

National Research University Higher School of Economics

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**POPULATION BORN OUTSIDE OF RUSSIA  
IN THE RUSSIAN LABOR MARKET**

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## **Motivation**

Diverse circumstances push migrants to move between countries. A number of them move to the host countries for a short period of time work, while others stay for a longer period and even obtain citizenship. Labor market position of various groups of migrants may differ from that of the native-born labor force. It can be caused by differences in the level and quality of human and social capital as well as discrimination.

For long staying migrants disadvantages associated with above mentioned reasons can be significant and prolonged. Their adaptation to a different economic, socio-cultural, and linguistic environment is of particular importance. The higher the share of such migrants in the labor market, the higher the risks of segmentation and discrimination, inefficient allocation of labor force (Borjas, 1998; Card, 2009; Card, Raphael, 2015).

Issues of socialization and adaptation of migrants are also relevant for Russia (Mukomel, 2011; Iontsev, 2014; Malakhov, 2015). Migration in contemporary Russia is partly similar to the situation in Western Europe in the 1950s and 1960s experiencing migration flows caused by the processes of decolonization. Population of former colonies assimilated to European culture and with command of the one of the European languages moved to the former metropolises. Since 1990's there was a significant increase in the flows from all over the post-Soviet space to newly independent Russian state (Chinn and Kaiser, 1996; Vishnevsky, 2000; Zayonchkovskaya, 2000; Tishkov et. al., 2005).

Almost thirty years since the collapse of the Soviet Union (USSR) Russia has received a significant number of people born outside its borders from the former Soviet republics. According to the 2002 census migrants to Russia from the former Soviet space accounted for about 94% of the total Russian population born outside the country. In 2010 the number of this group was 6.1 million people, or 4.3 % of the total population of the country (Abylkalikov, 2016).

In the present dissertation I analyze employment and earnings of long-term migrants born outside of Russia and moved to Russia after 1991 year (the year of the USSR disintegration). The research also includes estimation of migrants who moved to Russia before the collapse of the USSR. This estimation is used for specific purposes of research into the post-Soviet Russian labor market.

The majority of migrants to Russia come from former Soviet Republics. Most of them originate from the same socio-cultural space as native-born population of Russia: they have been educated in a unified system of Soviet education and have Russian language proficiency (Malakhov, 2015). More than half of this group is ethnic Russian according to the 2010 census. At the same

time, the long-term migrants from the former Soviet space to Russia include non-Russian ethnic persons. They also speak Russian and likely to obtain Russian citizenship. The fact the Russian and non-Russian groups of the long-term migrants to Russia may obtain Russian citizenship lead to the situation when they have equal socio-economic rights with native-born population. One can also say that the specific cultural background of migrants to Russia from the former Soviet space facilitates their adaptation to the Russian labor market.

At the same time, differences in the level and quality of human capital and socio-cultural gap between the population of the post-Soviet space and Russia grow with the time lapsed from the disintegration of the Soviet Union. The newest waves of long-term migrants were educated in newly independent states which started to gradually change their education programs after the end of the Soviet Union. As a result, the most recent long-term migrants may lack of Soviet labor experience and have limited knowledge of Russian.

The characteristics (level and quality of accumulated human capital, as well as social capital) of long-term migrants to Russia after the disintegration of the USSR taken together may differ from the corresponding characteristics of the native-born population. These differences can cause productivity disparities. Migrants can be distributed differently across economic sectors and occupations, have different access to high-paying jobs, and have different career chances. As result, employment and earnings in these groups may differ from similar indicators among the native-born citizens.

Research literature shows that the position of population born outside of Russia and in long-term residence in the Russian labor market exhibits specific features. They are concentrated in trade and services as well as employed as skilled workers in industry, construction, and transport (Itogi vyborochnogo statisticheskogo nablyudeniya za ispol'zovaniyem truda migrantov, 2019; Kolosova, 2014). Available studies show that Russian male migrants are fully assimilated into the Russian labor market upon arrival, while Russian female migrants face significant wage gaps and have relatively slow assimilation rates. Ethnic Russian women moved to Russia in 1996–2009 had wages about 30 % lower than native-born women upon the arrival. Full wage convergence requires no less than 14–17 years (Lazareva, 2015).

Nevertheless, the position of long-term migrants in the Russian labor market is still under researched. It is mostly due to poor access to the relevant data sets for empirical research. Economic studies have been mostly devoted to selected aspects of labor market outcomes of temporary labor migrants (Denisenko and Chernina, 2017; Chernina and Lokshin, 2014; Vakulenko and Leukhin, 2016; Varshavskaya, Denisenko, 2014; Grigorieva, Mukomel, 2014, and others). Groups of migrants that are in long-term residence remain off the radar for researchers. Analysis of Russian labor market less often singles out long-term migrants and their position in the Russian labor market.

## **Brief literature review**

Research on various aspects of the position and behavior of migrants in the labor markets of host countries has a long tradition (Peri, 2016; Abramitzky, Boustan, 2017). Several main lines of research can be distinguished in relation to the topic of this dissertation.

One block of research is devoted to the study of migration related to the dismantling of empires and the disintegration of states. Scholars examine migration flows from former colonies to former metropolises, for example, France, Great Britain, and the Netherlands (Noiriel, 1996; Hunt, 1992; Hansen, 2003; Lorcin, 2006, and others). In the 1960s the population from Algeria actively moved to the former metropole (Hunt, 1992; Hansen, 2003; Shepard, 2006). This group of population was eligible for French citizenship and was steeped in the French culture and language (Shepard, 2006) thereby bringing their human capital closer to the level of the native population of the former metropole. However, even decades later, in 1999 Algerian long-term migrants in France were about three times more likely to be unemployed than the native-born citizens (Meurs et al., 2006). The negative wage gap between non-white male migrants from Algeria, Morocco, and Tunisia and native French men was 16 % in 2005–2007 (Algan et al., 2010) and 17 % in 2008 (Akgüç, Ferrer, 2015).

The situation is similar in the UK. Population of former colonies (e.g. India) possessed the right to move and work in Great Britain (Darwin, 1988; Hansen, 2000). Despite full civil rights long-term non-white migrants from India had wages that were on average 3 % lower in 1973–1992 (Bell, 1997), 10 % in 1993–1997, and 7 % in 2004–2008 compared to native-born workers (Brynin, Güveli, 2012).

The Netherlands also received a significant number of migrants from former colonies Indonesia and Suriname (Zorlu, Hartog, 2001; van Ours, Veenman, 2005). Decades after and despite the right to long-term residence in the former metropole and obtainment of full civil rights, long-term migrants from Suriname had average wages of about 23 % lower in 1985 (Kee, 1993) and 13 % in 1993 (van Ours, Veenman, 2005) compared to native-born workers.

A separate series of studies is devoted to the analysis of repatriation migrations from the post-Soviet space to Israel and Germany as well as migration from East Germany to the western parts of the country after the unification of Germany. Available studies demonstrate that migrants occupy different job places and have lower wages compared to native-born citizens. Their position in the host labor market depends on the possibility of using their accumulated human capital in the country of origin. Human capital acquired by migrants in the countries of the socialist bloc (including the Soviet Union and the GDR) or in post-Soviet Russia turned out to be poorly applicable in the labor markets of Germany and Israel (Dunn et al., 1997; Eckstein, Weiss, 2004; Lewin-Epstein et al., 2003; Kushnirovich, 2018).

In addition, migrants may rely on social networks (social capital) in their choice of residence within a host country as well as in finding the place for employment. This would lead to an excess supply of labor in certain sectors of the economy (Kalter, Kogan, 2012; Dietz, 2000; Bauer, Zimmermann, 1997). As a consequence, the income of long-term male migrants of European origin from the post-Soviet space to Israel was on average 34 % less than the income of native-born men in 1989 (Cohen, Haberfeld, 2007). In Germany in 1994–2015 the average wage of ethnic German repatriates was on average 7 % lower compared to male native-born population (Ingwersen, Thompsen, 2019).

Another strand of research examines employment and earnings of persons born outside the country of residence (foreign-born) in the labor markets of host countries. These studies mainly focus on groups of migrants who differ significantly in the level and quality of human capital and language from native-born workers (for example, migrants from Mexico in the United States). Most of this literature is devoted to study of developed countries (USA: Borjas, 1995, 2015; Borjas, Freeman, 2007; Card, 2005; Chiswick, Miller, 2009; Lalonde, Topel, 1991, and others; Canada: Baker, Benjamin, 1994; Coulombe et al., 2014, and others.; modern UK: Dustmann, Fabri, 2005; Adsera, Chiswick, 2007, and others; Germany: Pischke, 1993; Constant, Massey, 2003; Aldashev et al. 2012, and others; Sweden: Grand, Szulkin, 2002; Alden, Hammarstedt, 2014, and others), but there are also works focusing on developing countries (Argentina: Montoya, Giordano, 2012; Malaysia: Anees et. al., 2011; Brazil: Arcand, D'Hombres, 2004, and others).

This strand of research shows that the position of migrants in the labor markets of host countries mostly depends on their qualifications, period of residence, and country of origin. In particular, scholars in this group provide evidence that there are differences in earnings between the native-born workers and migrants due to differences in human capital between two groups (Dustmann et. al., 2003; Borjas, 2015; Aldashev et al., 2016, and others.). This research also covers the explanations of differences in sectoral and occupational distributions between native-born workers and migrants (Kalter, Granato, 2002; Liebermann et al., 2014; Glitz, 2014, and others).

There are relatively few studies in Russia that examine the position of groups of migrants in the Russian labor market. Various aspects of this issue are studied either by sociologists in the context of integration (Malakhov, 2015; Mukomel, 2016, and others) or by demographers from the standpoint of migrants' contribution to population reproduction (Iontsev, 2014; Florinskaya et. al., 2015; Choudinovskikh, Denisenko, 2017, and others). Russian studies in the field of economics have been mostly devoted to temporary labor migrants (Vakulenko, Leukhin, 2015; Lokshin, Chernina, 2015, and others).

Scholars in the field of economics in Russia who studied migration in relation to labor market paid much less attention to the group of long-term migrants that is the subject of this dissertation

research (Lazareva, 2015; Kolosova, 2015). This is mainly due to the paucity of available empirical data for analyzing long-term migrants in the Russian labor market. There are almost no studies that are devoted to the sectoral and occupational segregation of the long-term migrants in the Russian labor market. We lack a comprehensive estimation of the earnings differential between native-born workers and migrants with regards to their period of movements and ethnicity. This dissertation aims to fill these gaps in economic research.

### **The goal and objectives of the dissertation research**

The goal of the dissertation is to explore the economic position of population born outside of Russia and in long-term residence in the Russian labor market. The employment and earnings of this group is compared with the employment and earnings of native-born workers.

Pursuant to the goal of this research, the following tasks are addressed:

1. The main concept used in the study and the specific features of the analyzed group are defined. Mechanisms of earnings differentials and causes of segregation in the labor market are revealed;
2. The results of the research devoted to the estimation of the position of migrants in the host countries labor market are reviewed and classified. An overview of methodological approaches analyzing the labor market position of the studied group is conducted.
3. The methodology for the examination of the position of migrants in relation to Russian labor market is elaborated. The microdata database is prepared for the empirical analysis.
4. The empirical analysis of the employed population born outside of Russia and in long-term residence in the Russian labor market is implemented in following dimensions:
  - a) description and comparison of socio-demographic characteristics, employment and unemployment levels, conditions and structure of employment of migrants and native-born group;
  - b) estimation of differences in occupational and sectoral distribution of the two groups using the Duncan index;
  - c) examination of earnings gaps between the native-born workers and migrants with regard to their period of movement and ethnicity;
  - d) estimation of the intergroup earnings differential for different quantiles and considering sectoral segregation.

The dissertation comprises 4 chapters. The first chapter discusses the main concepts used in the study and describes the specifics of the labor force born outside of Russia and in long-term residence in the Russian labor market. It includes the presentation of the theoretical framework of the dissertation and explains empirical patterns in the formation of distinctions in employment and earnings between migrants and native-born workers. The second chapter elaborates the estimation approach, applied data sets and econometric methods. The third chapter is devoted to the analysis of the labor market position of the targeted group in the Russian labor market with regard to their period of movement. The fourth chapter examines the employment and earnings of the targeted group in the Russian labor market with regard to their ethnicity.

### **Theoretical basis of the study**

The dissertation is based on the modern theories of labor economics: migration theory, human capital theory, the segmented labor market theory, and discrimination theories.

The theoretical basis for modelling workers' decision with regard to location is the neoclassical approach to the formation of benefits and costs of migration related to changes country (region) of residence (Sjaastad, 1962). If the net present value of the benefits of resettling is higher than the costs, then the migration decision will be positive (Schultz, 1961; Becker, 1964; Sjaastad, 1962; Chiswick, 1976; Borjas, 1994). This dissertation, however, focuses not on the decision to migrate, but on its long-term consequences.

The fundamental concept that explains the differences in the earnings of groups in the labor market is the human capital theory. The main characteristics of human capital are an individual's level of education and experience in the labor market. Individuals with the same level of human capital will have the same earnings levels, *ceteris paribus* (Becker, 1964; Mincer, 1997).

Discrimination practices against migrants can also explain the earnings differentials between groups (Arrow, 1972; Becker, 1975). Employers may hire both native-born workers and migrant workers but provide the latter group with lower wages or limits migrants' access to specific occupations (sectors). Discrimination can be caused by several reasons. These include employer and consumer preferences (Becker, 1957), statistical discrimination due to employers' incomplete information about the productivity of employees (Phelps, 1972; Arrow, 1973). It should be noted it is extremely difficult to identify discrimination in the labor market empirically (Heckman, 1998; Fortin et al., 2011).

A different mechanism is suggested by the segmented labor market theory. Segments differ in terms of entry barriers and job parameters. "Primary" segment characterized by relatively high-paid and stable jobs with better conditions and opportunities for career growth etc. compared to "secondary" segment (Gordon et al., 1982; McDonald, Solow, 1985; Tilly, 1996). The mobility

between one segment and another appears as rather limited. Specific groups of migrants may end up in the “secondary” segment of labor market due to low level and quality of human capital and limited access to jobs in the “primary” segment (Gordon, 1995; Wright, Ellis, 2000; Constant, Massey, 2005; Rodríguez-Planas et al., 2014).

## **Methodology**

From a methodological standpoint, the assessment of the labor market position of different groups involves the use of specific analytical methods and empirical data. This study uses a data set from the Russian Longitudinal Monitoring Survey (RLMS HSE) of 2006–2015. I produced separate subsamples covering different time periods in order to address various objectivities of the dissertation research. This was due mainly to the limitations inherent in the used data set. The data set contains information about the respondent country of birth only until 2012 and information about the time of migration only since 2009.

Analysis includes two main phases. In the *first phase* (chapter 3) I estimate the position of migrants in the Russian labor market with regard to their time of movement to Russia. First, the participation of the individuals in the labor market is evaluated. The levels of employment and unemployment of migrants and native-born population are assessed using sample for females aged 15–55 and males aged 15–60 for 2009–2012.

Second, I compare position of the native-born and migrants in the labor market with regard to whether they migrated to Russia before or after the USSR disintegration using a sample for the employed population for the same period (in the years of 2009 – 2012). The Duncan index was used in order to analyze the extent of sectoral segregation of migrants (Duncan, 1955). I employ a decomposition method developed by Oaxaca (1973) and Blinder (1973) for exploration of the size and reasons of native-born/migrant earnings gap. I also estimate the differentials of earnings between employed persons who were born outside of Russia and native-born interregional migrants in order to test the robustness of the obtained results.

Finally, I estimate differences in earnings of native-born workers and two cohorts (1990’s and 2000’s) of migrants that moved to Russia in 1991 and later over the age of 18. The unbalanced panel for the period of 2010–2015 from the RLMS HSE is used for the analysis. The sample includes employed females aged 18–55 and employed males aged 18–60. I exclude migrants who moved to Russia in childhood (up to 18 years of age) from the sample. The latter group has most certainly received education in the Russian educational system which has a positive impact on their earnings at the moment of employment (Eckstein, Weiss, 2004). I employed OLS regression and random effects model for the estimation (Clark, Drinkwater, 2008). These models do not control for possible self-selection of migrants into employment. In order to address this problem, I replicated the

regressions only for males. This choice is informed by the research literature that holds that males are more active in the labor market of host countries on average compared to females (Kogan, 2010; Bevelander, 2010).

In the *second phase* of research (chapter 4) I consider the position of migrants in the Russian labor market with regard to their ethnicity. The ethnic and cultural "proximity" of migrants to the native-born population can have a positive impact on their employment and earnings in the labor market of the host country (Zorlu, 2013). Migrants comprise groups that can be similar to ethnic Russian native-born citizens in terms of cultural traditions and language, for example Belarusians and Ukrainians (Heleniak, 2004). Hostility to the Belarusians and Ukrainians is much lower than to other groups of migrants in Russia (Gudkov, 2005; Chernysh et. al., 2017; Gudkov, Pipiya, 2018). There are also groups of migrants who are similar by religious traditions and language group affiliations to the ethnic non-Russian part of the Russian population (e.g. Azerbaijanis and native-born population in the Muslim national autonomies of Russia). Therefore, different ethnic groups of migrants may differently adapt to the Russian labor market.

According to the data of the Russian census of the year the share of ethnic Russians among native-born population accounts for 80 %. Due to this fact and sample size consideration I conducted the main analysis only for two aggregated ethnic groups of migrants (Russian and others), as it is unacceptable to end up with groups that contain only a small number of observations. In addition, I combined Russians, Belarusians and Ukrainians into one Slavic group for more detailed analysis.

I start by considering level of employment and unemployment of ethnic groups of post-soviet migrants and native-born population using sample for the period of 2009–2012. Then, I estimate ethnic-specific differences of employed migrants with respect to working condition, occupational, and sectoral distribution. Finally, to explore the reason for earnings differences between native-born workers and non-Russian ethnic groups of migrants, I apply the Oaxaca–Blinder decomposition (Oaxaca, 1973; Blinder, 1973). In addition, I employ the Oaxaca–Blinder decomposition method with the Heckman two-step correction (Heckman, 1979). It helps to account for the influence of migrants' self-selection into employment on the difference in earnings.

In order to check the robustness of the obtained results I analyze migrants who moved both before and after the collapse of the Soviet Union. The sample for 2006–2012 was used for the estimation. The sample includes employed males aged 16 to 60 and employed females aged 16 to 55 without taking into account the year when the respondent moved to Russia. It enabled to build a sample with a large number of observations and to undertake the additional calculations.

I compare employment characteristics and earnings of native-born and ethnic groups of migrants without considering their period of movement. I consider the same ethnic groups that were estimated in the previous stage of analysis. In addition, I analyze the position of non-Slavic ethnic

groups of migrants (Uzbeks, Kyrgyz, Tajiks, Turkmens, Kazakhs, Azerbaijanis, Armenians, Georgians) in the Russian labor market (Bessudnov, Shcherbak, 2018).

A larger number of observations in the sample for 2006–2012 allow to analyze the earnings gaps in general (Blinder, 1973; Oaxaca, 1973), in different parts of the distribution scale (Chernozhukov et al., 2013), and in a hypothetical situation in which migrants would choose the same sectors as native-born workers (Brown et al., 1980).

I use Brown decomposition (Brown et al., 1980) to assess how the earnings gaps would have change if migrants chose sectors in the same way as the native-born employed population. Estimates obtained using the Oaxaca–Blinder (Blinder, 1973; Oaxaca, 1973) and Brown (Brown et al., 1980) decomposition methods are based on mean values and do not take into account unobservable individual characteristics of individuals that can directly affect their earnings. I apply the quantile decomposition method by Chernozhukov, Fernandez-Val, Melly to address those limitations (Chernozhukov et al., 2013).

### **Main findings**

Summarizing the main results obtained in my dissertation research, several conclusions can be made about position of population born outside of Russia and in long-term residence in the Russian labor market.

*The position of long-term migrants in the Russian labor market varies depending on their period of movement to Russia*

The obtained results with using of RLMS HSE for 2009–2012 show that the migrants that moved to Russia before the collapse of the USSR are generally similar to the native-born workers in terms of characteristics and structure of employment. The opposite is true for the migrants that settled in Russia after the collapse of the Soviet Union. Those long-term migrants who moved before the disintegration of the USSR are often employed in state-owned enterprises (41 %) and have official work contracts (82 %) which is the same or comparable with the native-born population. Individuals who moved to Russia after 1991 are less likely to work in state-owned enterprises than native-born workers (28 % versus 36 %). Only two-thirds of this group are formally employed (compared to four-fifths among native-born group). In addition, the levels of occupational (8.1 %) and sectoral segregation (10.4 %) in this group are significantly higher than among migrants who moved to Russia during the Soviet era (4 % – occupational and 6.6 % – sectoral segregation).

The heterogeneity of foreign-born group (resettles before and after the collapse of the USSR) is also evident in the analysis of their earnings. The earnings of migrants who moved before 1991 is not significantly different from the earnings of native-born citizens. On the contrary, groups who migrated to Russia after the disintegration of the USSR have 6 % lower earnings than native-born

workers. This pattern is retained in the case of a comparison with the native-born interregional migrants.

There are a two main of reasons why the position of the long-term migrants may differ depending on the time-period of their resettlement. First, the two groups vary in terms of age of movement and lengths of stay. Individuals who moved to Russia before 1991 were at a younger age at the time of the move. They also have stayed in Russia for much longer period than post-Soviet long-term migrants. These differences can lead to differences in experience in the Russian labor market and, therefore, affect the employment and earnings of long-term migrants. Second, it can be due to differences in human capital between migrants and native-born population. Soviet-era migrants are more educated, more often received and education in the USSR under a highly centralized government-run system compared to post-Soviet migrants. Russian language proficiency and the skills obtained during school, college, or university education differ for those who moved to Russia before or after the disintegration of the Soviet Union. Differences in the level and structure of human capital translate into inequality in the levels of earnings.

The findings produced using the RLMS HSE data for 2010–2015 show that the position of two the groups in the Russian labor market also differs. The long-term migrants who moved to Russia in the 2000s at the age of 18 and older earn less on average than native-born workers and those who moved to the country in the 1990s. Estimates by using the random effects model reveal that migrants who moved to Russia in the 1990s have earnings by 7.2 % higher than native-born workers. At the same time, earnings of migrants of the 2000s are 3 % lower than earnings of native-born employed population. The discovered trend was not confirmed for male migrants. Earnings of male migrants of the 2000s do not differ markedly from the earnings of native-born men. Previous research shows that males born outside of Russia adapt more quickly to the Russian labor market compared to females (Lazareva, 2015).

The findings can be explained by several reasons. First, migrants from the later cohort are less educated. The share of respondents with Soviet education among them is also lower compared to those who moved to the country in the 1990s. Distinctions in human capital lead to differences in earnings between the two groups of migrants. Second, migrants who moved to Russia in the 1990s had been living in the country for a longer time and gained more competence and skills required for the Russian labor market. This, in turn, positively affected their earnings. The third reason is the change in the migration policies of the Russian Federation that occurred between the 1990s and the 2000s.

*The position of long-term migrants in the Russian labor market varies depending on their ethnicity*

The findings produced using the RLMS HSE data for 2009–2012 and 2006–2012 show that the position of long-term migrants in the Russian labor market varies for different ethnic groups (ethnic Russians, ethnic non-Russians, Slavic and non-Slavic). First of all, the difference is observable in employment. While the unemployment rate among ethnic Russian and Slavic migrants is not different from the native-born population, the unemployment rate of non-Russian and non-Slavic migrants is significantly higher than in native-born population. The structure and characteristics of employment of ethnic Russian and Slavic migrants is closer to the native-born employed population, while the ethnic non-Russian and non-Slavic groups of migrants differ significantly from the native-born workers in terms of the structure and characteristics of employment.

The differences between ethnic groups of migrants are also observed with respect to their earnings. The results obtained using decomposition methods display that ethnic Russian and Slavic migrants have approximately the same level of earnings as native-born workers, but that is not true for ethnic non-Russian and non-Slavic migrants. The income differential for ethnic non-Russian migrants is almost 13 % and approximately 15 % for non-Slavic migrants in favor of native-born citizens. Additionally, self-selection of post-Soviet migrants into employment does not significantly affect the earnings differentials between native-born group and migrants.

If the group of migrants (sample RLMS HSE data for 2006–2012) is analyzed together without differentiation based on their period of resettlement, then, taking a hypothetical situation in which they had the equitable sectoral distribution as native-born workers, the ethnic Russian migrants would have earnings 24% lower and ethnic non-Russian migrants – 36% lower than native-born workers. This projection can be explained by differences in returns to the characteristics. For example, the return to higher education among ethnic non-Russian migrants is higher in the service sector of the economy (transport and communications, trade and consumer services, finance, housing and communal services) than in industry and construction. The returns to higher education in these sectors of the economy is practically the same for the native-born employed population.

The findings on the same sample for 2006–2012 demonstrate that the intergroup earnings gap varies according to which part in earnings distribution the analysis is made. The quantile decomposition (Chernozhukov et al., 2013) displays that the size of earnings gap between migrants of any ethnicity and native-born workers is higher in low-earnings groups compared with high-earnings groups.

## **Contribution**

This dissertation contributes to the empirical literature analyzing the position of various groups of migrants in the Russian labor market. For the first time it singles out a group of population

based on the characteristic of its birth outside of Russia and long-term residence in Russia. This dissertation evaluates the position of long-term migrants in the Russian labor market with regard to their ethnicity and time of resettlement. Empirical studies of this issue using modern econometric tools are not widespread in Russia, despite the importance and specificity of long-term migrants for the Russian labor market. This dissertation makes a contribution to this field.

The results obtained in this dissertation research expand the previously existing research devoted to the sectoral and occupational segregation of long-term migrants in the Russian labor market. The findings also contribute to the empirical literature that explores the size and reasons for earnings gap between long-term migrants and native-born workers.

The presented research can be used in the in the design of state employment policies. In particular this research argues that there is a need in adaptation programs for long-term migrants in view of the specific features of those subgroups of long-term migrants that received education and socialization in newly independent states long after the disintegration of the USSR. These adaptation programs could contain professional training and retraining, assistance in obtaining loans for opening, developing and expanding one's own business, consultations on employment and entrepreneurship.

The results of this research can be employed in the regular monitoring of the position of the population born outside of Russia in the Russian labor market. Given the dependence of the position of long-term migrants in the Russian labor market on such factors as country of origin, time of resettlement to Russia, gender, age, the above-mentioned factors are advised to be added as indicators to official statistical surveys.

Further research is required in order to get a fuller picture of how certain aspects of adaptation of long-term migrants work today. There is still a need for analysis of the forms and types of employment (entrepreneurship, precarious employment, etc.) of this group, for the estimation of the assimilation of their earnings (wages) over time.

### **List of author's original articles**

1. Polyakova E. Y. Trudovyye dokhody dolgosrochnykh immigrantov v Rossii: vliyaniye perioda pereyezda [The earnings differential between long-term immigrants and natives in Russia: the role of cohorts] // Ekonomicheskaya politika. 2019. V. 14. № 5. P. 62–79.
2. Polyakova E. Y. Litsa inostrannogo proiskhozhdeniya v Rossii: skol'ko ikh i kto oni? [Foreign-born population in Russia: how many are they and who are they?] / Polyakova E. Y., Smirnykh L. I. // Voprosy statistiki. 2017. № 1. P. 36–46.
3. Polyakova E. Y. Differentsiatsiya trudovykh dokhodov mezhdru mestnymi rabotnikami i individami s immigratsionnym proshlym: imeyet li znacheniyе etnichnost'? [The earnings

differential between natives and individual with immigrant background in Russia: the role of ethnicity]/ Polyakova E. Y., Smirnykh L. I. // Prikladnaya ekonometrika. 2016. № 43 (3). P. 52–72.