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Leibniz Institute of Agricultural Development
in Transition Economies

***LEIBNIZ INSTITUTE OF AGRICULTURAL DEVELOPMENT
IN TRANSITION ECONOMIES***

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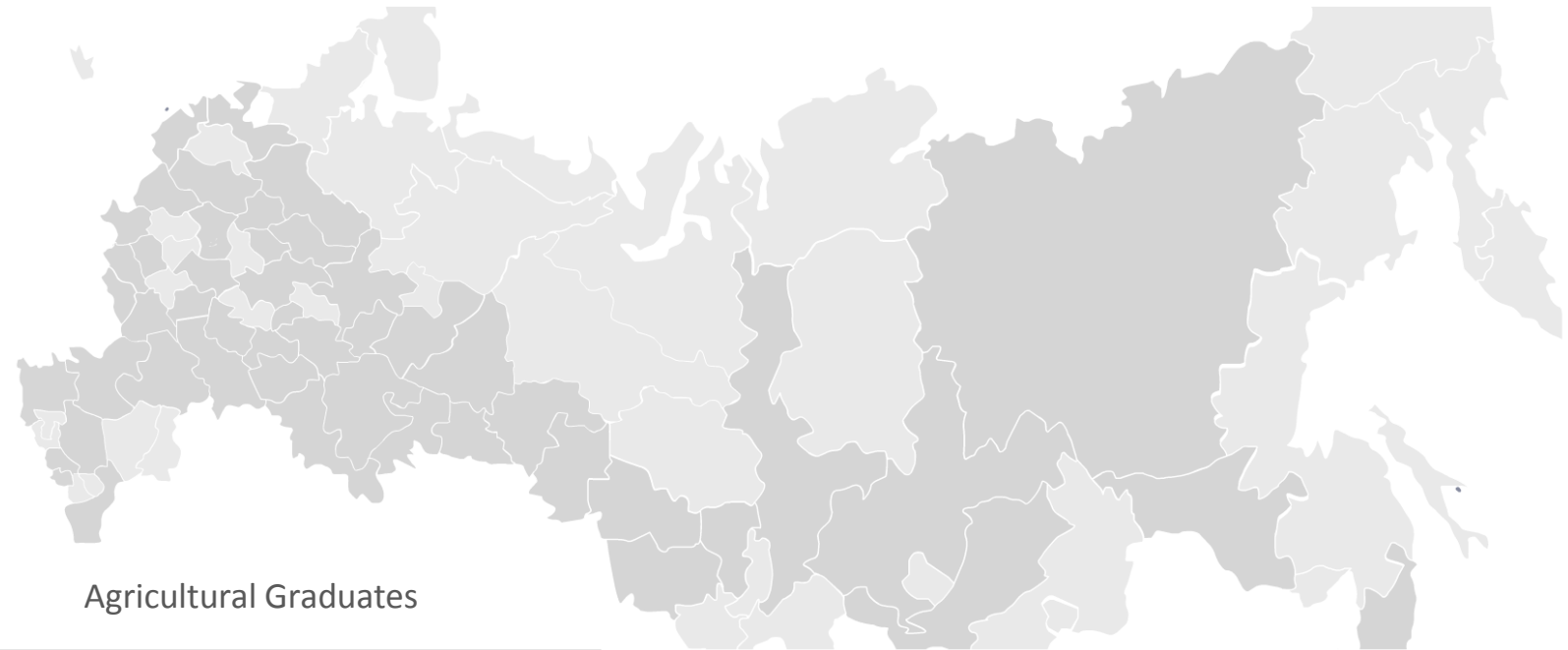
*Competing for the brightest:
Migration sentiments among Russian agriculture students*

Vasyl Kvartiuk

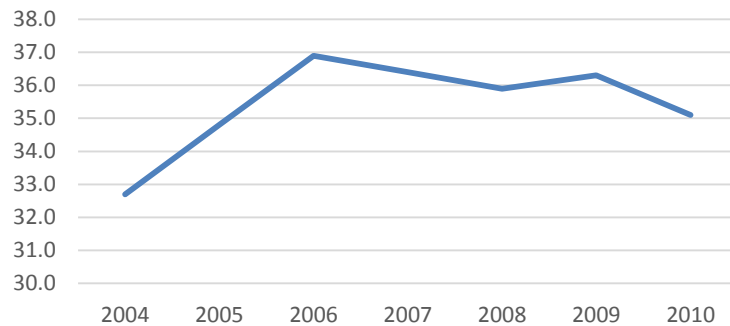
Research Associate, IAMO

- Introduction
- Theoretical framework
- Data and methods
- Results
- Conclusions

Agricultural universities in Russia

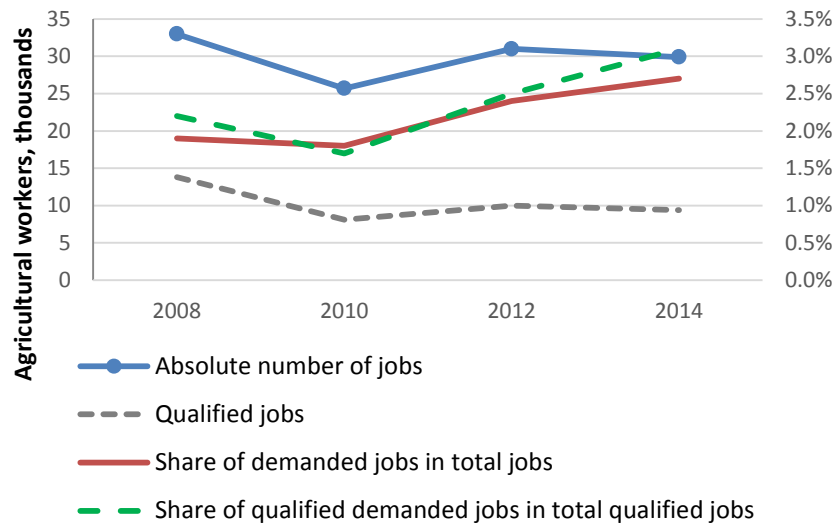


Agricultural Graduates



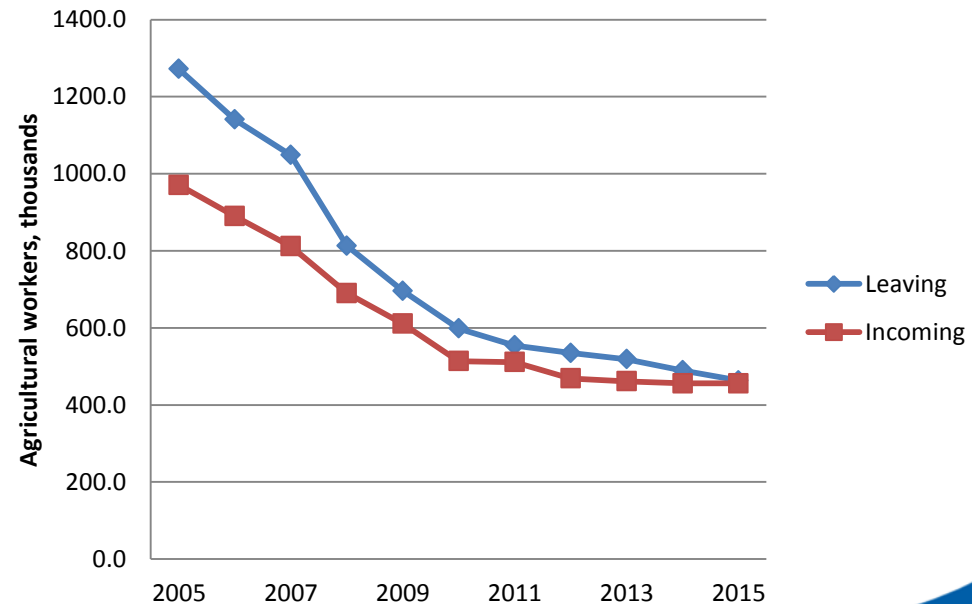
The need in agricultural employees is growing in Russia

Demand in agricultural labor market



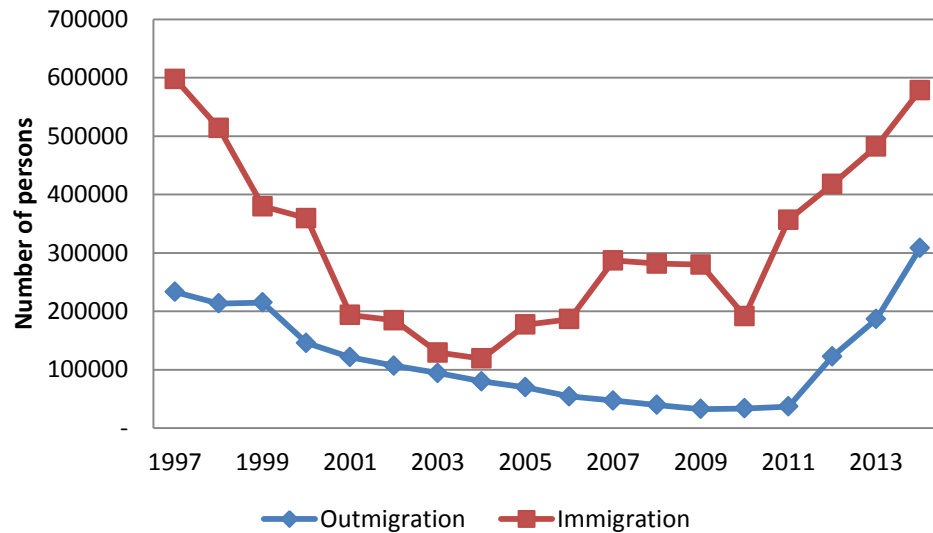
Source: RosStat, 2016.

Agricultural job market



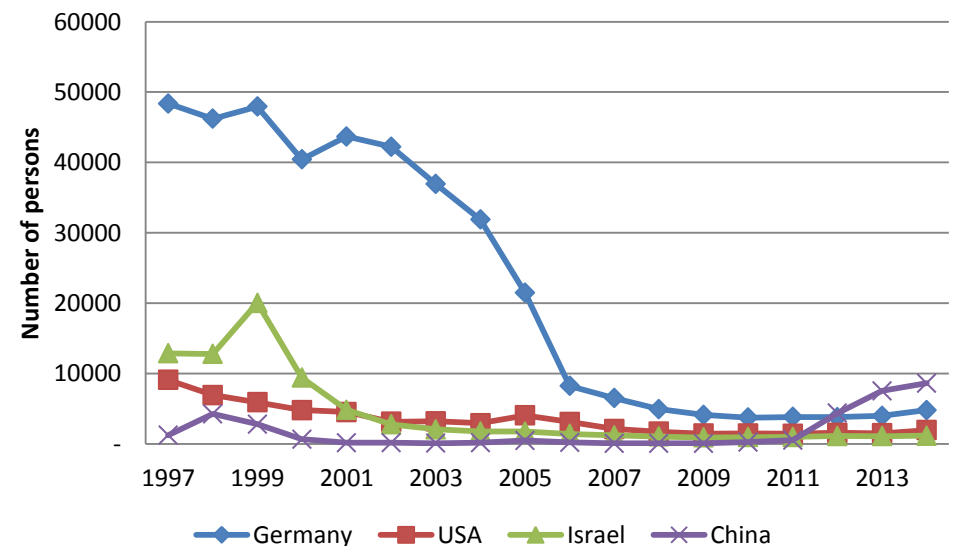
Source: RosStat, 2016.

Out- and Immigration in Russia



Source: RosStat, 2015.

Top outmigration countries

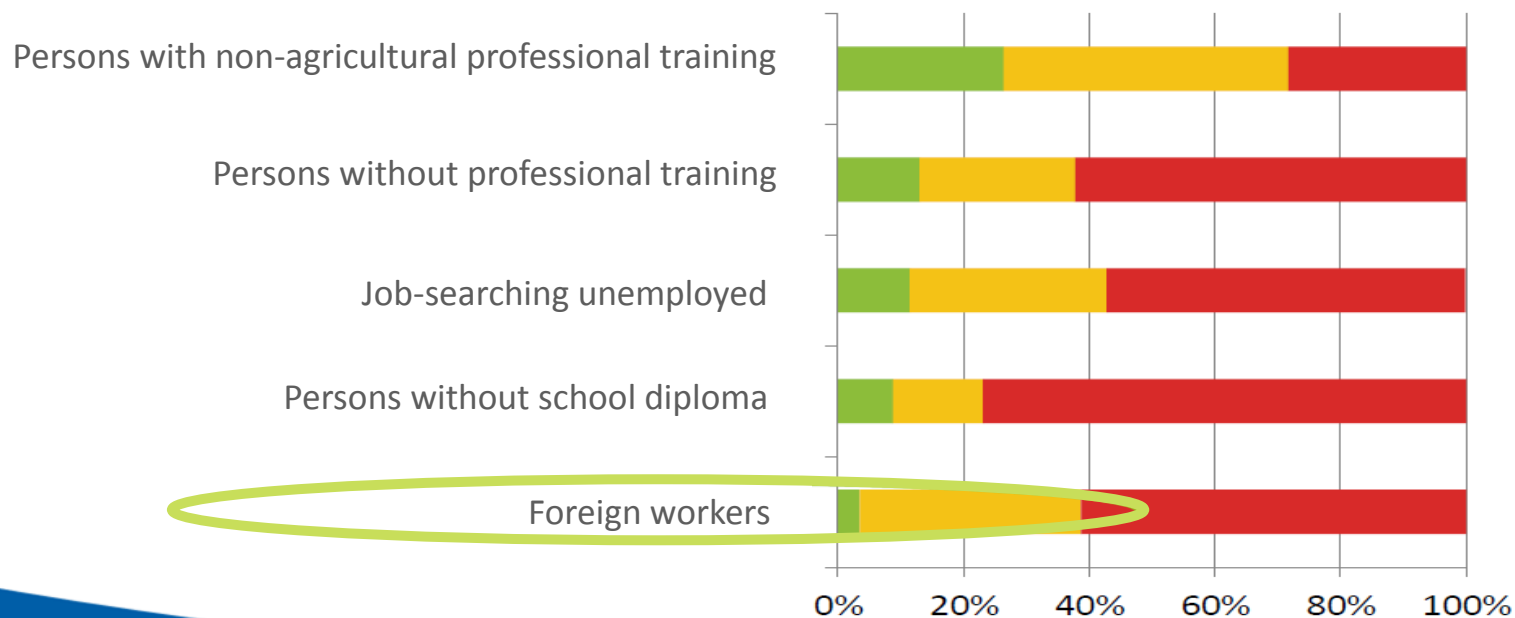


Source: RosStat, 2015.

Situation with agricultural jobs in Germany is similar

- Only in Saxony-Anhalt 29.5% of the agricultural workforce is going to retire by 2020;
- 5097 employees (3605 are qualified ones) need to be replaced;

Whom do the enterprises consider for potential employment?



- To which extent Germany (other countries) can compete for Russian agriculture workers?
- What are the migration sentiments in Russian agricultural sector?
- Who is more likely to have migration intentions?
- Is „Brain Drain“ a problem in Russian agriculture?

„Brain Drain“ (BD) stylized facts:

Early literature:

- Migration possibility increases expected wage in sending country
- Wage increase results in growing unemployment (wage emulation and leap-frogging)

Literature on „Beneficial Brain Drain“

- A prospect of emigration encourages skills accumulation
- Screening ability of the receiving country affects incentives to get education (via perceived probability of emigration)
- Remittances
- Best tend to stay, worse tend to come back but with better skills

New Economics of Labor Migration (NELM):

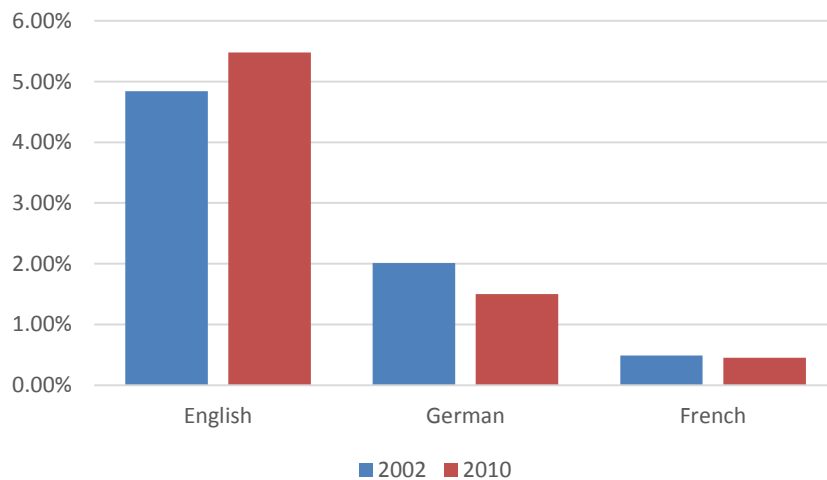
$$\Pr(migr) = \Pr(U_{migr} > U_{home}) = f(\Delta I, \Delta PG, C, K, B)$$

- $\Delta I = I_{migr} - I_{home}$ is the difference in incomes in home (I_{home}) and destination (I_{migr}) countries
- $\Delta PG = PG_{migr} - PG_{home}$ is the difference in public goods provision;
- C – costs of migration
- K – available capital for financing emigration;
- Budget constraint: $K \geq C$;
- B – exogenous bureaucratic obstacles.

- 10 semi-structured interviews in Moscow, Krasnodar and Stavropol with:
 - Experts on migration and Russian labor market;
 - NGOs (farmers and industrial associations, etc.);
 - Agricultural Universities.
- 5 focus-group interviews with Russian agriculture students before and after internship in Germany;
- Interviews were transcribed and subsequently analyzed.

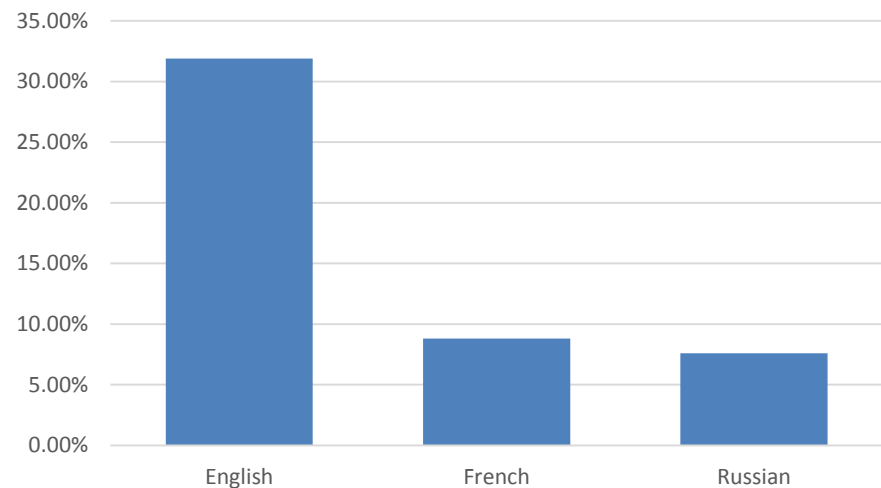
General Trends

Foreign Language Knowledge Dynamics



Source: Russian Census, 2002 and 2010

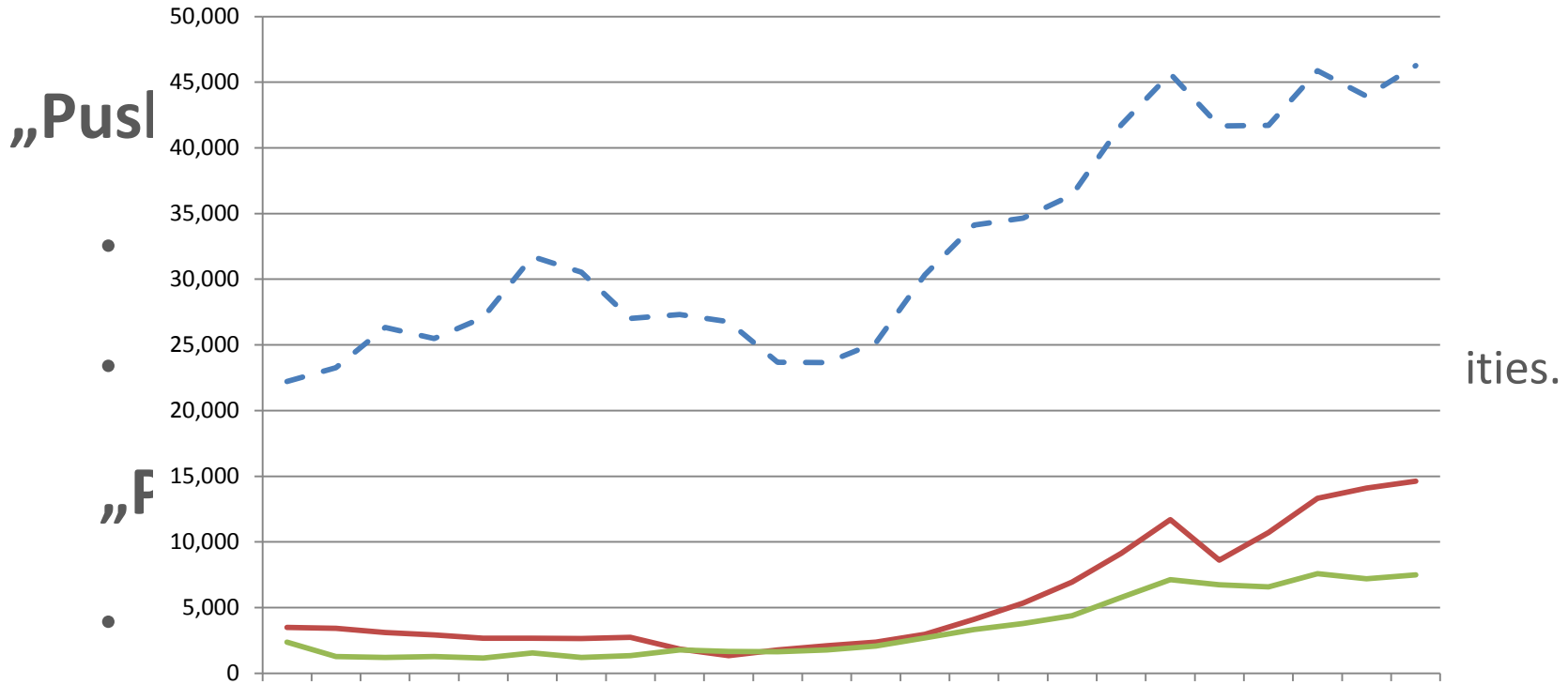
Foreign Language Knowledge in Germany



Source: European Commission, 2012

reduce willingness to migrate abroad.

GDP per capita (current US dollars)



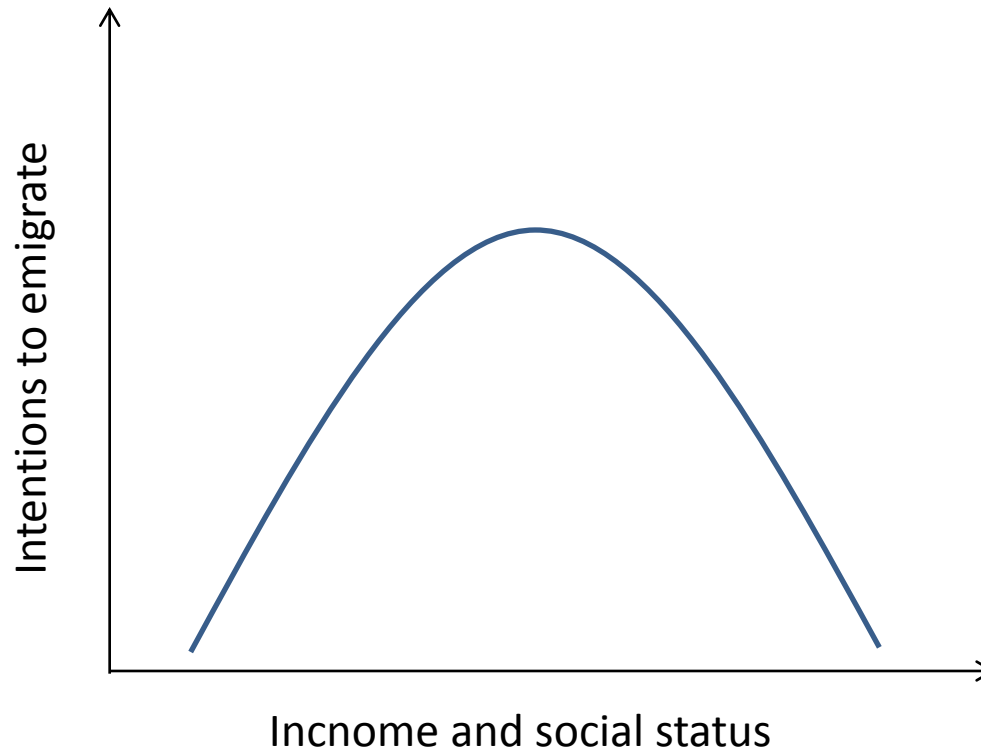
„There is absolutely nothing what you can do in our rural areas. This filth everywhere, horrible streets, half-ruined houses... It is impossible to live there. Here [in German rural areas] is everything more civilized“

One of the participants of the focus-group interviews

РЕЗУЛЬТАТ МИГРАЦИОННОГО ОБМЕНА НАСЕЛЕНИЕМ (САЛЬДО МИГРАЦИИ) МЕЖДУ ФЕДЕРАЛЬНЫМИ ОКРУГАМИ РОССИЙСКОЙ ФЕДЕРАЦИИ В 2013 ГОДУ



Source: RosStat (2014)



What are the perceived migration difficulties?

- Lack of information about available jobs;
- Fears and stereotypes about the West;
- Limited language knowledge;
- Insufficient skills and knowledge;
- Poor knowledge of bureaucratic procedures (registration, acquiring insurance, etc.).

Is return migration possible?

- Most of the students that are ready to migrate say they want to work abroad for 2-3 years and then come back home;
- Education abroad may reduce probability of return;
- In case of a return, many want to pursue entrepreneurship.

- Migration intentions of Russian agriculture graduates are small but still considerable;
- „Brain Drain“ does not appear to be seriously discussed in Russia;
- Likely candidates for emigration are fresh agriculture graduates from regional universities, representing middle class, and having had stayed abroad.

- Russian enterprises should learn to internationally compete for qualified agriculture workers;
- Some long-term benefits from return migration;
- Agricultural education must be reformed: more targeted and brought to international standards.

Thank you for your attention!

Questions? Comments?