

The Adoption of Costly VET Practices in Russia's Regions

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- This Paper: Region level

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- But what happens when civil society is weak and markets inefficient?

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- Factors above → firm confidence → costly forms of PPP
- Factors above → firm confidence → diffusion of PPP

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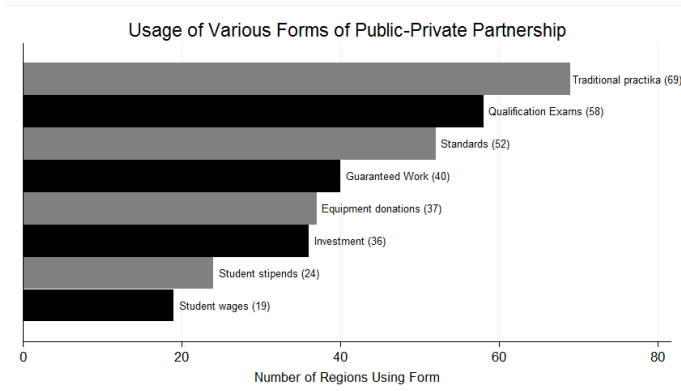
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 - Career Fairs
 - Field trips, festivals

Presence of PPP Forms Across Regions



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 - 2 Federal State Capacity (↑ capacity ↑ DV)

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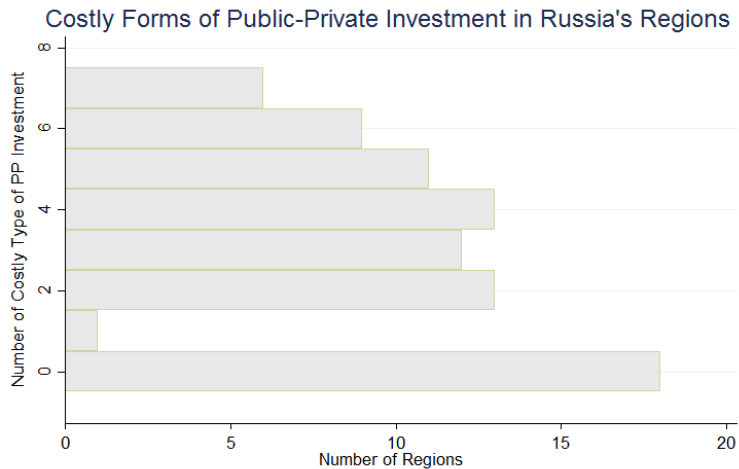
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 - Legislative: Businessmen legislatures - Szakonyi 2017 (↑ more representation)

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 - Diffusion: Percentage of schools adoptin at least one “costly form”
- Independent Variables:
 - 1 Regional state Capacity (↑ capacity ↑ DV)
 - Federal transfers as a percentage of regional GRP (↓ more capacity)
 - Public Education officials per 1000 (↓ more capacity)
 - 2 Federal State Capacity (↑ capacity ↑ DV)
 - Federal executive and judicial officials per 1000 - Rosstat (↑ more capacity)
 - 3 Political Accountability (↑ accountability ↑ DV)
 - Electoral: United Russia Vote Margin (↓ more competition)
 - Legislative: Businessmen legislatures - Szakonyi 2017 (↑ more representation)
 - Elite Cohesion: Moscow Carnegie Center Index of Democracy (↑ more cohesion)

DV1: Number of Costly Practices Adopted



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 - Demographic: Share of population below subsistence

Results: Number of Costly Forms Adopted (Poisson - IRR)

Share of Transfers in GRP		0.925***					
		(0.023)					
Number of Education Workers (per 1000)			0.980**				
			(0.009)				
Federal Workers (per thousand)				0.941			
				(0.071)			
UR Vote Margin in Most Recent Regional Election					0.992***		
					(0.003)		
Carnegie Democracy Index						1.007	
						(0.011)	
Percentage of Businessmen in Regional Legislature							1.010*
							(0.006)
Constant	0.111	130.714*	0.215	0.211	0.147	0.149	0.052
	(0.229)	(361.303)	(0.391)	(0.458)	(0.277)	(0.335)	(0.104)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	76	76	75	76	76	76	75

Results: Percentage of Schools Adopting a Costly Form (GLM)

Share of Transfers in GRP	0.912***						
	(0.029)						
Number of Education Workers (per 1000)	0.968**						
	(0.014)						
Federal Workers (per thousand)	0.994						
	(0.089)						
UR Vote Margin in Most Recent Regional Election	0.990*						
	(0.005)						
Carnegie Democracy Index	1.005						
	(0.022)						
Percentage of Businessmen in Regional Legislature	2.100						
	(2.040)						
Constant	0.009	39.854	0.024	0.010	0.013	0.011	0.005*
	(0.028)	(169.676)	(0.070)	(0.034)	(0.040)	(0.037)	(0.015)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	74	74	73	74	74	74	73

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 - Placebo tests confirm this

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 - Structures that integrate firms into decision making also help

Thank you in advance for comments and suggestions.

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