1</sup>

Work is not only a catalyst for career growth, but also the basis of human existence and life, affecting the development of the brain and speech, the accumulation of experience, the improvement of abilities.<sup>2</sup>

The term “market”, according to 2017 study by Azimova, is a place where buyers meet with the goal of selling something and sellers, as well as producers and intermediaries, meet with the goal to buy and sell. The author stressed that the market is constantly being characterized by transactions between the side of buyers and that of producers and constitutes a series of economic relations. This definition includes stock markets where securities or financial instruments at all these levels - options, futures are traded.<sup>3</sup>

According to Kazakova F.K., the labor market is a specific scope of market relations in which labor purchase and sale transactions are taken. At the same time, the author insists that it did not always exist and historically on a large scale arose only in the conditions of classical capitalism.<sup>4</sup>

The labor market is an important multifaceted sphere of economic and economic-political life of society. The labor market estimates the cost of labor and determines the conditions for employing that labor in terms of wages, working conditions, job security, the opportunity to receive education, and ensure professional growth.

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<sup>1</sup> Gastwirth, J. L., & Harber, S. E. (1976). Defining the labor market for equal employment standards. *Monthly Labor Review*, 99 (6), 27-32.

<sup>2</sup> Kalleberg, A. L., & Sorensen, A. B. (1979). The sociology of labor markets. *Annual Review of Sociology*, 5 (1), 351-379.

<sup>3</sup> Азимова, Мадина Турдиевна (2017). Современный рынок труда и проблемы его функционирования. *Социальные и экономические явления и процессы*, 12 (1), 7-13.

<sup>4</sup> Казакова, Ф.К. Экономика и социология труда / Ф.К. Казакова, И.В. Белянина. - Москва: МГИУ, 2017. - 48 с.

The difference between the labor market and other markets for production resources is determined by the distinctive features of labor itself (the ability to work) as a commodity.

It is crucial to mention, that employment security has a significant impact on shaping the labor market. This may be explained by how individuals perceive their employment security, opportunities for development, and the appropriate balance between work and life outside of it.

Moreover, the other big indicator in the labor markets, is tried socio-economic policies and development that try to give some balance between worker rights and employer demands. Policy challenges remain rooted in vast differences in labouring conditions, namely in wage gaps, gender inequalities.

Furthermore, it promotes labor market flexibility, particularity in terms of sensitivity to technological and economic shocks and emphasises the importance of flexible policy instruments.<sup>5</sup> Organizations such as International Labor Organization promote the concept of “decent work” to convey the world community’s dedication to provide safe and equitable working conditions.<sup>6</sup> Hence, it is not a question of only employment creation, but also to build meaningful vocations that contribute to personal development and social inclusion. Understanding these complex processes is crucial for developing employment policies and practices in changing labor market that promote long-term economic growth and social well-being.

To conclude, the author observed that the labor market is a dynamic and varies entity that contributes significantly to societal economic and social growth. It is a complex interaction of labor services, economic transactions, and legislation, all impacted by a larger context. The capacity to investigate policies that solve difficulties and provide comparably equitable and sustainable working conditions is vital to achieving the goals of a sustainable and inclusive economy. Understanding natural labor markets and how they adapt to change is crucial to ensuring that work is a long-term and essential to human and economic prosperity.

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<sup>5</sup> Fields, G. S. (2004). A guide to multisector labor market models. *Cornell University*.

<sup>6</sup> International Labour Organization. (n.d.). *Decent work*. Retrieved from <https://www.ilo.org/global/topics/decent-work/lang--en/index.htm> [viewed on 01.04.2024]

## 1.2 Factors Influencing Labor Market Dynamics

The term and the concept of the labor market involve a set of social and economic relationships regulating the interaction of employers: procedures for the selection and dismissal of personnel, formation of wages, and, moreover, the distribution of income and property itself is influenced by the labor market.

In addition, the labor market influences the distribution of income and property. The features that characterize the labor market could be described in the following terms: professional, qualification group segmentation, temporal factors, elasticity, and stability information. However, sociodemographic information may envision regulatory analysis. Labor market processes is dynamic, due to a complex interrelation of several factors: demographic, natural and climatic, economic, social, organizational, and legal. According to Gorbacheva (2008), the labor market system is influenced by factors that can be either relatively constant or change very dynamically. These factors, according to her own classification, relate to the demographic situation, natural and climatic factors, economy, social, organizational and legal.<sup>7</sup> However, there are certain natural and climatic elements which may affect the background against which labour markets operate, such as the employment levels, the climate, and the distance from industrial areas. The ways of the labour market is influenced upon several factors. Political, legal, and structural production volumes, levels of investment activity, monopoly and competition degrees, inflation rate, state of macro- and microeconomic indicators on the dynamics of implementation.<sup>8</sup>

However, there are certain natural and climatic elements which may affect the background against which labour markets operate, such as the employment levels, the climate, and the distance from industrial areas. The ways of the labour market is influenced upon several factors. Political, legal, and structural production volumes, levels of investment activity, monopoly and competition degrees, inflation rate, state of macro- and microeconomic indicators on the dynamics of implementation.

Social elements are also factors that influence labor market dynamics: the standard of living and its quality, work motivation, the extent of the development of professional movements and social partnership, the degree of state intervention, and social processes.<sup>9</sup> Organizational elements are another factor of influence on labor market results: to what extent

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<sup>7</sup> Горбачева, Г.П. (2008). Рынок труда: взгляды на определение некоторых категорий. *Интеллект. Инновации. Инвестиции*, (2(2)), 23-27.

<sup>8</sup> Tickamyer, A. R., & Bokemeier, J. (2019). Alternative strategies for labor market analyses: Multi-level models of labor market inequality. *In Inequality in Labor Market Areas* (pp. 87-102). Taylor & Francis.

<sup>9</sup> Peck, J. (1996). *Work-Place: The Social Regulation of Labor Markets*. Guilford Press.

the organization involves labour in the production and management process, the way of working of the labour exchange, and the employment service in which these people are involved.

Other legal integrities deal with the terms and conditions of the labor market, the entrepreneurship regulated, the legal process in case of bankruptcy for the businesses, the legal status linked to immigration, terms of employment and dismissal, hours of work, and rest.<sup>10</sup> This all requires the making of new social institutions, the general affirmation of the peculiar values of human labor, the institutional equality that is built between members of labor power, the reorientation of state activity, and the relentless development of the partnership of labor relations.

Aside from the factors already highlighted, it is hard to overstate the impact of digital revolution on labour market changes. Rapid technological advancement is having a detrimental impact on the dynamics and structure of the labour market and rising digital consequences. A 2020 study by Brynjolfsson and McAfee found that adapting worker skills is also necessary to increase workforce productivity through the usage of robotics and technologies.<sup>11</sup>

Furthermore, the concept of "flexible employment opportunities" has fundamentally changed how traditional employment structures are organised. According to Kalleberg (2011), flexible working includes contract jobs, independent projects (freelancers), and remote work.

They are growing more common because employers and employees want greater flexibility in talent management and a better work-life balance. Since the main goal of labor laws and social security systems is to guarantee secure and full-time employment - these changes have significant consequences.

Another dimension in the modern job market pertains to the green economy, developing importance being attached to the matter. Since such an environmental issue is a pressing concern across the world, numerous employments are being generated in this area to assure the continuation of environmental protection. The International Labor Organization highlights that green employment not only substantially advance environmental conservation, but also raise wages and provide job opportunities.

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<sup>10</sup> Agénor, P.-R. (1996). The Labor Market and Economic Adjustment. *Staff Papers (International Monetary Fund)*, 43(2), 261–335.

<sup>11</sup> Brynjolfsson, E., & McAfee, A. (2020). *The Second Machine Age: Work, Progress, and Prosperity in a Time of Brilliant Technologies*. W. W. Norton & Company.

Because the skills required for these jobs are always changing, education and training programmes are modified to better align with the objectives of sustainable development goals.<sup>12</sup>

Furthermore, globalization of labor market generates both opportunities and challenges for the individuals. Cross-border labor mobility has improved travel and communication technology, as well as extended the talent pool accessible to employers, but it has also introduced obstacles such as cultural integration and legal compliance. According to a 2019 World Economic Forum report, global labor mobility has the potential to increase economic growth while also addressing talent shortages in affluent nations and economic growth in low-income and developing regions.<sup>13</sup>

In conclusion, the labor market has been undergoing radical changes attributed to globalization, demographic changes, technological advancements, and rise of flexible and green employment opportunities. All these shifts require policy interventions in order to expand the opportunities and minimize the negative effects of the shaping labor market. It is crucial to foster the resilient, equitable and sustainable economic environment to be able to understand the complex mix of effects across the market and labor.

### **1.3 Theoretical Concepts of Economic Inequalities**

Nowadays, inequality is one of the most pressing problems of humanity. Even though our societies have unprecedented wealth, they still cannot properly distribute the benefits received among different demographic groups. More and more scientists are turning to the discussion of the problem of economic and social inequality of citizens.<sup>14</sup>

The most common options for studying this problem from the sociological and economic sides, since these two aspects have an ongoing impact on the population and their well-being. This inequality is an example of how it is impossible to effectively use the economic power of the population to create favourable living conditions for those citizens who need social support.<sup>15</sup>

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<sup>12</sup> International Labour Organization. (n.d.). Promoting entrepreneurship education: A guide for educators. Retrieved from [https://www.ilo.org/wcmsp5/groups/public/@ed\\_emp/@emp\\_ent/documents/publication/wcms\\_158733.pdf](https://www.ilo.org/wcmsp5/groups/public/@ed_emp/@emp_ent/documents/publication/wcms_158733.pdf) [viewed on 20.03.2024]

<sup>13</sup> World Economic Forum. (2019). *The Global Competitiveness Report 2019*. Retrieved from [https://www3.weforum.org/docs/WEF\\_TheGlobalCompetitivenessReport2019.pdf](https://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf) [viewed on 16.04.2024]

<sup>15</sup> Thorat, S., & Newman, K. S. (2007). Caste and Economic Discrimination: Causes, Consequences and Remedies. *Economic and Political Weekly*, 42(41), 4121–4124.

Now, people are accustomed to sticking to the point of justice, namely, assessing and determining the level of income inequality, which will be accepted directly by society as normal inequality, and deviations from the accepted norm will hinder economic growth.

It is important to mention that as of now, there is a noticeable tendency towards an increase in income inequality, which leads to pronounced inequality between the strata of society and their perception of the world and each other. This problem goes beyond developing or underdeveloped countries, extending its relevance to developed economies.<sup>16</sup>

In recent decades, in many countries of the world, the socio-economic gap between rich and poor has increased significantly over the past decades, with particular attention paid to moderate and low-income countries. Indeed, over the past decade, the gap between rich and economically marginalized sectors has widened significantly in many economies around the world, especially in low- and middle-income countries. Many households previously below the poverty line are at immediate risk of ending up in poverty again.

The issue with the income inequality, which was formerly restricted by area, has now exceeded geographical limits and is global in scope, impacting individuals all over the world. The financial market is an external component in the formation and preservation of this, and it plays an important role in shaping worsening these disparities all over the world. The intricacies of the interaction of economic forces in the financial sector have resulted in a major widening of the wealth gap and an influence on economic development.<sup>17</sup>

As more nations eliminate this problem, the necessity to fully address the causes of income disparities will become obvious. Mitigating the negative implications of financial market dynamics and implementing equitable economic policies are crucial steps towards developing a more inclusive and equitable global economic environment.<sup>18</sup>

People tend to have a various labor contribution and, as a result, varying remuneration systems (salaries). However, inequality has only lately reached proportions that cannot be explained exclusively by labor input. As a result, an increasing number of individuals believe it's uneven.

In conclusion, author observed that the increase in inequalities was not only a result, but also a significant component in the development and worsening of the global financial crisis. Furthermore, its effects extend well beyond the immediate period of the crisis and have long-

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<sup>16</sup> Shari, I. (2000). Globalization and Economic Disparities in East and Southeast Asia: New Dilemmas. *Third World Quarterly*, 21(6), 963–975.

<sup>17</sup> Galor, O., Moav, O. (2000). Ability-Biased Technological Transition, Wage Inequality, and Economic Growth. *The Quarterly Journal of Economics*, 115(2), 469–497.

<sup>18</sup> Kricheli-Katz, T. (2016). Income Inequality. Review of Income Inequality: Economic Disparities and the Middle Class in Affluent Countries, by J. Gornick & M. Janttil. *Sociological Forum*, 31(2), 492–495.

term implications for the ongoing and seemingly unstoppable dynamics of the global economic crisis. Persistent economic imbalance across different segments of society raises the vulnerability of financial institutions and have destabilizing impacts that prevent long-term economic recovery.

### **1.4 Measurement Strategies for Economic Disparities**

The concept of economic inequality is complex and includes different interpretations, often focused on imbalances in income distribution between different social groups. It highlights the deep differences in income distribution that are the main cause of widespread economic inequality in modern societies. These imbalances appear not only within each country, but also have an impact at the global level.

Essentially, economic inequality reflects systematic differences in the way financial resources are distributed among different populations. Widespread inequalities contribute significantly to increasing inequalities between different socioeconomic groups and maintaining a complex network of socioeconomic classes. The focus is often on the uneven distribution of wealth, wages and opportunities that collectively shape the economic landscape.

According to 1951 study by Schutz, R. R. “If the income distribution is equal, it is necessary to strive for each income to be received in full. The unit receives its share of the total income, which is a certain percentage rate”.<sup>19</sup>

Economic inequality can be established by measuring household expenditure (consumption) or income. Moreover, an indicator of the level of consumption can serve as a more reliable indicator of well-being than an indicator of income, since consumption, as a rule, does not fluctuate as much as income from one period to another.

It is vital to choose the appropriate instrument for measuring economic disparity which necessitates careful evaluation of the specific characteristics of economic inequalities that must be assessed. This informed decision is important in identifying available tools for assessing economic inequality and is useful in helping government decision-makers develop and implement effective income policies.<sup>20</sup> Careful understanding of the extent of economic

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<sup>19</sup> Schutz, R. R. (1951). On the Measurement of Income Inequality. *The American Economic Review*, 41(1), 107–122.

<sup>20</sup> Kuznets, S. (1955). Economic Growth and Income Inequality. *The American Economic Review*, 45(1), 1–28.

inequality ensures that the measurement tools chosen are consistent with policy objectives, thereby improving the accuracy of knowledge gained for informed income policy decisions.

When considering income inequality between households, it is necessary to distinguish between wealth and wage inequalities. Inequality in wages can be caused by such factors as differences in labor productivity, the presence of discrimination in the labor market between different economic groups of workers, differences in the nature of the work performed.<sup>21</sup> An important aspect of economic inequality is differences in the distribution of wealth. Unlike income, which is the amount of money a person receives over a certain period, wealth is considered as the totality of all the assets that he owns.<sup>22</sup>

Some economists argue that consumption is a better measure of economic inequality because it is closely related to permanent income. It is believed that inequality in consumption is generally lower than inequality in income. This is because households or individuals can smooth out temporary changes in their income, such as job layoffs or temporary loss of income, through accumulated savings and borrowing.

In several developing countries, consumer spending is the wealth indicator most often used in reporting the economic well-being of households, while income is usually the indicator in OECD countries. Using consumption measures tends to result in lower levels of inequality than using income-based measures.<sup>23</sup> The choice between using income or consumption measures is often made depending on the availability of relevant statistics. Advanced economies tend to use income data because of the availability of high-quality data from fiscal sources. On the contrary, developing countries are more likely to use consumption data. This is because in many nations, most of the agricultural production is self-sufficient, in-kind, or self-employed, making meaningful estimates of family income difficult to get due to the large proportion of them.

Although, the presence of income and wealth inequality is one of the most complex problems in the economic science. But the main concern would be not about its existence in today's world but what is more important – how high its level is in society.

This observation highlights the direct impact of policy interventions, government structures and socioeconomic conditions. This implies that the level of inequality within the

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<sup>21</sup> Lu, Will Jianyu, Schoellman, Todd K., Donovan, Kevin, & Federal Reserve Bank of Minneapolis. Research Department. (2020). *Labor Market Dynamics and Development* (Issue 596). *Federal Reserve Bank of Minneapolis*.

<sup>22</sup> Lang, K., & Spitzer, A. K.-L. (2020). Race Discrimination: An Economic Perspective. *The Journal of Economic Perspectives*, 34(2), 68–89.

<sup>23</sup> Zhou, M. (1993). Underemployment and Economic Disparities among Minority Groups. *Population Research and Policy Review*, 12(2), 139–157.

society is determined by political decisions, rather than pre-established economic implications. Recognizing the impact of politics on economic inequality allows policymakers and the public to advocate for a more equitable and inclusive economic system. Economic decisions are heavily influenced by political ideology and priorities, affecting the distribution of resources, opportunities, and wealth.

In conclusion, the analysis of economic inequality reveals that disparities in income and wealth distribution are widening due to the substantial effect of economic decisions and governance structures. This analysis emphasizes the significance of strategic approach provided by policymakers in facing the challenges in economic inequalities.

Understanding the complex factors which contribute to economic inequalities allows society to implement targeted measures to decrease them and promote greater economic inclusion. This approach necessitates a dedication to fair policymaking that prioritizes the well-being of all people and strives to build a more just and affluent society for future generations.

### **1.5 Understanding Employment Security: Objective and Subjective Dimensions**

An important factor in the creation of work conditions is labor policy. By enacting laws that forbid arbitrary terminations, encourage ethical hiring practices, and provide severance and unemployment compensation, governments can increase job security. These regulations safeguard employees while encouraging employers to handle workforce management with greater purpose and thoughtfulness.

Employment security is the assurance that one will not have to worry about losing their job to continue performing work duties. This gives your existing job security, safeguards against wrongful termination, and a realistic expectation of ongoing employment. This idea is essential to labor economics since it impacts not just the well-being of the individual but also the stability and productivity of the economy.<sup>24</sup>

Beyond the individual level, employment security has an impact on social and economic institutions. According to a study by Green (2010), employment security is closely linked to improved job satisfaction and organizational loyalty.<sup>25</sup> Since they feel secure,

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<sup>24</sup> Lovell, M. R. (1989). Employment Security. *Relations Industrielles / Industrial Relations*, 44(1), 162–176.

<sup>25</sup> Green, F. (2010). Well-being, job satisfaction and labour mobility. *Labour Economics*, 17(6), 897-903.

employees are more likely to invest in their professional and personal growth, which boosts output and makes the economy more competitive.

In accordance with Dember, W.N (1960), who investigates the significance of perception and explains how the brain processes and perceives information using Gestalt psychology principles such as distinguishing between specific circumstances, grouping by its similarities to the existing experience to evaluate current conditions. Furthermore, the author considers prior information that can assist a person in viewing and comparing the situation to comprehend the conditions of the environment and compare with the existing perception.<sup>26</sup>

The perception of security, as defined by Sverke M., Hellgren, J., & Näswall, in the 2002 study, refers to individual's subjective assessment of how confident and secure they can be in their own workplaces and the potential for subsequent advancement to some extent. This evaluation includes factors such as job stability, which is generally determined by both the individual perception and the conditions from employment places. This study also clearly shows that this is crucial for both a professional career and stability, as well as the individual's overall psycho-emotional health conditions which might have an impact on the perception.<sup>27</sup> According to Clark A. and Postel-Vinay F. 2009 study, workers feel safer and more stable when they see prospects for professional progression, which provides them with happiness and productivity. To satisfy people's requirements, it is vital to investigate the elements that influence their views.<sup>28</sup>

Additionally, the employment security plays a vital role in accordance with mental and physical health outcomes. Research by Burgard, Brand, and House (2009) illustrates that employment insecurity can result in poor physical health as well as a markedly increased risk of psychological issues like anxiety and depression. All these findings play a crucial role as the stable employment is not meant only for economic reasons but for public health as well.<sup>29</sup>

In addition, as it has been observed by Ferrie J.E. in 2002 research, that employment security promotes not only safe conditions for the employees but also boosts a social equity in general. This indicator helps people to feel more secure at their workplaces and reduce the

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<sup>26</sup> Dember, W. N. (1960). *The psychology of perception*. Henry Holt.

<sup>27</sup> Sverke, M., Hellgren, J., & Näswall, K. (2002). No security: A meta-analysis and review of job insecurity and its consequences. *Journal of Occupational Health Psychology*.

<sup>28</sup> Clark, A., & Postel-Vinay, F. (2009). Job Security and Job Protection. *Oxford Economic Papers*, 61(2), 207–239.

<sup>29</sup> Burgard, S. A., Brand, J. E., & House, J. S. (2009). Perceived job insecurity and worker health in the United States. *Social Science & Medicine*, 69(5), 777-785.

economic inequalities among the workers which is crucial for reducing the gaps between different socioeconomic groups.<sup>30</sup>

Additionally, the employment security plays a vital role in accordance with mental and physical health outcomes. Research by Burgard, Brand, and House (2009) illustrates that employment insecurity can result in poor physical health as well as a markedly increased risk of psychological issues like anxiety and depression. All these findings play a crucial role as the stable employment is not meant only for economic reasons but for public health as well.<sup>31</sup>

Moreover, from an economic perspective, the employment security helps to stabilize the labor market by reducing the volatility of unemployment rates. Economists Auer and Cazes (2000) have finalized that countries with higher levels of job security typically experience smoother economic cycles with less pronounced booms and busts.<sup>32</sup> The employment stability is crucial for long-term economic planning and steady expansion.

Furthermore, employment security is tied to social equity and the reduction of workplace inequalities. As highlighted in a study by the OECD (2012), secure employment prevents a downward spiral of declining job quality and increasing inequality, which is crucial for social cohesion and the prevention of poverty.<sup>33</sup>

The United Nations Economic Commission for Europe states that the following dimensions have been indicated to measure the quality of employment which provides an employment security for individuals:

1. Safety and ethical employment practices
2. Provide fair compensation system and additional bonuses from the workplace
3. Ensure stable working time and work-life balance to employees
4. Communication and social protection
5. Opportunities for additional training and skills development
6. Building relationships at workplace and ensuring the work motivation

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<sup>30</sup> Ferrie, J. E., et al. (2001). Job insecurity in white-collar workers: Toward an explanation of associations with health. *Journal of Occupational Health Psychology*, 7(4), 242-254.

<sup>31</sup> Burgard, S. A., Brand, J. E., & House, J. S. (2009). Perceived job insecurity and worker health in the United States. *Social Science & Medicine*, 69(5), 777-785.

<sup>32</sup> Auer, P., & Cazes, S. (2000). The resilience of the long-term employment relationship: Evidence from the industrialized countries. *International Labour Review*, 139(4), 379-408.

<sup>33</sup> OECD. (2012). *OECD Employment Outlook 2012*. Paris: OECD Publishing.

**Safety and ethical employment practices**– guarantees that each employee receives equitable treatment and equal opportunity at work. When safety and ethics come together, they provide a holistic framework that offers both physical protection and moral integrity, fostering a positive and productive work environment.

**Provide fair compensation system and additional bonuses from the workplace**– offers the consistency and security of a regular or hourly wage along with the financial protection employee needs to pay their living expenses. Benefits offered by employers usually include health insurance, paid time off =, retirement plans, opportunities for professional growth, and flexible work schedules that improve overall wellbeing by lowering stress levels and increasing financial stability.

**Ensure stable working time and work-life balance to employees** – promotes the general wellbeing and efficiency of its employees. People may accomplish their professional obligations and yet have time for their outside life. Workers who are capable to have a healthy work-life balance are happier and more productive are their workplaces, as well as they also do not experience stress and anxiety at work.

**Communication and social protection**– ensure safety and healthy work environment which is a key factor for employment security. In addition to fostering trust, open communication between employees and employers also aids in resolving concerns about job security and adherence to working standards.

**Opportunities for additional training and skills developing**– provides workers with stability and opportunities for career progress. Employers that fund training opportunities give their employees new abilities and information, increasing their effectiveness and adaptability in a labor market which tends to change rapidly. This will not only help to become more productive, but it will also reassure that the person is valuable and have a plenty opportunity for professional development.

**Building relationships at workplace and ensuring the work motivation**– is a cornerstone of building a secure and rewarding workplace. Positive working relationships foster a sense of belonging and community, which gives employees a sense of support and importance. This strategy not only enhances worker wellbeing but also makes the workplace more united and productive.<sup>34</sup>

In conclusion, the author contends that to preserve economic stability, improve individual wellbeing, and guarantee favorable social results, the employment security is a

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<sup>34</sup> United Nations Economic Commission for Europe. (2015). Handbook on Measuring Quality of Employment: A Statistical Framework (ECE/CES/40). Available: [https://unece.org/DAM/stats/publications/2015/ECE\\_CES\\_40.pdf](https://unece.org/DAM/stats/publications/2015/ECE_CES_40.pdf) [viewed on 24.05.2024]

complicated and significant component of successful labor policies. As uncertainty increases due to globalization and technological advancements, employment security is becoming more and more vital. By guaranteeing equitable treatment, respectable working conditions, and prospects for advancement, job security contributes to the development of a happy and effective work environment. In addition to boosting motivation and job satisfaction, the stability fosters social cohesiveness and reduces inequality, which benefits the country of the economy. To achieve a high degree of employment security, significant legislative measures are needed to strike a balance between worker protection and employer flexibility, which will eventually benefit both employers and employees. Benefits from this could lead to a more wealthy and sustainable economy.

## 2. ANALYSIS OF LABOR MARKET DYNAMICS AND ECONOMIC DISPARITIES

According to the authors main objective of the paper, which indicated that it is important to consider and evaluate the labor market environments in both countries and factors such as employment and unemployment rates will be measured to show how this might impact the labor markets and economic inequalities. The following analysis is divided into two main sections that address a variety of topics which will provide a meaningful insight for both countries.

The first subchapter focuses on workforce skills and educational levels, exploring how these factors influence employment security and economic inequalities. It explores the quality and distribution of educational levels among both countries, the frequency and effectiveness and efficiency of vocational and technical training opportunities, and the relationship between educational level and the labor market needs. This section explores the impact of educational level and workforce skills which might impact the employment security, income levels, and general economic stability.

The second subchapter focuses on various labor market trends, including important statistics such as unemployment rates, employment-to-population ratios, and sectoral employment distribution for Uzbekistan and Latvia. The author represents the impact of these variables which have changed over time due to diverse economic policies, global economic challenges faced by each country. This section also investigates the structure and environment of the economies, emphasizing the significance of various sectors such as agriculture, industry, and services in creating and providing jobs and generating economic growth.

By analyzing the findings from both chapters, author gains a comprehensive knowledge and understanding of how various economical, educational and political factors can influence the labor market conditions and outcomes. Additionally, emphasizes the importance of analyzing these variables to establish significant strategies for Latvia and Uzbekistan, as well as to apply this research to analyze the labor market challenges and potential governmental solutions which will boost the economic development and labor market efficiency.

## 2.1 An Overview of Workforce Skills and Educational Levels in Uzbekistan and Latvia

The workforce skills and educational levels have a significant impact on the dynamics of the labor market stability of the nation's economy. This chapter provides an overview of the workforce skills and educational levels of Uzbekistan and Latvia, as well as the ways in which these variables affect employment security and fuel economic inequality. To identify important trends and gaps that affect the employment security, the distribution of educational backgrounds, the frequency of vocational and technical training, and the fit between labor market demands and workforce skills will be observed.

This chapter examines the similarities and differences between Uzbekistan and Latvia in terms of education and qualification levels and provides a better understanding of how these factors affect the results of employment in each country.

To start off, the general skills and education levels of individuals from Uzbekistan plays a vital role to its economic sustainability and dynamics of labor market. Over the past few years, there has been a major implementation in Uzbekistani reforms which affected the quality of educational level for all citizens. These reforms aimed to provide a valuable opportunity for aligning and implementing the education systems which focuses more on the labor market needs, which will ensure that graduates will have the skills needed.

According to the report by World Bank's report by 2019, Uzbekistan expanded their access to education and improved educational results through numerous implementations which included the modernized approach of curriculum and separate training for teachers to provide to them diverse opportunities and knowledge. Despite these efforts, the challenges still exist, particularly in developing vocational training standards that meet today's labor market demands, The gap between the skills taught in schools or higher education, the requirement from employers is still considered as a significant challenge for individuals.<sup>35</sup>

Additionally, a detailed analysis according to the United Nations by 2021, which indicates that while the country has made a progress in strengthening basic education, it still crucial to provide accessible vocational training programs to the citizens. These specialized skills are vital for sectors that are pivotal to the country's economic growth, such as manufacturing and services.<sup>36</sup>

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<sup>35</sup> World Bank. (2019). *Uzbekistan education sector analysis*. Retrieved from: <https://documents.worldbank.org/curated/en/379211551844192053/pdf/Uzbekistan-Education-Sector-Analysis.pdf> [viewed on 10.05.2024]

<sup>36</sup> United Nations. (2021). *Uzbekistan education sector analysis*. Retrieved from: <https://uzbekistan.un.org/en/download/106116/181956> [viewed on 10.05.2024]

In addition, Latvia has made an outstanding progress in improving its educational systems and workforce trainings which is vital for economic development and growth and competitiveness. According to the OECD report by 2019, the country's educational system places a higher focus on vocational education and training (VET), with approximately 30% of 25-34-years-olds successfully completed a VET certification. VET qualification consists of three main levels which are lower secondary education ("basic" education), secondary education and professional higher education. The significance and attaining the vocational education prepare the individuals for shift from educational institutions to the workplaces, which contributes to lower unemployment rates as they have an advantage fulfilling the VET education compared to general secondary education.<sup>37</sup>

Furthermore, Latvia focuses on improving skills and provides continuous development to meet the labor market needs and conditions, which will enhance the labor productivity in general. According to the OECD, the ongoing initiatives of boosting skills, innovations and conditions for enterprises is crucial for optimizing the growth potential within the country.<sup>38</sup>

However, the country still facing the challenges such as ensuring to provide the access to high-quality education and training programs across all regions of the country. The quality of vocational education programs varies widely, and there is a need to incorporate more important skills, such as cognitive and social-emotional. These abilities would contribute to the acquisition of extra knowledge required for the modern workforce and their productivity.

A comparison between Uzbekistan and Latvia reveals some significant similarities and differences. Both countries have made impressive progress in improving their educational systems and workforce skills. However, they might face challenges due to different economic conditions and specific labor market demands.

In Uzbekistan, the emphasis is on increasing access to basic education and enhancing the quality of vocational training programs to better align labor market conditions. Despite these efforts, there is still a significant imbalance between the supply and demand for tailored labor, which must be addressed to increase assurance and minimize economic inequalities.

In contrast, Latvia has a well-developed vocational educational system, which is gradually decreasing unemployment among vocational graduates. However, the government

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<sup>37</sup> OECD. (2019). *OECD skills strategy implementation guidance for Latvia*. Retrieved from: [https://www.izm.gov.lv/sites/izm/files/data\\_content/5oecd\\_skills\\_strategy\\_implementation\\_guidance\\_for\\_latvia.pdf](https://www.izm.gov.lv/sites/izm/files/data_content/5oecd_skills_strategy_implementation_guidance_for_latvia.pdf) [viewed on 10.05.2024]

<sup>38</sup> OECD. (2022). *Latvia: Improve skills, innovation and business conditions to optimise the strength and quality of future growth*. Retrieved from: <https://www.oecd.org/newsroom/latvia-improve-skills-innovation-and-business-conditions-to-optimise-the-strength-and-quality-of-future-growth.htm> [viewed on 11.05.2024]

addresses issues in guaranteeing equitable education across all areas, as well as developing higher cognitive and socio-emotional skills in vocational programs.

In conclusion, it can be observed that the labor market is a dynamic and multi-faced system shaped by various aspects. Addressing the challenges and expanding the opportunities, the government should require strategic and effective approach which can be adapted to all employed people in both countries. By understanding the broader context of demographic changes, technological improvements, policymakers might establish comprehensive policies that encourage flexible, fair and sustainable labor markets. Continuous investment in education, additional trainings for skills development can position both countries for sustained economic advancements and growth, which will create more opportunities for future.

## 2.2 Analysis of Labor Market Dynamics in Uzbekistan and Latvia

Table 2.1

Country	Agriculture	Services	Industry	Manufacturing
Latvia	5,12%	62,08%	20,86%	12,81%
Uzbekistan	23.47%	35.55%	31.09%	19.14%

The table represented (can be seen on *Table 2.1*<sup>39</sup>) represents the GDP composition in percentage in the year 2022, by sectors for Latvia and Uzbekistan.<sup>40</sup>

As it can be observed, the Latvia's economy is more service-oriented country, with services contributing to 62,08% of GDP. This high percentage corresponds for developed and high-income countries, where the economy relies heavily on sectors such as finance, retail, healthcare, education, and tourism. In comparison, the percentage in agriculture sector (5,12%), suggests that Latvia has largely transitioned from an agrarian to a modern industrial and service economy.

The industry sector, including manufacturing, represents a combined 33,67% (which is a summary of 20,86% for industry sector and 12,81% for manufacturing) of GDP. Manufacturing is a crucial part within the industry sector, reflecting Latvia's capabilities in

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<sup>40</sup> Source: Prepared by the author based on Global Edge. [Latvia: Economy](#) [Uzbekistan: Economy](#)[viewed on 20.05.2024]

producing goods, machinery, and other industrial products. This distribution indicates a balanced approach between producing services and goods.

However, Uzbekistan, in comparison, shows more diverse economic structure with substantial contributions from all sectors. Agriculture contributes significantly, which is 23,47% of the GDP, reflecting the country's reliance on farming and related activities. This is a characteristic of developing and transitioning economies where a large portion of the population is employed in agriculture, and the sector is crucial for livelihoods and exports.

The services sector, at 35,55%, is less dominant compared to Latvia, indicating that there are significant possibilities for growth and development in this sector. The industry sector, including manufacturing, makes up 50,23% (with the 31,09% in the industry sector and 19,14% in manufacturing) of GDP, which underscores Uzbekistan's industrial capabilities and ongoing development in manufacturing and construction. The substantial share of agriculture in GDP suggests that Uzbekistan is still in the process of economic diversification. According to the World Bank report by 2020, that as countries develop, there is usually a shift from agriculture and services, which can be explained by increased urbanization, technological improvements and advancement, and increased productivity.<sup>41</sup>

To conclude, as it has been observed below, Latvia's economy is dominated by the service sector which indicates a high opportunity, productivity and the presence of advanced service industries. Latvia's integration into the European Union has significantly influenced its economic structure, facilitating access to broader markets and funding, and aligning with regulatory frameworks that foster competitiveness.

Uzbekistan presents a more diversified economic structure with prevailing agriculture, industry and services sectors. This balanced and diverse distribution corresponds to the economy which is currently in transition and moving from traditional agrarian towards the industrialization and modernization.

Both Latvia and Uzbekistan face challenges and opportunities that will shape their future economic directions. The distinct possibilities and difficulties that Latvia and Uzbekistan face will influence their respective future economic trajectories. Latvia's strategy entails maintaining its high-income level by ongoing innovation and the expansion of the service sector. Uzbekistan, on the other hand, is concentrating on increasing the capabilities of

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<sup>41</sup> World Bank. (2020). *Global Productivity: Trends, Drivers, and Policies (Chapter 2)*. Available: <https://thedocs.worldbank.org/en/doc/687781593465323067-0050022020/original/GlobalProductivityChapter2.pdf> [viewed on 20.05.2024]

the industrial and service sectors, decreasing dependency on agriculture, and developing a more balanced and diversified economy.

### A Comparison of Earning Standards in Uzbekistan and Latvia

Table 2.1.1

Country	Minimum Wage (EUR)	Average Wage (EUR)
Latvia	700	1215
Uzbekistan	76.18	351.27

The table (can be seen on *Table 2.1.1*), represents minimum and average wages for Uzbekistan and Latvia. The author highlights significant disparities in earning standards between both countries.

Latvia, as EU member with a more advanced economy, shows considerably higher wages. The minimum wage in Latvia is 700 EUR, and its average wage is 1.215 EUR. In contrast, it can be observed that Uzbekistan’s minimum wage is 76.18 EUR, and its average wage is 351.27 EUR, highlighting its ongoing economic transition and lower living standards.<sup>42</sup>

According to the Central Statistical Bureau of Latvia, the higher wages in Latvia are supported by more developed sectors, contributing to higher living standards.<sup>43</sup> Latvia's higher wages are supported by its integration into the EU and its more developed economic sectors. The EU membership has facilitated significant economic benefits for Latvia, including access to larger markets, structural funds, and a stable regulatory environment, which collectively enhance economic growth and wage standards.<sup>44</sup>

In comparison, Uzbekistan’s economy is still transitioning, as noted by CEIC Data, resulting lower wages despite ongoing reforms aimed at economic diversification and

<sup>42</sup> Trading Economics. (2023). Uzbekistan Average Montly Nominated Wages. Available: <https://tradingeconomics.com/uzbekistan/wages> [viewed on 24.05.2024]

<sup>43</sup> Central Statistical Bureau of Latvia. (2023). Wages and salaries. Available: <https://stat.gov.lv/en/statistics-themes/labour-market/wages-and-salaries/press-releases/14299-wages-and-salaries-2nd> [viewed on 24.05.2024]

<sup>44</sup> European Commission. (2023). Stability Programme of Latvia 2023-2026. Available: [https://economy-finance.ec.europa.eu/system/files/2023-02/2023\\_dbp\\_lv\\_update\\_en.pdf](https://economy-finance.ec.europa.eu/system/files/2023-02/2023_dbp_lv_update_en.pdf) [viewed on 24.05.2024]

growth.<sup>45</sup> The economic policies in Uzbekistan are focused on improving productivity, attracting foreign investment, and developing new industries, but the impact of these reforms on wage levels is yet to fully materialize. Moreover, the Uzbekistan's labor market is more focused on traditional sectors, with less developed financial system which has resulted a slow implementation of wage reforms compared to other more advanced and developed economies. The Uzbek government is actively working on implementing the new policies which will enhance and improve the business infrastructure for individuals, which will result on more favorable environment and higher wages.

As author can conclude, the data underscores the importance of economic policies and development levels in shaping wage standards. Latvia's integration into the EU and its economic structure support higher wages, whereas Uzbekistan's developing economy and market reforms are gradually improving.

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<sup>45</sup> CEIC Data. (2024). Uzbekistan National Minimum Wage. Available: <https://www.ceicdata.com/en/uzbekistan/official-minimum-wages/national-minimum-wage#:~:text=Uzbekistan%20National%20Minimum%20Wage%20data,May%202024%2C%20with%20358%20observations.> [viewed on 24.05.2024]

## Overview of Unemployment rate in Uzbekistan and Latvia

Table 2.1.2

Year	Unemployment rate in Latvia (%)	Unemployment rate in Uzbekistan (%)
2008	7.7	4.9
2009	17.5	5
2010	19.5	5.4
2011	16.2	5
2012	15.1	4.9
2013	11.9	4.9
2014	10.8	5.1
2015	9.9	5.2
2016	9.6	5.2
2017	8.7	5.8
2018	7.4	5.4
2019	6.3	4.9
2020	8.1	5.3
2021	7.5	5.4
2022	6.8	4.5
2023	6.5	4.3

This table represents the unemployment trends in Latvia and Uzbekistan from 2008 to 2023 (can be seen on *Table 2.1.1*<sup>46</sup>) which is also a comprehensive overview of labor market dynamics in these two countries under different economic conditions and policy environments. This period, marked by significant global events such as the 2008 financial crisis and the COVID-19 pandemic, offers insights into how external shocks and internal reforms can impact national unemployment rates.

Latvia's considerable reliance on international economic trends is reflected in the country's wide fluctuations in the unemployment rate. After beginning at 7,7% in 2008, the unemployment rate increased to 19,5% in 2010 because of the global financial crisis. Because of its reliance on foreign investment and the collapse of the real estate bubble, Latvia was

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<sup>46</sup> Source: Prepared by the author, retrieved from [Unemployment, total \(% of total labor force\)](#) [viewed 10.05.2023]

particularly affected. One of the worst recessions to hit the EU was brought on by the crisis, which is also necessitated harsh austerity measures and economic restructuring aided by foreign bailouts.

However, the rate rose again in 2020 to 8,1% due to the economic turmoil caused by the COVID-19 pandemic. By 2023, the unemployment rate will settle at 6,5% indicating that the economy has recovered and returned to pre-pandemic stability. With EU membership and better economic management, Latvia's unemployment rate steadily declined over the following several years as the country recovered, stabilized, and saw robust economic growth.

On the other hand, Uzbekistan demonstrated remarkable stability during the same period, with only slight fluctuations in the unemployment rate. The unemployment rate was 4,9% in 2008. And peaked at 5,8% in 2017, aligning with the beginning of massive economic changes following the death of longtime President Islam Karimov in 2016. The two primary goals of these modifications were to improve the business climate and reduce reliance on traditional export items like cotton and gold. The government's strong involvement in the economy can mitigate the effects of global economic uncertainty, and reforms will strengthen the labor market position. From 2018 to 2023, Uzbekistan's unemployment rate will gradually fall to 4,3% implying that the situation might improve in the prospects.

To conclude, a comparison of Uzbekistan's and Latvia's unemployment rates shows how opening the economy has a greater impact than restricted regulations. Due to Latvia's open economic structure, which is connected to the membership in EU, has led to significant employment volatility due to external economic pressures. This openness, while facilitating rapid recovery and growth, also exposes the labor market to global economic fluctuations. In comparison, Uzbekistan's more controlled economic approach has maintained consistent employment numbers, highlighting the role of government intervention as author concluded in the previous part, in stabilizing the labor market and improve the environment for individuals. However, this stability has come at the expense of decreased economic flexibility and a worse overall quality of job opportunities. This approach emphasizes the significance of striking a balance between economic openness and stability, as well as the role of strategic governance in defining labor market outcomes and opportunities. Both countries' experiences offer useful insights into managing employment in the face of global economic disparities and international trends.

## Overview of Employment to population ratio in Uzbekistan and Latvia

Table 2.1.3

Year	Employment to population ratio in Latvia (%)	Employment to population ratio in Uzbekistan (%)
2008	57	55
2009	50	55
2010	47	55
2011	49	55
2012	51	55
2013	52	55
2014	53	54
2015	54	54
2016	55	54
2017	56	53
2018	57	54
2019	57	54
2020	57	53
2021	56	53
2022	57	54
2023	57	54

This table provided (can be seen on *Table 2.1.2<sup>47</sup>*) provides a summary that compares the employment conditions in both countries between 2008 and 2023. The comparison provided as percentage, which represents the proportion of the country's working-age population (aged 15 and older) that is employed.

The employment to population ratio in Latvia fell sharply from 57% in 2008 to 47%, when it started to slowly rise again. This numbers have a tight connection to Latvia's 2008-2009 global financial crisis. This phase of recovery is consistent with Latvia's economic stabilization policies, which involve both international assistance and austerity measures.

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<sup>47</sup> Source: Prepared by the author, retrieved from [Employment to population ratio, 15+, total \(%\)](#) [viewed 10.05.2023]

Employment has continuously increased since 2011, indicating the economy's post-crisis recovery and stabilization. This rate is predicted to rebound to pre-financial-crisis employment levels before peaking at 57% in 2018. It is expected to remain there until 2023, which suggests a robust labor market.

Over the same period, Uzbekistan's employment to population ratio has remained very stable, averaging 55% until the year 2014, when it saw a minor decrease to 53% in 2020, before stabilizing at 54% by 2023. The government's strong position in the economy, which includes substantial control over important sectors and the potential adoption of policies meant to sustain employment levels, may be the cause of this stability. Additionally, although the impact seems minimal, a little reduction around 2020 would point to a slowdown in the world economy brought on by the COVID-19 pandemic.

In conclusion, the comparison of employment conditions in both countries between 2008 and 2023 highlights the distinct economic environments and policy approaches. Latvia's labor market exhibited significant volatility, heavily influenced by external economic shocks such as COVID-19 pandemic. This instability is indicative of Latvia's open economic structure, which, while facilitating integration in the global markets and access to EU benefits, also exposed the country to greater economic fluctuations. The author demonstrated the data of the pattern of abrupt economic concentration and subsequent recovery, underscoring the importance of robust economic and EU support in achieving labor market stabilization and growth.

On the other hand, Uzbekistan's employment conditions remained remarkably stable, reflecting the government's strong regulatory control and strategic economic policies aimed at preserving employment levels. This stability suggests that Uzbekistan's economy is less susceptible to external shocks, a benefit of its more closed economic approach. However, this stability also comes at the cost of reduced economic flexibility and potentially slower adaptation to global economic trends.

### 3. ANALYSIS OF RESEARCH FINDINGS ON LABOR MARKET DYNAMICS AND PERCEPTION OF ECONOMIC SECURITY

#### 3.1 Research methodology

This chapter explains the methodological framework for the quantitative research chapter, detailing the research and design, and discussing the scope and validity of the study. In the second chapter an overview and objectives of the paper has been presented. To achieve the main aim of the paper, it is important to analyze the subjective aspects, such as people personal perception on employment security in Uzbekistan and Latvia. The primary goal is to investigate how people perceive the employment security in the context of economic disparities, particularly as it relates to the dynamics of the labor markets in Latvia and Uzbekistan.

The author gathered the survey, using the following age group distribution: younder generation (18-34), adults (25-34 and 35-45), and middle-age adults (45-54). Author has chosen these specific groups in order to evaluate how the diverse career phases can impact on the perception of employment security.

Younger generation tend to face some challenges entering the workforce environment, which also includes limited job ooprunities and the importance of attaining the additional trainings for personal development. Overall, this demographic group is crucial for understanding how early employment experiences shape long-term perceptions of job security.

Adults represent as more established segment of the workforce and frequently with an ability to balance work with personal commitments, such as family and financial obligations. By separating group into two sugroups (25-34 and 35-45), author intend to represent the shift from early to mid-career growth phase. This diversified comparison allows to gain a comprehensive understanding of how employment security perceptions evolve individuals gain experience and encounter diverse career milestones.

Middle-age workers encounter mid-career stability issues, as they must keep their existing abilites and remain employed while preparing for economic diversifications and retirement. This group is crucial for understanding how long-term employment experiences and successes shape views of employment security.

The decision to gather the data from employed individuals only is based on the purpose of analysing how active participants in the labor market view the employment security and stability of their current positions. This emphasis helps to reflect the varied perspectives of

people directly affected by labor market dynamics and economic inequality. By concentrating on employees, the author aims to give an insight in to the obstacles and uncertainties experienced by employees at different stages in their careers.

### 3.2 Research results: Key Findings on Perceptions of Employment Security and Economic Disparities in the Labor Markets of Uzbekistan and Latvia

Figure 3.2

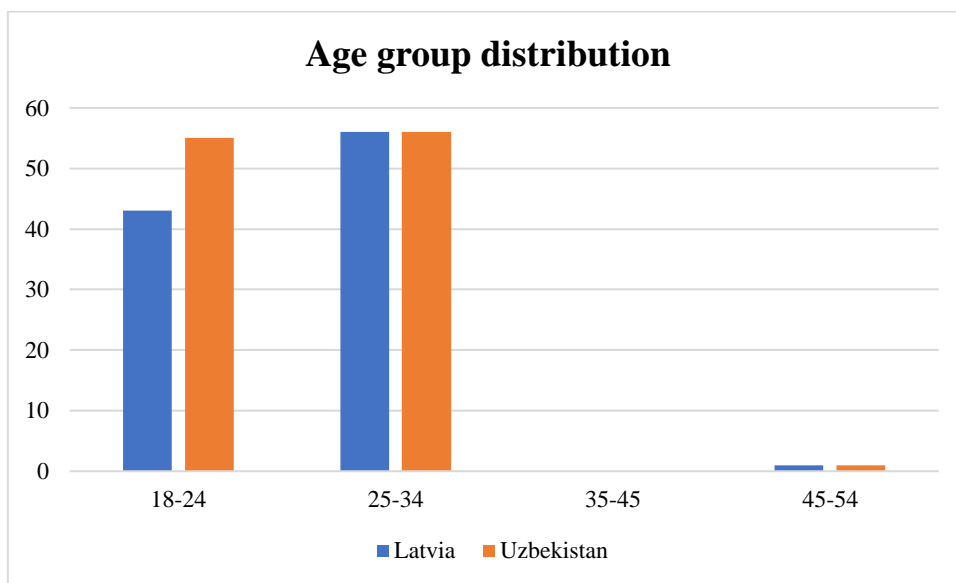


Figure 3.2 Prepared by author. Age distribution of the respondents. (n=200), %

The graph (can be seen on *Figure 3.2*), illustrates the age distribution of survey respondents, with 200 responses divided into two main groups: 18-24 (48,5%) and 25-34 (50%) and the responses from the group of 45-54 which is 1% only. As it has been mentioned in the research methodology, the group of young adults has been chosen since it includes young graduates and professionals which might typically face some challenges at entering their first job, gaining an experience and to feel more confident regarding their employment status. The range of people from 25-34 consists of individuals who are most likely to be more confident and established within their careers but can still face some challenges and difficulties such as finding a new employment in their favourable fields. Lastly, the group of people in an age range from 45-54 represents individuals who are typically in the mid to late stages of their careers which are often having more stable job and income.

Figure 3.2.1

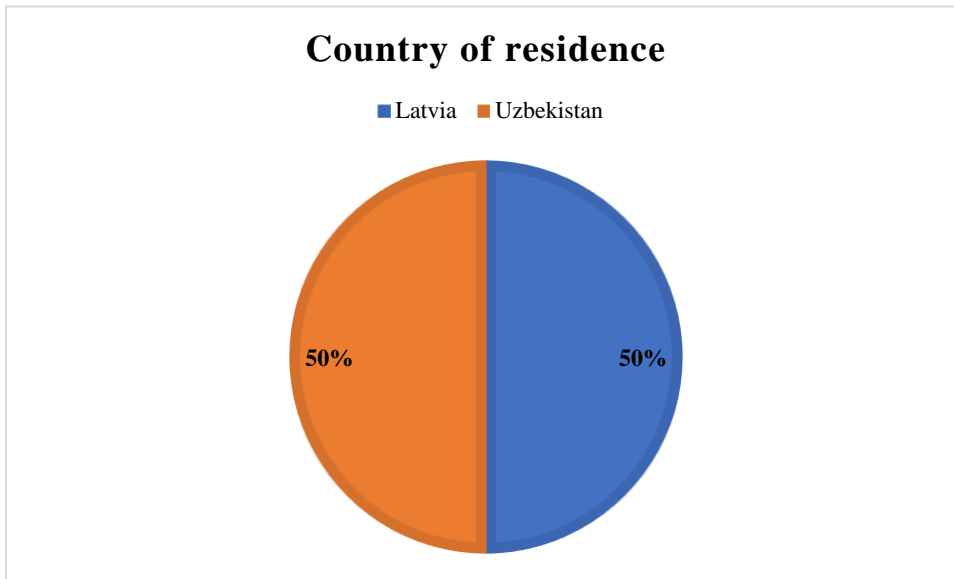


Figure 3.2.1 Prepared by author. Country of residence of the respondents (n=200), %

The pie chart (can be seen on Figure 3.2.1), represents the distribution of survey respondents between two main countries: Latvia and Uzbekistan which indicates that representatives from each country have been split into the equal halves to gather more accurate responses from both countries.

Figure 3.2.2

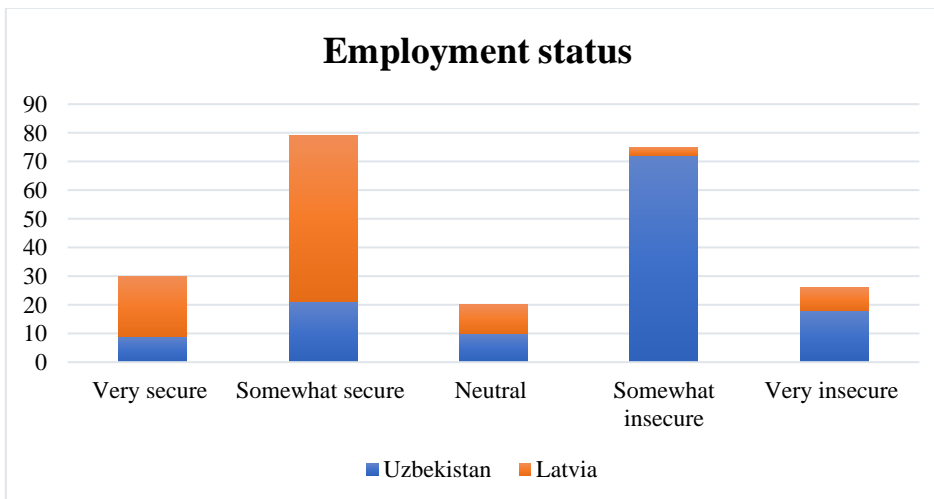


Figure 3.2.2 Prepared by author. Perception of Employment status of the respondents. (n=200), %

The bar chart (can be seen on Figure 3.2.2), illustrates the distribution of perception of employment status responses from respondents.

For Uzbekistan, a significant number of respondents feel somewhat insecure, which consists of 72 people, followed by somewhat secure (21), very insecure (18), neutral (10), and very secure (9). In contrast, Latvia, many respondents feel somewhat secure (58) about their employment, followed by very secure (21), neutral (10), somewhat insecure (3), and very insecure (8). This graph demonstrates the significant difference between the two countries. Uzbekistan has high levels of employment instability, whereas respondents from Latvia believe that Latvia is in more advanced situation in relation of employment security.

Figure 3.2.3

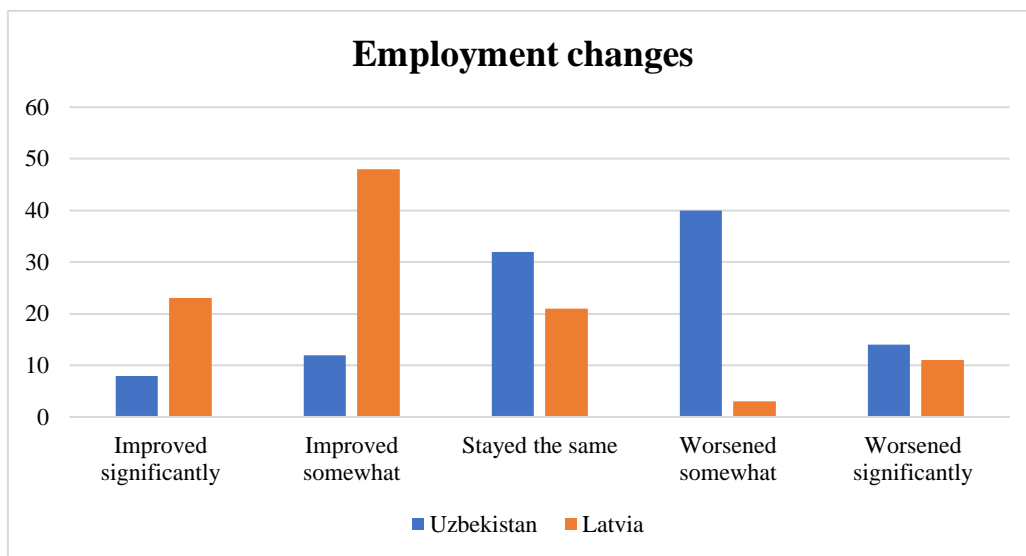


Figure 3.2.3 Prepared by author. Views of respondents of perceived changes in employment security over the years (n=200), %

This chart (can be seen on *Figure 3.2.3*), illustrates the perceived changes in employment security over the last five years between respondents from Uzbekistan and Latvia.

In Latvia, many respondents feel their employment security has improved somewhat, with the highest number of respondents in this category, 48 persons to be specific.

In comparison, in Uzbekistan, a significant portion of respondents feel their employment security has worsened somewhat, making it the predominant category, which is 40 people. Additionally, a substantial number of respondents in Uzbekistan feel their employment security has stayed the same, while in Latvia, a moderate number report the same. Both countries have notable numbers of respondents who feel their employment security has improved significantly or worsened significantly, though Latvia shows a slightly higher count in the improved significantly category. This comparison highlights differing

experiences and perceptions of employment security between two countries over the past five years.

Table 3.2.

<b>Latvia (Positive)</b>	<b>Uzbekistan (Positive)</b>	<b>Latvia (Negative)</b>	<b>Uzbekistan (Negative)</b>	<b>Latvia (Neutral)</b>	<b>Uzbekistan (Neutral)</b>
They cause some disparities, but the situation is improving with better policies.	It has changed a lot since employers improved wages.	Less opportunities to find a proper job	The number of jobs decreased.	No how	I can not tell
More money-more job security	If you are qualified employee, it should not be hard to find a job	The greater the inequality, the higher the risk of losing a job or having your rights violated	Hard to find a job.	Yea	Differently
I think now situation is better than it was	No	Negative	They create significant disparities, making job security uncertain for lower-income groups.	Doesn't affect	Yes
Good	Does not affect	People with less income tend to find a job longer	They cause moderate disparities, impacting job stability for low-income groups.	No	It's not observed
If you are well educated and qualified it should not affect	Can not say, did not notice	It affects all people	I feel insecure about my job.	I don't think so	Can not say
It's okay	No change	Personally hard to find a job within my field	It's harder to find a job.	Has no effect	Hard to think about it
It's easier	Limited access	If you want to earn good	People suffer from fewer	It does not affect me	Can not say

		money and not live on the job, it is not easy to provide such employment	job opportunities.	personally looking for other job	
Job specialization		Sometimes the employers require too much qualifications	Sometimes it's hard to find a well-paid job.	It does not affect I think	
Growth potential		People tend to look for a new job often than before	Sometimes it's hard to find a well-paid job.	I don't think so	
Economic diversity		People with less qualifications suffer from job searching		I haven't noticed it	
It stays the same as it always was		Sometimes it's hard to find a job, takes more time		Hard to tell	
More places to try and apply		Sometimes it is sometimes it's not		Can not affect me	
Quantity of promotions increased		Layoffs		Slightly	

*Table 3.2 Prepared by author. Views of respondents on the differences in income and wealth. (n=200), %*

The table provided (can be seen on *Table 3.2*), highlights the main responses from representatives of Latvia and Uzbekistan regarding on the differences in income and wealth and its effect on job security in their countries. All responses provided as a direct answer from the respondents which are divided into positive, negative and neutral positions. The following is the total number of all responses: 14 positive interactions from Latvia, and 7 from Uzbekistan; 16 negative responses from Latvia and 73 from Uzbekistan; 66 neutral responses from Latvia and 11 from Uzbekistan.

In Latvia, all responses balanced. Positively, there is a growing belief that this is about to change as security and increased choice are brought about by reform programmes. Higher

potential persons who possess education and talent will be able to offer prospects for professional growth and advancement.

However, a negative response, on the other hand, hints at serious concerns. Rising remuneration and declining opportunities for decent work reduce the risk of unemployment. Employers' high standards for competence and efficiency only compound these issues. Additionally, people with lower qualifications have a harder time securing employment, and there is a general sense of job uncertainty.

In Uzbekistan, the outlook is more negative. Numerous respondents state that the quantity of employment has declined, making it harder to find a job. Significant gaps make job security uncertain, especially among low-income populations. There is a pervasive employment insecurity since many people find it difficult to locate well-paying work. High skill requirements and frequent layoffs exacerbate these issues. There are a few favourable concerns, however, certain changes are highlighted, such as greater earnings and easier job search for competent workers. Additionally, some people are unaware that variations in income and assets have a significant influence on employment security. There is a notable number of positive responses from the representatives, indicating that there has been some improvements such as better remuneration systems and opportunities for qualified people.

Overall, income and wealth disparities have greater negative influence on employment security in Uzbekistan than in Latvia, where the situation is expected to improve with better legislation and economic conditions.

Figure 3.2.4

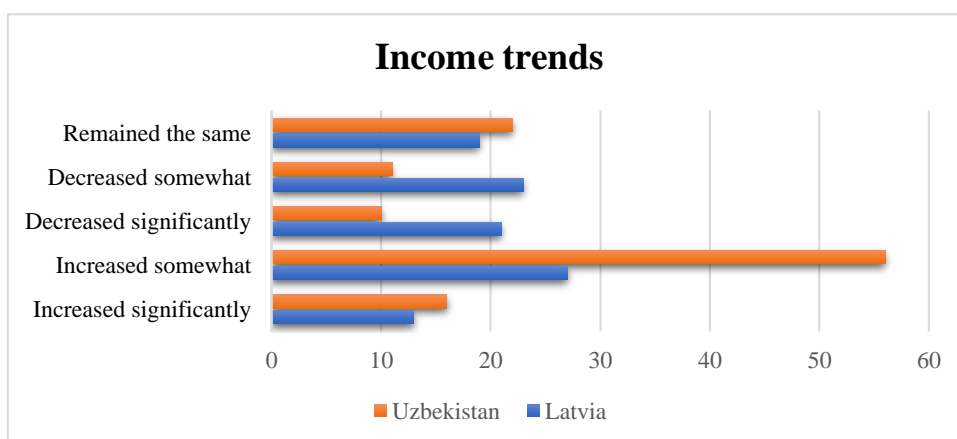


Figure 3.2.4 Prepared by author. Perceptions of the respondents of income differences. (n=200), %

The line graph (can be seen on Figure 3.2.4), illustrates the perceptions of income differences in both countries, showing whether they have increased, decreased, or remained

the same in recent years. Individuals from Uzbekistan, which is approximately 56, perceive that income differences have somewhat increased, which is followed by 16 respondents indicating that they have increased drastically. A smaller number of respondents, around 10 and 11 respectively, think income differences have decreased significantly or decreased somewhat, while about 22 believe they have remained the same.

In comparison, Latvia's responses are dispersed more evenly. While a sizable portion of respondents perceive that income disparities increased (both significant and somewhat), there is a notable number which indicated that it stayed the same. These disparities imply that, while beliefs regarding income inequality are more varied and reflect a greater range of experiences and viewpoints in Latvia, there is a general belief in Uzbekistan that it is rising.

Figure 3.2.5

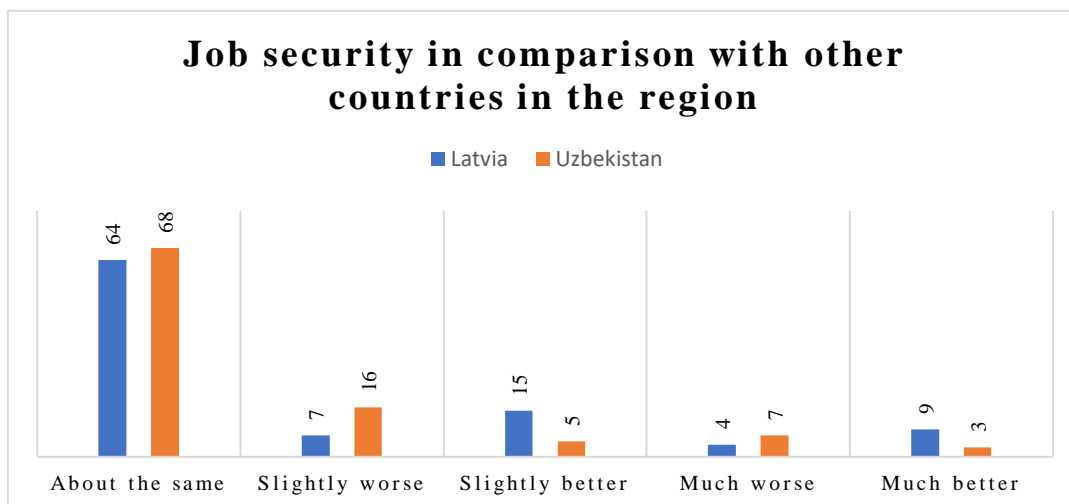


Figure 3.2.5 Prepared by author. Views of respondents on the situation with the employment security in other regions (n=200), %

The graph (can be seen on Figure 3.2.5), compares the perceptions of job security between Latvia and Uzbekistan. The data indicates that a majority in both countries perceive job security as about the same, with 64 responses from Latvia and 68 from Uzbekistan. Latvia shows more variation in perceptions with 15 responses indicating job security is slightly better and 9 indicating it is much better, compared to Uzbekistan's 5 and 3 responses, respectively. Conversely, more respondents in Uzbekistan believe job security is slightly worse (16) and much worse (7) than in Latvia, which had 7 and 4 responses in these categories, respectively. The chart indicated a detailed perspective, showing that 54.5% of all

number of respondents feel that the job security in their countries seems to be on the same level in comparison with the other neighbouring countries. While 19.5% do feel that the level of job security is slightly better and only 9% perceive that the conditions are much better. These variations indicated that there is an existing stability across both countries, despite some reflections of improvement.

Figure 3.2.6

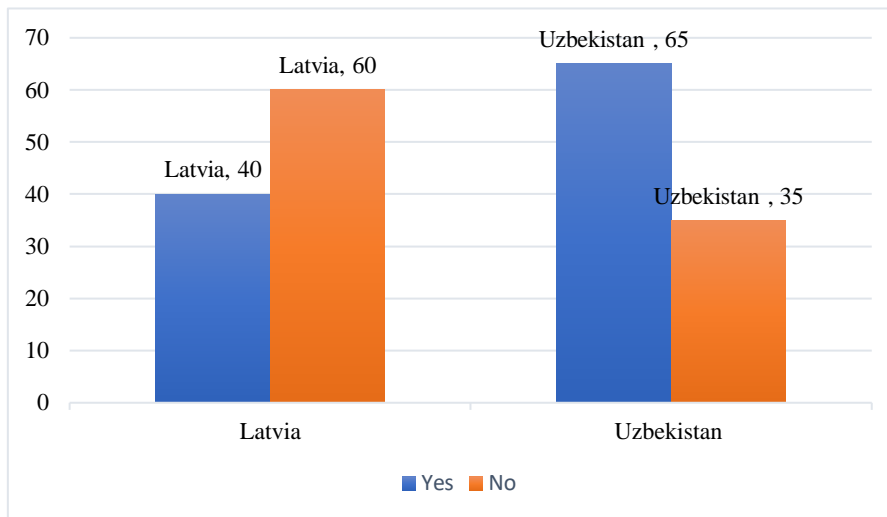


Figure 3.2.6 Prepared by author. Perceptions of respondents of job instability due to income disparities (n=200), %

The graph (can be seen on *Figure 3.2.6*), illustrate the perceptions of job loss or job instability due to income differences in Latvia and Uzbekistan. In Latvia, 40 respondents have experienced job loss or instability, but most respondents (60) have not faced this issue at all. In comparison, in Uzbekistan, a significant number of respondents (65), have experienced or know someone who faced the job loss, while 35 respondents indicated that they have not faced this challenge.

In conclusion, it is evident that despite the number of respondents in Latvia, which experienced the job loss or instability, they have more stable job market which gives the individuals more opportunities for employment. In contrast, the representatives from Uzbekistan face more challenges experiencing a higher levels of job instability.

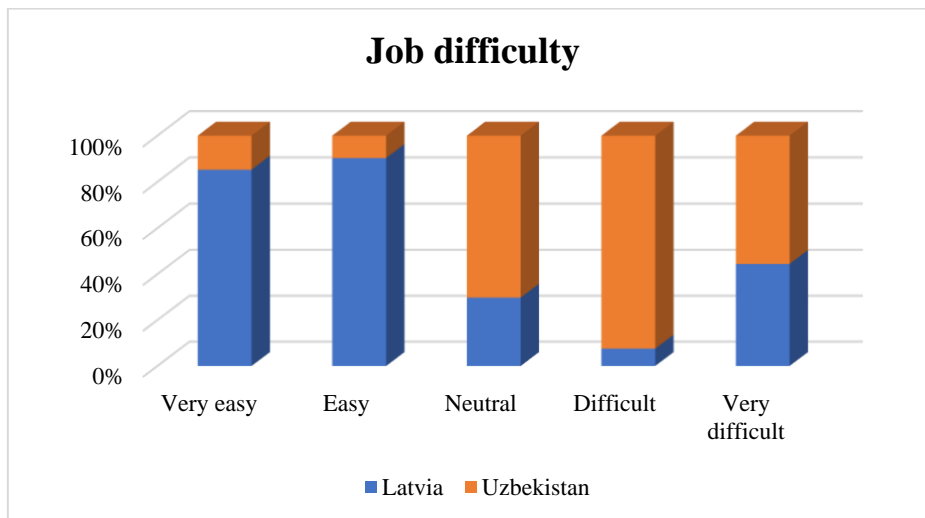


Figure 3.2.7 Prepared by author. Views of respondents on job search (n=200), %

The illustrated graph (can be seen on *Figure 3.2.7*), shows the perceived ease or difficulty of finding a new job in Latvia and Uzbekistan if one were to lose their current job. The graph shows the distribution of responses between the two countries across five categories: very easy, easy, neutral, difficult, and very difficult. The chart further breaks down the overall responses into percentages, revealing that the largest group of respondents finds it difficult to secure new employment, followed by neutral and easy.

The main conclusions for both countries are the following:

In Latvia, a significant number of respondents (29) find it very easy to secure a new job, and nearly as many (28) find it easy. This suggests that the job market in Latvia is relatively accessible for those seeking new employment. However, there is a group (14) which remained neutral, indicates an uncertainty, while few (4) individuals find it difficult or very difficult. Overall, this indicates a generally positive perception of job availability in Latvia.

Most respondents in Uzbekistan (49) noted that finding a new job is difficult, and the remaining respondents indicated that it is extremely difficult for them which leads to a significant issue in the labor market.

Another number of respondents (33), who represented uncertainty and a range of responses were neutral. A smaller percentage of individuals (5), and even fewer (3), said that it is easy, suggesting a more negative opinion on the number of jobs available in Uzbekistan.

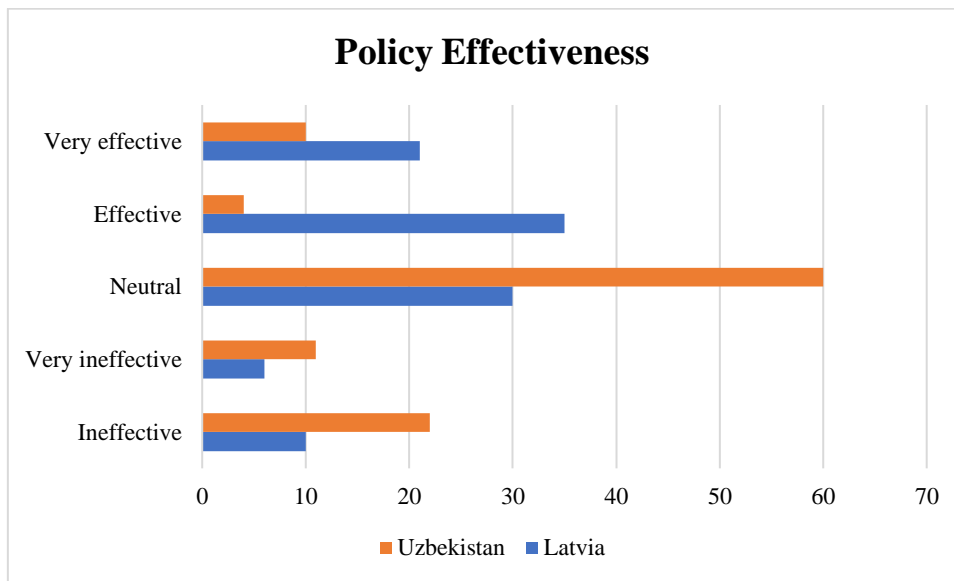


Figure 3.2.8 Prepared by author. Views of respondents on the situation with the employment security in other regions (n=200), %

The bar graph (can be seen on Figure 3.2.8), illustrates respondents' views on the effectiveness of government policies in improving job security in Latvia and Uzbekistan. In Latvia a significant number of respondents (35), consider the country's policies to be effective, and 21 respondents think that these policies are more likely to be very effective. Meanwhile in Uzbekistan, the majority (60) remained neutral, and 22 replied that there might have an ineffective impact on their perception, as well as 11 respondents find them as very ineffective. Lastly, very few of them consider these policies as effective.

In conclusion, Latvia's more positive approach can be described as more confident and secure about the governmental implementational towards improving the employment security. However, maintaining the ongoing implementations of the policies is crucial for enhancing the continuous confidence regarding the perceptions of job security within the country. continuous monitoring and adaptation of policies are necessary to maintain and enhance this confidence.

According to the data indicated, it demonstrates that opinions of policy efficiency in Uzbekistan are divided or unfavourable, which suggest that existing policies need to be reevaluated and strengthened to better address problems with employment security. Policy changes that are more successful can result from collaborating with stakeholders to learn about their issues and solicit their opinions.

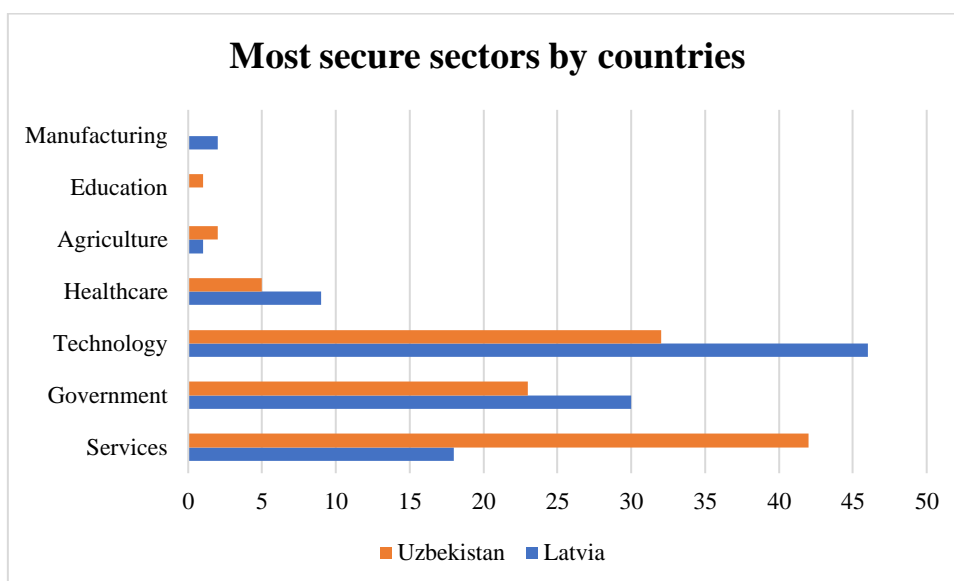


Figure 3.2.9 Prepared by author. Views of respondents on the most secure employment sectors (n=200), %

The graph (can be seen on Figure 3.2.9), shows the perceived employment security across seven sectors in Latvia and Uzbekistan.

In Latvia, Technology is viewed as the most secure sector with 46 responses, followed by Government with 30, and Services with 18. Healthcare, Agriculture, Education, and Manufacturing are perceived as less secure. In Uzbekistan, the Services sector leads with 42 responses, followed by Technology with 32, and Government with 23. Healthcare, Agriculture, Education, and Manufacturing have lower perceived security, with Manufacturing receiving no mentions.

The described data corresponds to the following conclusions:

As it was observed in the second chapter, in Latvia the labor market is perceived as most secure in the Technology Government and Service sectors which corresponds with the conclusion of the improvement in modernization and digitalization of the country, with less confidence in other sectors.

However, in Uzbekistan the Services and Technology sectors are seen as most secure, aligning with the analysis in second chapter of the thesis, which identified the Services sector as prevailing in Uzbekistan. Significant challenges remain in Manufacturing and other fields.

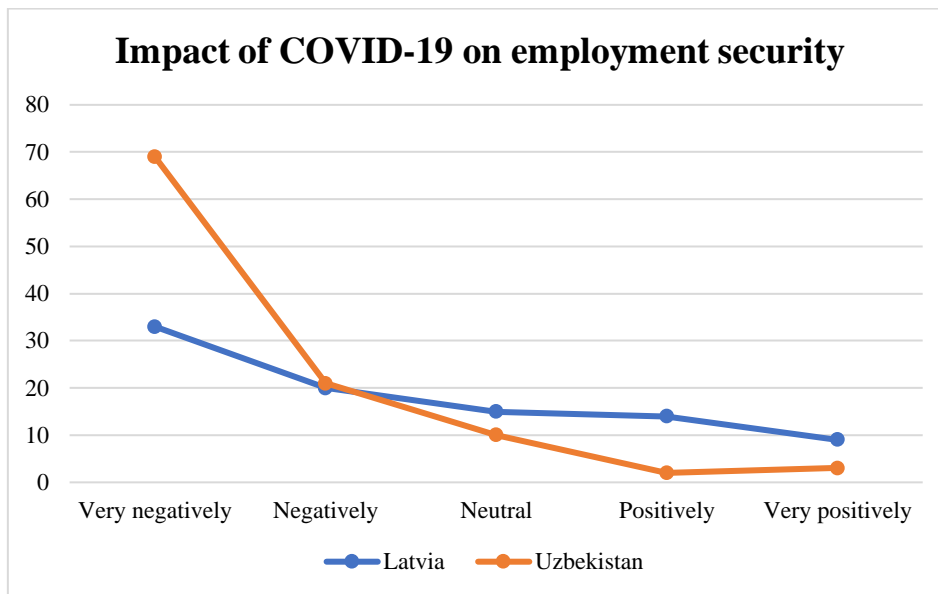


Figure 3.2.10 Prepared by author. Views of respondents on the impact of COVID-19 on the employment security regions (n=200), %

The line graph (can be seen on Figure 3.3.10), shows the perceived impact of global economic event which is COVID-19 pandemic, on employment security in both countries.

In Latvia, a significant number of respondents (33), think that the pandemic has a negative impact on employment security. Other 20 respondents had unfavourable opinions on these circumstances. In contrast to Uzbekistan, this viewpoint is more impartial. A sizable number of individuals saw the influence favourably, with 15 remaining neutral. Another 9 responded that this affected them very positively and another 14 concluded just positive impact.

As a result, even while sizable segment of the population in Latvia believes that the pandemic would negatively affect employment, a notable number also believes that it will have a neutral or positive impact, suggesting some resilience in the labor market.

In comparison, in Uzbekistan, the responses are more negative, with 69 respondents indicating very negative influence on employment security and 21 reported it as just negative impact perceived. Only a small number of individuals (10), finds it neutral, only 2 reported it as a positive and 3 noted very positive impact the employment security.

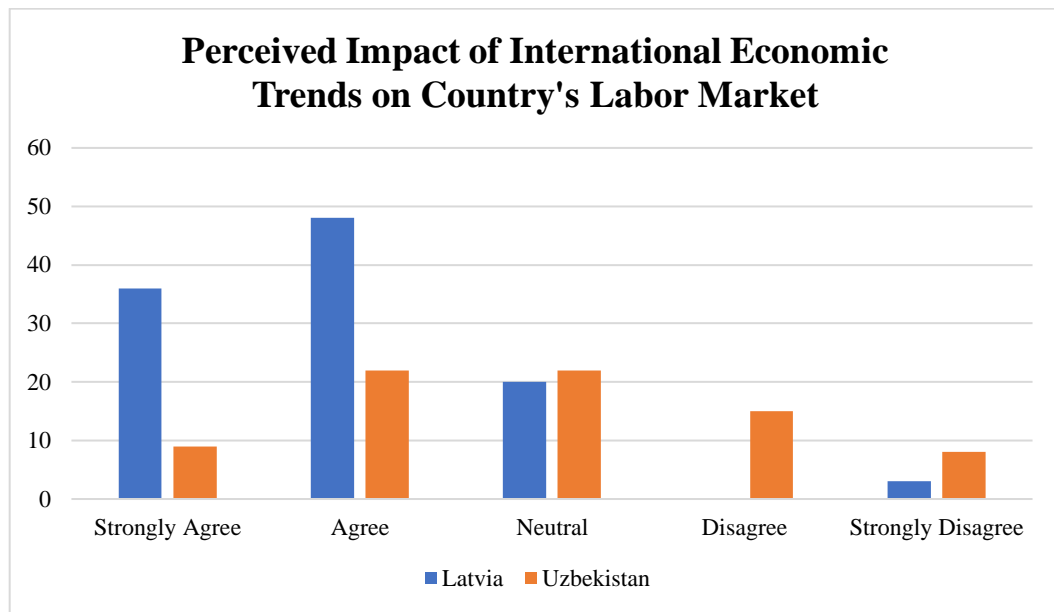


Figure 3.2.11 Prepared by author. Views of respondents on the perceived impact of international trends (n=200), %

The chart (can be seen on *Figure 3.2.11*), illustrates the perceived influence of global economic trends on the labor markets of Uzbekistan and Latvia, with varying degrees of agreement between respondents.

While in Uzbekistan, a smallest percentage of respondents still see this as having a substantial impact, in Latvia, a sizable fraction of respondents is aware of this impact and the majority agree with it.

Nonetheless, a sizable portion of populations in both countries are indifferent, indicating a mix of opinions and uncertainty. These findings aid the intricate interaction between global economic trends and labor markets, assisting stakeholders and policymakers in addressing obstacles to and possibilities for long-term, sustainable economic growth. adopting a neutral stance, suggesting a mix of perspectives or uncertainties.

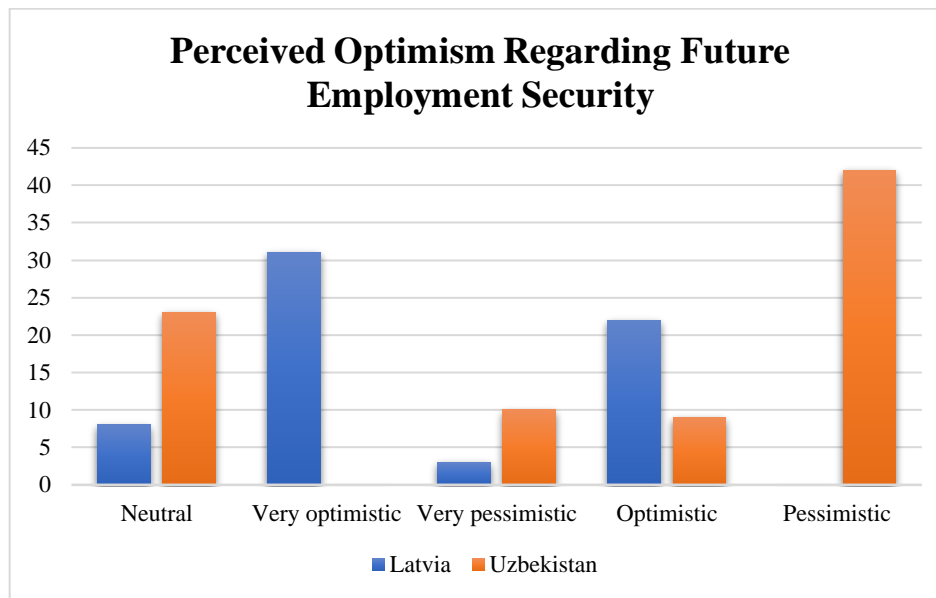


Figure 3.2.11 Prepared by author. Views of respondents on the future of employment security (n=200), %

The graph illustrated (can be seen on *Figure 3.2.12*), depicts the perceived opinion regarding future employment security in Latvia and Uzbekistan.

In Latvia, most respondents (31) express a very optimistic view, indicating confidence in future job security, while a significant portion (22) also report feeling optimistic. Conversely, only a small number of respondents (3) express very pessimistic sentiments, and none report feeling pessimistic. A notable portion (8) adopts a neutral stance.

In comparison, in Uzbekistan, there is a variety of responses indicating their personal perceived optimism, with the highest number (42) indicating the pessimistic outlook which is followed by very pessimistic point of view (10). Moreover, the optimism is less perceived, with only 9 responders indicating that they do feel optimistic about the future. Additionally, author noted the number of respondents (23) which stayed neutral or might feel uncertain regarding the future of employment security.

To conclude, in Latvia, the majority feel more optimistic regarding the future of employment security which suggests that they do feel more confident and secure on their current positions. Meanwhile in Uzbekistan, there is a notable diversification of responses, with a majority perceiving pessimistic outlook, highlighting their uncertainty or concerns regarding the future.

Figure 3.2.13

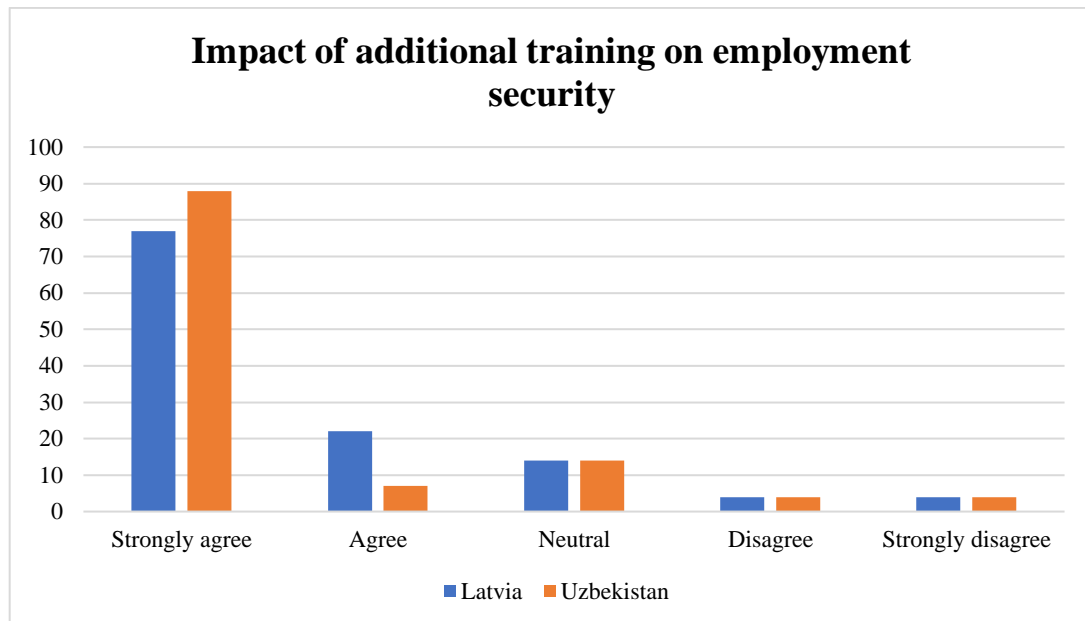


Figure 3.2.13 Prepared by author. Views of respondents on the impact of additional training or employees (n=200), %

The graph (can be seen on *Figure 3.2.13*), shows the perceived impact of additional training or education on employment security in Latvia and Uzbekistan. The chart illustrates that most respondents from both countries strongly agree that additional training and education plays a crucial role in improving their perception of employment security. Additionally, there is almost the same number of respondents from Uzbekistan and Latvia which stayed neutral regarding the additional improvements such as training and additional education.

In conclusion, author stated that despite the diverse economies and perceptions of employment security both countries find it necessary to implement additional opportunities such as training and additional education in order to improve their perceptions of employment security.

Table 3.2.1

<b>Negative Impact</b>	They significantly impact how individuals perceive job security. These factors interact with broader economic contexts which affects the job security perceptions.
<b>Age specific</b>	Respondents from both countries concluded that age factors crucially impact on employment security. They have concluded that both older adults and younger generation face age-related challenges.
<b>Neutral or No effect</b>	Some respondents found it hard to evaluate the impact of age, gender and socio-economic factors on employment security. They believe and are uncertain, whether these factors can be taken into consideration.

Table 3.2.1 Prepared by author. Views of respondents on the impact age, gender and socioeconomic factors on employment security (n=200)

The table (can be seen on Table 3.2.1), provides a summary of responses from representative from both countries how factors like age, gender, and socioeconomic status which might affect individuals' perceptions on employment security.

In Latvia, there is a strong belief that these specific factors impact significantly on employment security, indicating that older generation or people from lower socioeconomic background might feel themselves very insecure. Additionally, they concluded that young generation might feel insecure due to the lack of experience, despite their adaptability. Lastly, certain amount indicated that this factor might not have an impact on their perceptions of employment security.

Meanwhile in Uzbekistan, perceptions observed to be similar, and individuals also highlighted that these factors have a negative impact on how they perceive the employment security. Concerns exist over the relevance of academic education and the impact of powerful individuals (people with higher socioeconomic status). Like in Latvia, some respondents in Uzbekistan are unsure or they do believe that these factors do not impact job security.

In conclusion, both countries acknowledge that age, gender and socioeconomic factors have a negative impact on their perceptions of job security.

Figure 3.2.14

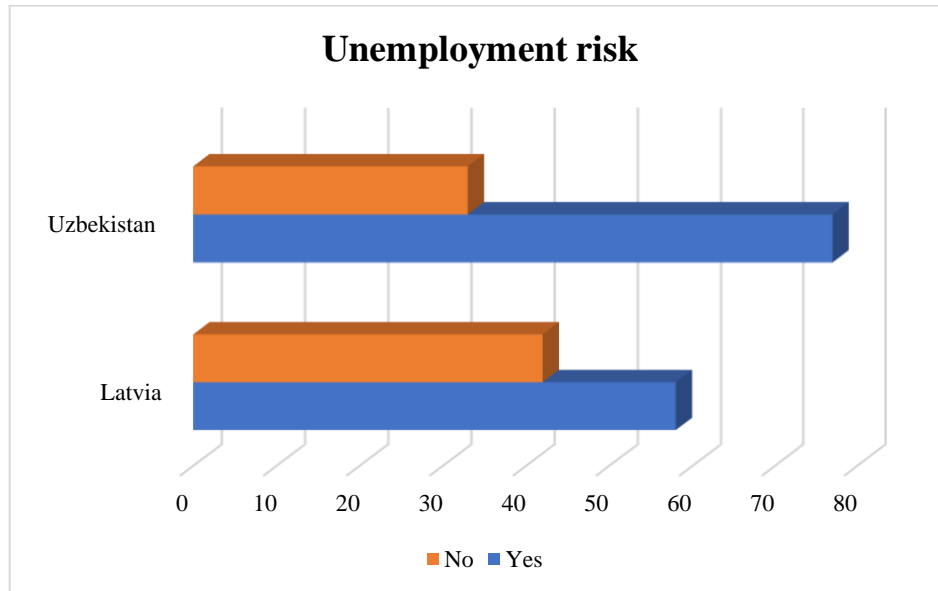


Figure 3.2.14 Prepared by author. Views of respondents on risk of unemployment due to economic disparities (n=200), %

The chart (can be seen on Figure 3.3.14), perceptions of whether specific groups within Latvia and Uzbekistan are more at risk of unemployment due to economic disparities which is closely connected to the previous questions analysed below. Individuals from Latvia, believe that there is a possibility that certain age groups are more vulnerable, with the significant number proving it. In comparison, individuals from Uzbekistan noted that there is a high risk of older generation to be influenced by employment security with a probability to face and unemployment risk.

The necessity for specific interventions to support disadvantaged populations in Latvia is suggested by the widespread understanding that economic disparities affect unemployment risk. By resolving these issues, these populations' feelings of employment insecurity might be lessened.

Understanding that unemployment risk is influenced by economic inequality emphasises the significance of inclusive economic policy in Uzbekistan. Certain vulnerable groups in the workforce can have less risks if support networks are strengthened and equitable opportunities are created.

### 3.3 Research main goals and achievements

The author has stated that the primary goal of the research is to analyze and contrast perceptions on employment security in the context of economic inequalities in both countries. To achieve this, the research investigates the effects of socioeconomic factors such as age, gender, and economic efficiency of government measures in reducing employment insecurity. A quantitative analysis has been used to collect these impressions from respondents, resulting in a strong dataset for comparison.

The research has shown the following significant outcomes:

1. **Impact of Age, Gender, and Socioeconomic Status:** The research identified that age, gender and socioeconomic position has a substantial impact on respondents' perceptions of employment security. Notably, older generations in both countries tend to feel less secure about their employment comparing to the younger generation. This tendency implies that age-related concerns, presumably related to skill levels and discrimination which have a significant impact on employment security perceptions.
2. **Government Policies:** Respondents from Latvia generally believe that their government's execution and assistance are more effective and beneficial compared to respondents from Uzbekistan. This disparity might reflect differences in the strength and accessibility of social safety, labor legislation, and active labor market policies between two countries. Representatives from Latvia have more favourable assessments of governments measures emphasise the necessity to robust institutional support in improving the employment security.
3. **Role of Training and Education:** Both countries' respondents emphasise the importance of additional training and education as positive elements in boosting the employment security. This conclusion shows that ongoing professional development and lifetime learning are crucial for ensuring employment security in a constantly changing labor market. It emphasises the need of policies that enhance educational and training options for workers, allowing them to adapt to new technology and market demands.

4. Indicators Affecting Employment Security Perceptions: The research identifies several factors that influence respondent's perceptions of employment security. These include job stability, wage structure, working conditions and the general economic environment. Understanding these variables might help policymakers plan tailored actions to address specific issues while also improving general employment security.

In addition, the research sheds light on the overall dynamics of the labor market, such as employment patterns, wage structures and the impact of global economic trends. By examining these trends, policymakers can acquire a better understanding of the challenges that both countries are facing. This understanding might help to shape comprehensive policies that address both current and long-term challenges, such as the effects of globalization, technological change, and demographic shifts.

In conclusion, the research not only achieves its goal of comparing perceptions of employment security in Latvia and Uzbekistan while also providing policymakers with practical information. The research highlights the importance of considering demographic and socioeconomic diversity in developing labor market regulations. Interventions can be tailored to the unique needs of diverse groups, such as women, youth, and low-income workers, to assist and guarantee that policies are inclusive and successful towards these groups. This approach can help to reduce economic disparities and foster social cohesion. Additionally, the study meets its purpose of comparing views of employment security in Latvia and Uzbekistan while also providing policymakers with practical information. Governments can improve labor market stability and minimize economic inequality by addressing recognized variables influencing job security perceptions and executing targeted policy initiatives.

## CONCLUSIONS

1. Both Uzbekistan and Latvia have a economic disparities, which has a considerable influence on employment security. Economic inequalities in Latvia has a tendency to be decreased due to unique polices and support from European Union. In contrast, in Uzbekistan, the challenges exist due to transitional economu and variable and unequal growth, resulting in employment insecurity.

2. There has been a significant difference between Uzbekistan and Latvia in terms of how government policies are perceived and implemented. In the case of Latvia, this strategy is more beneficial to the public, contributing to better working conditions and economic stability. However, in Uzbekistan, political implementations are perceived more negatively since the individuals observes how they interfere economic stability and employment security in general.

3. The paper explored that there is a specific sectors in both countries, which are perceived as most secure and it offers a valuable insights for the future development and advanced improvements in these sectors. In Latvia, the most secure sectors are technology and governmental insitutions, which can be explained by strong digitalization and modernization in the whole country. In contrast, in Uzbekistan, technological and service secotrs are identified as most secure, which can be explained by country's goal for future development. This insightful findings are crucial for understanding the sectoral dynamics which can help policymakers implement and support for individuals in order to enhance the employment security.

4. COVID-19 has differently impacted both countries in terms of employment security. During the pandemic, Latvia's labor market has shown the strong resilience, which is strongly connected to governmental support during the times of crisis. Meanwhile Uzbekistan, faced more challenges which highlighted the vulnerability of its labor market conditoons. Author can conclude that these diverse impacts underscore the need for more adaptable policies which can manage future economic shocks.

5. The importance of education and continued professional development is crucial for strengtening the employment security. The government acknowledges the importance of equipping the workforce in order to be more adaptable for the shifts in the labor market. It is important to point out the Latvia's beneficial conditions due to the membership of EU, as well as well-developed and modernized educational system. However, Uzbekistan has made significant progress in enhancing educational access and quality but further actions needs to

be implemented in order to meet the labor market needs which have a tendency to change over the time.

6. The paper has identified that there are certain demographic groups which are considered as more vulnerable, such as older generation, and individuals from socioeconomic levels. In both countries, these particular groups face diverse challenges such as limited access to employment opportunities, health related issues and skills development. Understanding this needs might enhance the additional policies and support programs in order to improve the employment conditions and security in general.

7. The perceptions of employment security varies drastically between both countries. In Uzbekistan, there is a greater perception of raising inequality, which is contributed by geographical discrepancies and unequal distribution of economic benefits. Meanwhile in Latvia, inequality is an issue which is considered as less severe due to support and fundings programs from EU. These perspectives emphasise the necessity for equitable economic measures to overcome income disparities.

8. Despite the challenges which are faced by Latvia, the employment market is perceived as more sustainable, which gives an opportunities for individuals for more advanced opportunity for employment. In contrast, Uzbekistan's job market is perceived as more challenging, which includes higher percentage of employment insecurity and limited employment opportunities. Uzbekistan's job market presents more challenges, including higher job insecurity and limited employment prospects. Despite the existing differences in both countries, it is important to provide an strategic approach in order to broaden the employment perspectives.

9. The research confirmed the hypothesis that perceptions security significantly differ between both countries due to their economic, cultural and economic backgrounds. These differences are influenced by national policies, governmental implications, socioeconomic factors and global economic trends. The author emphasises that these specific factors play a vital role in influencing the perception of employment security in Uzbekistan and Latvia.

10. There is a need for continued research and development in order to monitor and contribute in a long-term effects of economic and global trends which can instantly affect the employment security and labor market in general. Author emphasises that it is crucial to understand these dynamics in order to enhance the employment security and reduce the significant labor market shifts.

## PROPOSALS

### **For companies:**

1. To develop specialized training programs and supplementary education for population, who are more vulnerable to unemployment, such as the older generation and persons with lower socioeconomic level (those who find difficulties to earn more than the minimum wage). These programs would be crucial to make these groups more competitive in the employment market.
2. To provide access to limitless training that individuals may require to develop their knowledge and capabilities, which is strongly connected to the author's recommendation above. This training would be an excellent opportunity for the people to better prepare for various labor market trends and developments.
3. To encourage collaboration between the governmental institutions and the private sectors in developing comprehensive employment security programs. By combining the resources and experience of both sectors, the higher rates of unemployment might be solved which will enhance the job security.

### **For countries:**

4. To evaluate and improve the efficiency of government measures to enhance employment security. Ensure that these initiatives benefit the most disadvantaged segments of the population, particularly the most vulnerable groups. To remain relevant and effective, continual calibration and adjustments which are vital for the improvements.
5. To provide and assist industries that have been considered as safe and more stable in both countries. Latvia's sectors are technological and governmental, whereas Uzbekistan's are the service sector and an expanding technology sector. Increasing assistance and opportunity for the growth of these industries would ensure retention and security, as well as greater employment stability.
6. To implement policies and efforts focused on reduce of economic disparities. This approach can be vital in improving employment security among individuals and result a more equal labor market condition for everyone.
7. To create a specialized strategies that will help the country to be more resilient to global disasters like pandemics. This would guarantee that the labor market is more stable and prepared for the potential implications of these occurrences.

8. To create a comprehensive employment policy that address the unique issues encountered by women, younger generation, and other disadvantaged individuals. Promote equitable opportunity and job security for all demographic groups to create an inclusive labor market condition for everyone.
9. To introduce the capacity or technology to enhance data gathering mechanisms to analyze the efficiency of employment and overall employment among the individuals. This approach might provide an opportunity to offer more positions for employment as it was concluded by author above.
10. To encourage and support small and medium enterprises and startups. This approach has the potential to significantly foster population's employability as well as create a new opportunity from growth.

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List of survey questions:

## Perceptions of Employment Security in the Face of Economic Disparities: A Comparative Analysis of Labor Market Dynamics in Uzbekistan and Latvia

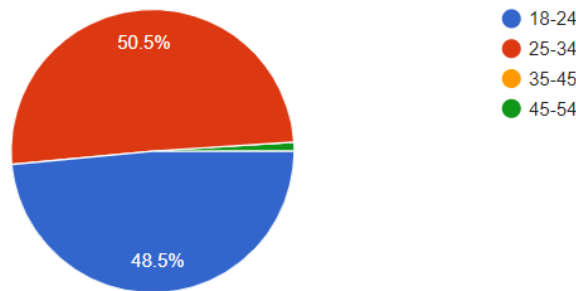
Hello,

My name is Jekaterina Korotkova and I am a 4th year student of the program International Economics and Commercial Diplomacy. This survey will be used in a bachelor thesis about the perceptions of employment security in the face of economic disparities, focusing on labor market dynamics in Uzbekistan and Latvia. This questionnaire consists of 21 questions and will take approximately 10-15 minutes to complete. This survey is anonymous, and the responses will only be analyzed and used in aggregate form. Thank you in advance for your participation!

Please indicate your age

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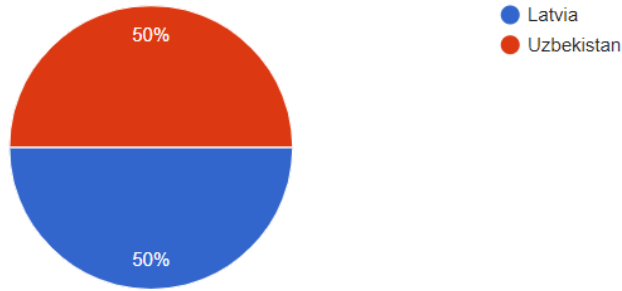
200 responses



In which country do you currently reside?

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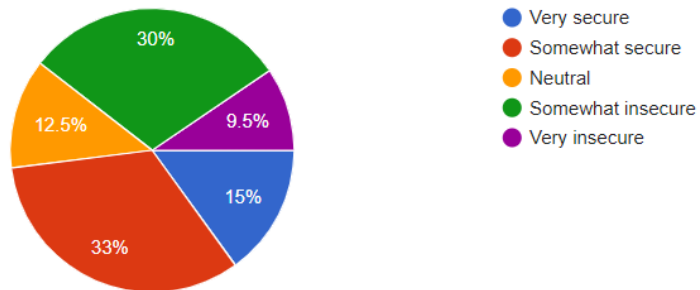
200 responses



How secure do you feel about your current employment status?

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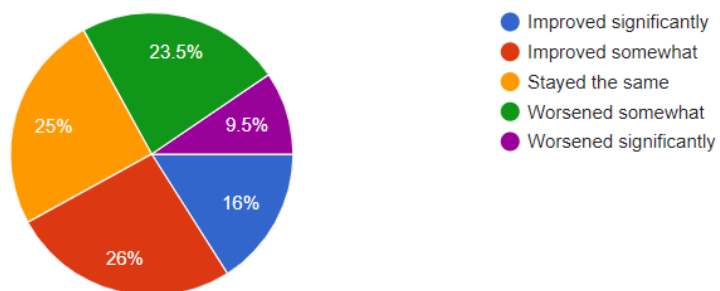
200 responses



How do you think employment (e.g. job) security in your country has changed over the last five years?

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200 responses



### How do differences in income and wealth in your country affect job security?

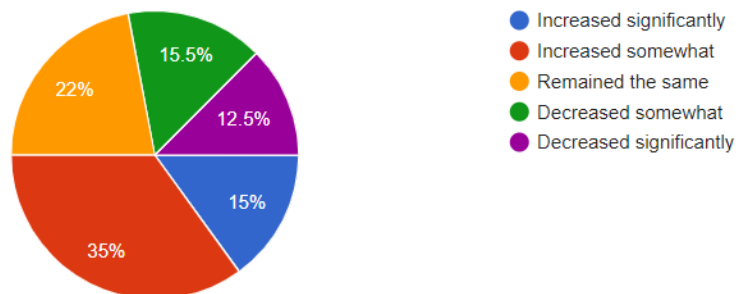
200 responses

Doesn't effect me
.
No
Yes
Hard to tell
Doesn't affect
No
It affects
Hard to find job

### Do you think income differences in your country have increased, decreased, or stayed the same in recent years?

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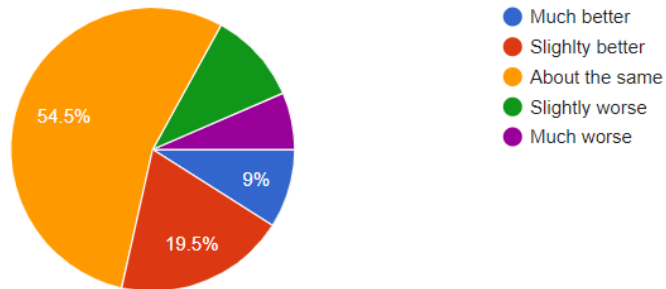
200 responses



How do you view job security in your country compared to other countries in your region?

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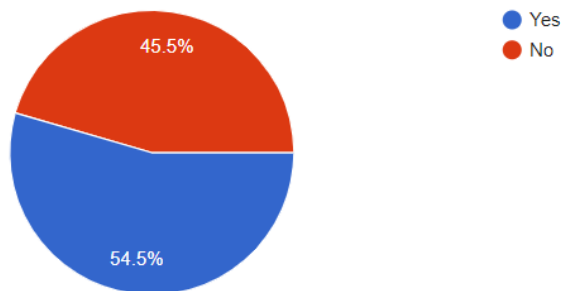
200 responses



Have you or someone you know experienced job loss or job instability due to income differences?

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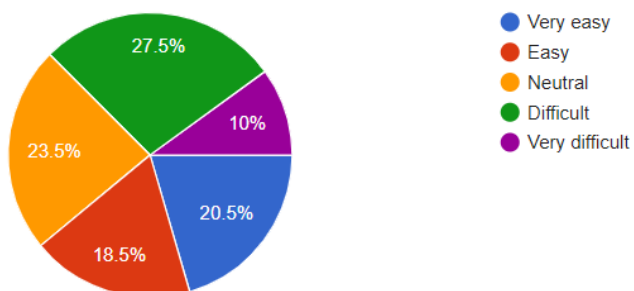
200 responses



How easy or difficult do you think it is to find a new job in your country if you were to lose your current one?

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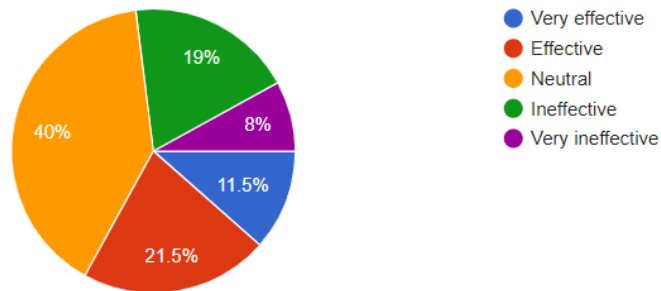
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How effective do you think government policies are in improving job security in your country?

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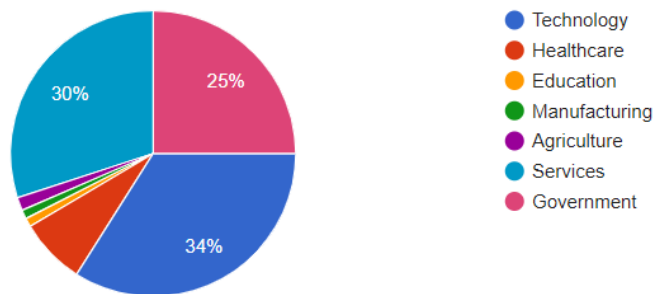
200 responses



In which sectors do you think employment is most secure in your country?

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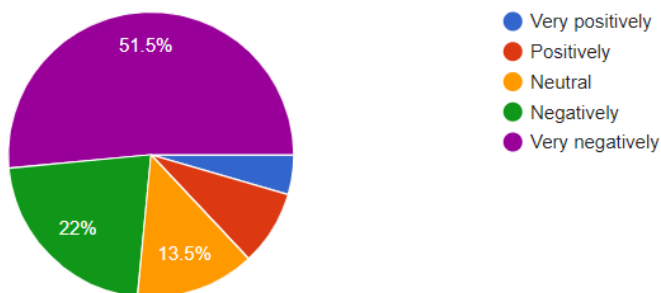
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How have global economic events, such as the COVID-19 pandemic, impacted employment (e.g. job) security in your country?

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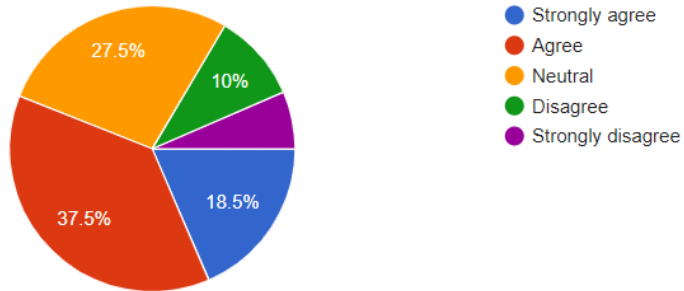
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Do you feel that international economic trends have a significant impact on your country's labor market?

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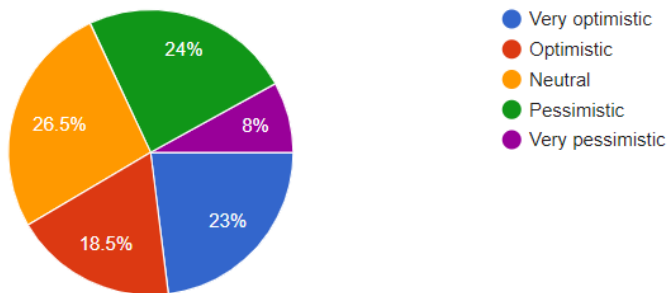
200 responses



How optimistic are you about the future of employment (e.g. job) security in your country?

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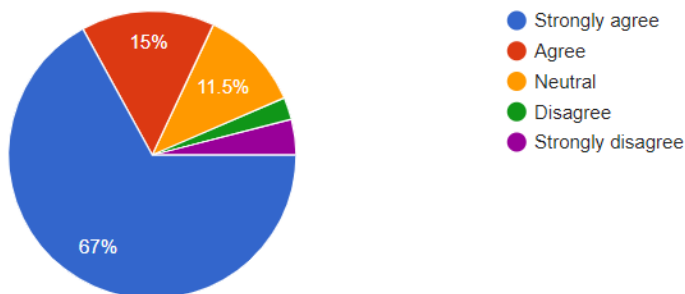
200 responses



Do you believe that additional training or education would significantly improve your employment (e.g. job) security?

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200 responses



How do you think factors like age, gender, and socioeconomic status affect perceptions of employment security (e.g. job) in your country?

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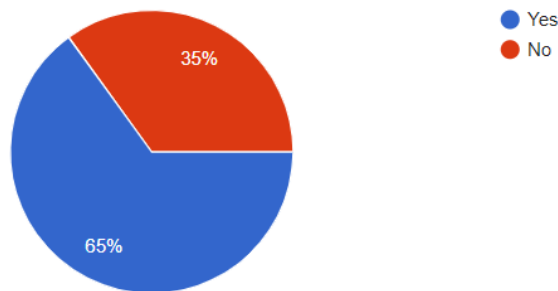
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Are there specific groups within your country that you believe are more at risk of unemployment due to economic disparities?

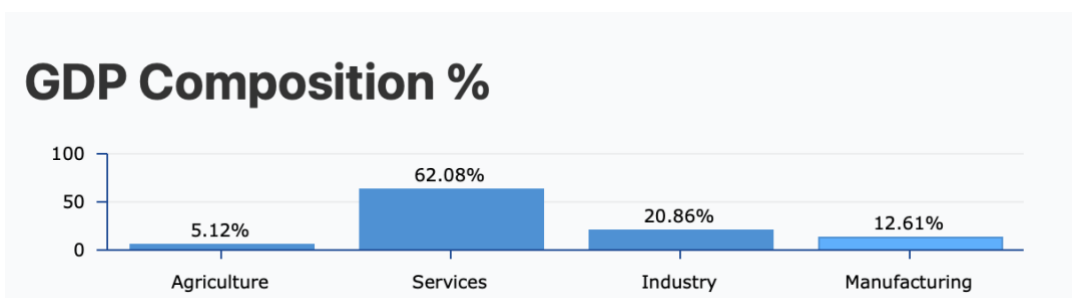
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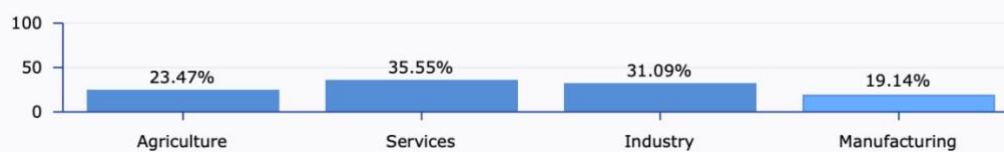


*Annex 2*

GDP composition for both countries



## GDP Composition %



*Annex 3*

### Tables of Earning Standards in Uzbekistan and Latvia

#### LOWER-MIDDLE INCOME ECONOMIES (\$1,136 TO \$4,465)

[54]

Angola	<b>Jordan</b>	Philippines
Algeria	India	Samoa
Bangladesh	Iran, Islamic Rep	São Tomé and Príncipe
Benin	Kenya	Senegal
Bhutan	Kiribati	Solomon Islands
Bolivia	Kyrgyz Republic	Sri Lanka
Cabo Verde	Lao PDR	Tanzania
Cambodia	Lebanon	Tajikistan
Cameroon	Lesotho	Timor-Leste
Comoros	Mauritania	Tunisia
Congo, Rep.	Micronesia, Fed. Sts.	Ukraine
Côte d'Ivoire	Mongolia	Uzbekistan
Djibouti	Morocco	Vanuatu
Egypt, Arab Rep.	Myanmar	Vietnam
Eswatini	Nepal	<b>Zambia</b>
Ghana	Nicaragua	Zimbabwe
<b>Guinea</b>	Nigeria	
Haiti	Pakistan	
Honduras	Papua New Guinea	

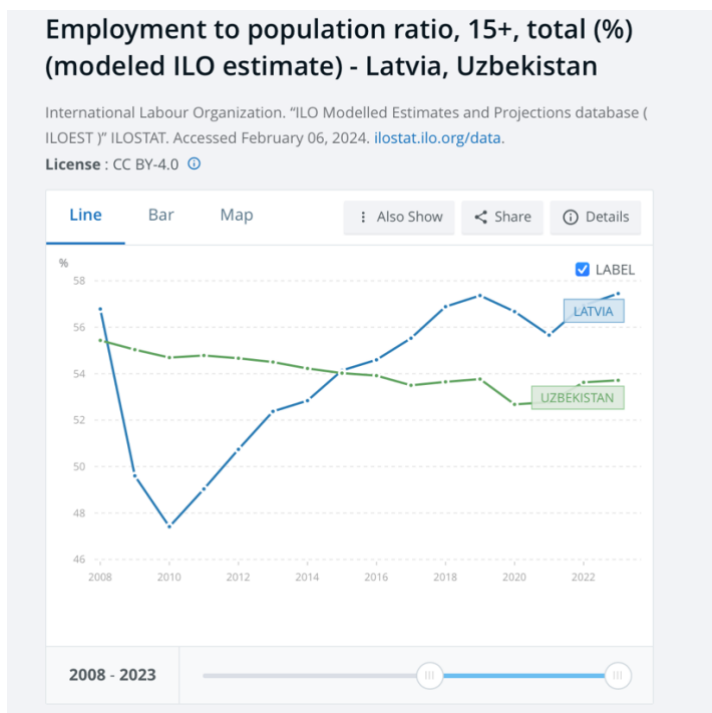
**HIGH-INCOME ECONOMIES (\$13,846 OR MORE)**

[83]

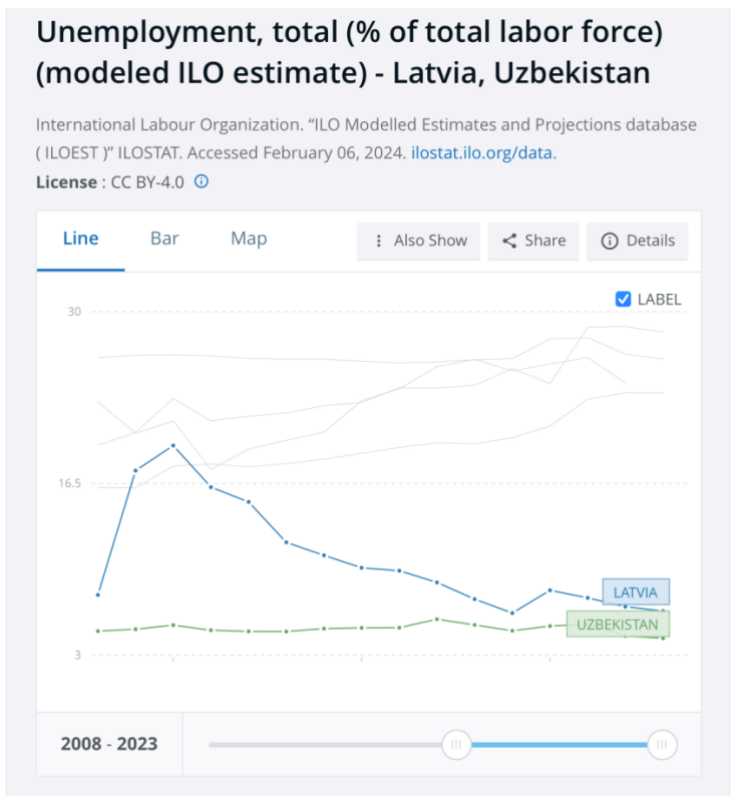
American Samoa	Germany	Oman
Andorra	Gibraltar	Panama
Antigua and Barbuda	Greece	Poland
Aruba	Greenland	Portugal
Australia	Guam	Puerto Rico
Austria	Hong Kong SAR, China	Qatar
Bahamas, The	Hungary	Romania
Bahrain	Iceland	San Marino
Barbados	Ireland	Saudi Arabia
Belgium	Isle of Man	Seychelles
Bermuda	Israel	Singapore
British Virgin Islands	Italy	Sint Maarten (Dutch part)
Brunei Darussalam	Japan	Slovak Republic
Canada	Korea, Rep.	Slovenia
Cayman Islands	Kuwait	Spain
Channel Islands	Latvia	St. Kitts and Nevis
Chile	Liechtenstein	St. Martin (French part)

*Annex 4*

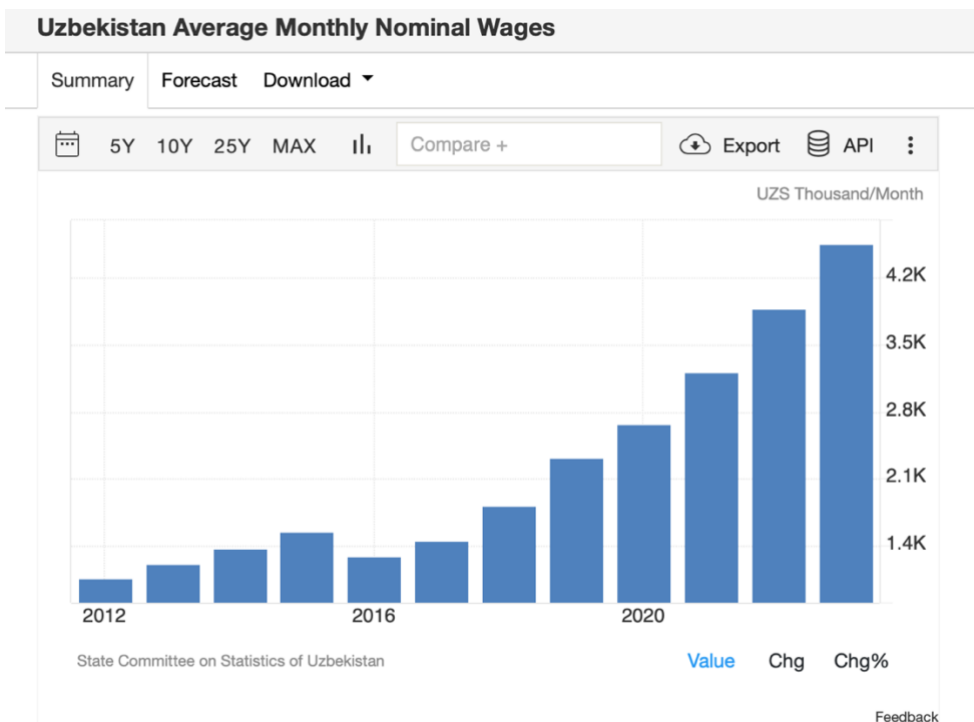
Employment to population ratio for both countries



Unemployment rate for both countries



Earning standards for both countries



LAST	PREVIOUS	MIN	MAX	UNIT	FREQUENCY	RANGE
1,050,000.000 May 2024	1,050,000.000 Apr 2024	100.000 Feb 1995	1,050,000.000 May 2024	UZS	monthly	Aug 1994 - May 2024

Bachelor thesis “Perceptions of Employment Security in the Face of Economic Disparities: A Comparative Analysis on Labor Market Dynamics in Uzbekistan and Latvia.” elaborated in the Faculty of Business, Management and Economics of the University of Latvia.

Herewith I confirm by putting my signature that the research has been conducted individually, as well as the fact that only the indicated sources of literature have been used in the paper and that the electronic copy of the paper corresponds to the printout.

Author: Jekaterina Korotkova \_\_\_\_\_  
(personal signature)

**I recommend/ I do not recommend** these thesis for the defense

Supervisor: lecturer Annija Vecuma-Veco \_\_\_\_\_ 30.05.2024  
(signature)

Reviewer: Assoc. professor Ērika Šumilo

The work is submitted at the Study Center on \_\_\_\_\_.\_\_\_\_.2024.

Person authorized by the Dean: methodologist Inese Ranka \_\_\_\_\_  
(signature)

Bachelor thesis has been defended in the session of the Commission on Bachelor's Graduation Examination

Secretary of the Commission: \_\_\_\_\_