Summary

Influence of Alcohol Consumption on Employment and Wages in Russia

Kim V.V., Roshchin S.Y.

This paper examines the influence of alcohol consumption on employment, working hours and income of workers on Russian labor market using the data from the Russia Longitudinal Monitoring Survey (RLMS) from 2007 to 2009. For the purpose of correcting for endogeneity of alcohol consumption and estimation of complex influence of alcohol consumption on the position of the individual on the labor market the system of simultaneous equation was used. Estimates of the coefficients received using a method of maximum simulated likelihood. The result shows that moderate drinkers have higher probability of employment, work more hours and have higher income than abstainers or heavy drinkers. However heavy drinking for males has a negative effect on labor market relative to abstention and moderate drinking reducing probability of employment, hours of work and income. For females heavy drinking is positively connected with income and hours of work relative to abstention, but leads to lower probability of employment.

Key words: alcohol; employment; income; Russia; labor market.

What Drives Cross Regional Differences in the Returns to Higher Education

Oshchepkov A.Y.

This study is a continuation of Oshchepkov (2010), where it was shown that the rates of return to higher education, obtained by estimating mincer-type wage equations, vary significantly across regions-subjects of the Russian Federation. We try to explain the revealed differences. To this end, we investigate the connection between estimates of the rates of return and different regional characteristics. Our results show that the return to higher education is higher in less attractive regions. It is also positively associated with the rate of unemployment and public sector employment. We did not find significant correlation of the return to higher education with the «stock» of workers with higher education as well as with the level of regional economic development.

Key words: return to education; regions; compensating differentials; Russia.

The Diamond-Mortensen-Pissarides Contribution to Economics

Dementiev A.Y.

The Prize in Economic Sciences in Memory of Alfred Nobel 2010 was awarded jointly to Peter Diamond from Massachusetts Institute of Technology, Dale Mortensen from Northwestern University and Christopher Pissarides from London School of Economics and Political Science «for fundamental contributions to search and matching theory», established in 70−80s of the last century, and constituting now the core of modern economics. The most important application of this approach has become the analysis of labour market with search costs or «frictions» that potential workers and firms face in their attempts to locate each other. The original approach has provided the basis for the study of equilibrium unemployment dynamics in terms of flow variables (eg. monthly measured numbers of new vacancies and unemployed, hired and fired workers, etc.). It has enabled researchers to conduct both positive and normative analysis of the labour market and social welfare in terms of concrete policy measures and instruments, such as unemployment benefits, hiring and firing costs, minimum wage laws, etc.

Key words: search theory; Nobel Prize.

Robust Regression Using the *t*-distribution and the EM Algorithm

Shvedov A.S.

The paper deals with a linear regression model. The EM algorithm is popular tool for maximum likelihood estimation of the parameters of regression model. It provides a method of robust regression under the assumption that the disturbances are independent and have identical multivariate t distribution.

Previous work focused on the method of maximum likelihood estimation via the EM algorithm under the assumption that the degrees of freedom parameter of the t distribution is a scalar. In this paper, a broader assumption is employed, namely, that the disturbances have a multivariate t distribution with a vector of degrees of freedom. Missing values from the EM algorithm are random matrices.

The theoretical results are illustrated in a simulation experiment using several distributions for the error process. Robust procedures are shown to be superior to the method of least squares.

Key words: Robust regression; Multivariate t-distribution; EM algorithm.

The Estimates of the Structure of Financial Resources Use in Russian Economy on Macrolevel

Schugal N.B.

The article refers to the analysis of proportions, which characterize the distribution of macroeconomic financial resources (primary incomes, earnings from abroad

и loans) by final use elements in 1996−2008. The estimates of respective flows are based on the model developed in Shugal' and Ershov's article [17]. That model descrybes quantitatively interrelations between the elements of value added and final product. Within the bounds of macroeconomic scenario analysis this article illustrates the use of the model results for estimating marginal effects. These effects reflect the influence of change in financial resources structure on final expenditures and savings structure. Also it is suggested to estimate the deflators of value added elements with the help of the mentioned proportions.

Key words: National Accounts; value added; final product; transfer of income; macroeconomic scenarios.

The Model of the Real Power Evaluation of Groups and Faction by the Example of the Russian State Duma of Third Convocation

Sokolova A.V.

The problem of evaluation of the real power of players when they make collective decisions is considered. The new model of the real power evaluation is proposed. The basics of the new model are: modification of the classical power Shapley − Shubik index for accounting of possibility of coalition formation, adding of the new index of the position of coincidence which is evaluating the closeness of the political position of groups and faction, and the new developed index of power efficiency. The index of power efficiency shows to what extend the players exercised their potential power which depends on the number of their votes. Besides, a new way of accounting the impact of cohesion of groups and factions in their final power score is proposed. This model is applied for the evaluation of the power distribution at the Russian State Duma of the 3^d convocation.

Key words: power indices; coalition formation; Russian parliament.