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Ethnic Goods and Immigrant Assimilation

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Abstract:

Some immigrants try to keep their ethnicity hidden while others become ever deeply more mired in their home culture. We argue that among immigrants this struggle manifests itself in the ethnic goods they choose to consume. Different types of ethnic goods have vastly different effects on immigrant assimilation. We develop a simple theoretical model useful for capturing the consequences of this struggle, illustrating it with examples of Central Asian assimilation into the Muscovite economy.

Key words: assimilation, migrants, culture, ethnic goods

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1. Introduction

Migrant assimilation into host country economies and cultures has become a much watched phenomenon as international migration and globalization become more and more widespread (Epstein and Gang, 2010). We are interested in the consequences of migrants' expressions of their links toward their home cultures on their assimilation. At the heart of our story is the existence of two types of ethnic/immigrant goods – one directly impacting their income and a second that doesn't. Certain ethnic goods work to isolate immigrants from the host population – dressing differently, eating different foods, holding onto traditions that interfere with daily work life such as not going to a business meeting because the food does not adhere to religious standards, a requirement to pray, and so on – and could lead to active discrimination, harassment, or simply missed work opportunities. Other ethnic goods have more of a silent, public goods aspect, not giving rise to income loss. These include donations to schools, helping the needy, donations to religious institutes or houses of worship, investment in relations between the home country and the host country, and remittances to family and others in the home country. In addition to affecting income, we argue that while both types of ethnic goods can slow assimilation to host country behavior, they do so at very different rates, with the isolating goods reducing assimilation to a much greater extent than the less publicly visible goods.

In our model, immigrants sort themselves into two groups, those who are primarily consumers of isolating ethnic goods and those whose largest expenditures are on less-isolating ethnic goods. As a consequence the immigrant community faces internal strains, exacerbated by increasing group inequality as the awards from assimilating and the penalties for not accrue. The relative size of the two groups matters. We show the conditions under which the immigrant group is caught in a low-income isolation trap from which escape is

difficult. We also show conditions under which the immigrant group becomes better integrated into the host country with much of the immigration becoming permanent or long-term, as well as when there will be circular and temporary migration.

Many papers, starting with the important early contributions of Chiswick (1978), have studied migrant economic assimilation into host countries typically asking whether and at what rate migrant wages (or some other measure) catch up to those of the native-born (Gang, Landon-Lane and Yun, 2009). Other papers have highlighted such factors as immigrant efforts to assimilate (Constant, Gataullina and Zimmermann, 2009; Epstein and Gang, 2006, 2009). “Lack of effort” can arise from the desire to maintain a cultural heritage or separate identity which would be lost or reduced with group assimilation. Attention has been paid to assimilation and the reestablishment of cultural identity (see, for example, Alesina and La Ferrara, 2000, Anas, 2002, Bisin and Verdier, 2000, Dustmann, Fabbri and Preston, 2011, Kahanec, 2006, and Lazear, 1999). Alternatively, the failure to take active steps to assimilate can also arise in the face of high adjustment costs, such as inadequate language skills, intergenerational familial conflicts, and, in the case of immigrants, lack of knowledge about the host country labor market (Chiswick and Miller, 1995, 1996, Bauer, Epstein and Gang, 2005).

Berman (2000) asks why Israeli Ultra-Orthodox men remain full-time students until approximately age 40, choosing study over work even when they and their families live in poverty. Berman (2000) argues that Yeshiva attendance signals commitment to the community, which provides mutual insurance to members. Our paper differs from this approach as we do not consider the specific type of economy where devotion creates a signal to the community and provides benefits to the individual from such devotion.

Our paper is indebted to Chiswick (2009) and Chiswick and Miller (2005). Our papers distinction between two types of ethnic groups is similar to the distinction of investments and activities that are ‘complements’ or ‘anti-complement’s for ethnic goods and activities emphasized in the research of Carmel Chiswick on the economics of ethnic assimilation (Chiswick, 2009). Chiswick and Miller (2005) use the concept of ethnic goods in addressing the formation of immigrant enclaves. Ethnic goods are consumed by immigrants but their consumption is not shared by natives. We adapt their characterizations by allowing two types of ethnic goods, each with its own consequences for assimilation and earnings.

We illustrate our argument by looking at migrant assimilation in the capital of the Russian Federation, Moscow. We focus on migrants from three main sending countries of the former Soviet Central Asia Republics: Kyrgyzstan, Tajikistan and Uzbekistan. These countries underwent dramatic economic changes after the breakup of the Soviet Union. Large wage differentials with few travel restrictions between these countries and Russia gave rise to high labor migration to Russia. Some migrants were able to easily integrate within the Russian community while some have difficulty fitting with the local Russian population. While sharing a common background their cultural differences makes studying the assimilation of Central Asian migrants in Russia quite compelling. We use the data from a small survey conducted by the Independent Research Service SREDA at two offices of Russian Federal Migration Service in Moscow in July 2012.

We next model assimilation and discuss how immigrant culture affects their consumption and hence their income, how their skill set will affect their wages and consumption, the effect of the relative size of their group and whether they are permanent or temporary migrants. In Section 3 we illustrate our story using a 2012 survey of 401

immigrants in Moscow, with particular attention to those from Central Asia. The final section concludes.

2. A model of an immigrant in a host country

Let us focus on the utility of an immigrant in a host country. For a person living in their home country there is generally little issue regarding ethnic differences amongst the populations, at least not in the same way as with immigrants in a host country and especially with regard to immigrants from developing countries living in a developed country.

We assume that the utility of an immigrant in the host country is captured by a Stone–Geary type function (see Basu and Van, 1998):

$$W(c, h, R) = \begin{cases} (c - z)(ah + R) & \text{if } c \geq z \\ c - z & \text{if } c < z \end{cases}, \quad (1)$$

where c is consumption and z is the given minimum level of consumption needed to exist. h and R play a key role in our analysis, and a tells us the relative impact of an increase in h versus R on an immigrant's utility. h and R capture the level of investment in consumption by the immigrant of two different types of ethnic goods in the host country. Certain ethnic goods (h) work to distance immigrants from the host population, e.g., dressing differently and eating different foods. Other ethnic goods (R) have more of a public aspect and do not give rise to income loss, e.g., donations to education centers and helping the needy. While both h and R goods consumption can slow assimilation to host country behavior, they do so at very different rates, with the former reducing assimilation to a much greater extent than the latter. If it is assumed that the individual has a higher utility from consuming h than R , the coefficient of h in the utility function, a , is greater than one. Therefore, as h increases, assimilation decreases; h has a stronger negative effect on assimilation than has R .

Immigrants' income/wages in the host country are w_f . The immigrant does not save, consuming (including remittances, an R good) all his income. The immigrant's budget constraint is:

$$c = w_f - h - R . \quad (2)$$

Thus the immigrant's utility is given by

$$W(c, h, R) = \begin{cases} (w_f - h - R - z)(ah + R) & \text{if } c \geq z \\ w_f - h - R - z & \text{if } c < z \end{cases} \quad (3)$$

Notice that the mechanism by which an immigrant holds onto his heritage is the consumption of ethnic goods.¹ This may have costs. Consider the link between migrants' host country wages, w_f , and the level of migrants' ethnic goods consumption. Consuming isolating ethnic goods (h) with their perceived interference with workplace behavior and differentness will lower his income. Consuming integrating goods (R) certainly raises income in comparison to consuming isolating goods, maybe by lowering it less. For simplicity, we assume integrating goods have no effect on income (see the alternative formulation in Chiswick and Miller, 2005).²

We are arguing that income, w_f , is a function of the ethnic goods level chosen by the employed worker captured by h : $w_f(h)$. There exists a large literature which considers the

¹ Isolating goods are very specific and have a network effect as in being part of a club. They also impart the utility of being different and holding onto something one thinks is better, such as a religion (Berman, 2000).

² While one could think of R as regular consumption, we wish to distinguish it as it provides a different type of utility to the individual. For example, giving donations to your local Church or sending home remittances increases utility in a different way than giving money to needy that are not connected to your group.

connection between migrant assimilation and their earnings.³ It has been shown that earnings rise with immigrant assimilation, meaning the migrant chooses a lower level of home-anchored ethnic goods (a lower level of h). Therefore, we assume here that as the consumption level of isolating ethnic goods increases, wages decrease: $\frac{\partial w_f(h)}{\partial h} < 0$.⁴

However, investment in R does not affect income since consumption of these ethnic goods does not have an effect on daily life at work, $\frac{\partial w_f(R)}{\partial R} = 0$. The assumption here is that the worker earns more than a minimum wage. If the worker earns a minimum wage at a level of w_0 then it is clear that changing the consumption of ethnic goods of any type will not affect wages: $\frac{\partial w_0(h)}{\partial h} = 0$ and $\frac{\partial w_0(R)}{\partial R} = 0$.

The immigrant must determine the optimal consumption of ethnic goods, h and R , which maximizes his utility in the host country. Maximizing (3) with regard to h and R , let us consider the first order conditions with regard to the level of $(w_f(h) - h - R - z)(ah + R)$:

$$\frac{\partial((w_f(h) - h - R - z)(ah + R))}{\partial h} = \left(\frac{\partial w_f(h)}{\partial h} - 1 \right) (ah + R) + (w_f(h) - h - R - z)a = 0, \quad (4)$$

and,

$$\frac{\partial((w_f(h) - h - R - z)(ah + R))}{\partial R} = -(ah + R) + (w_f(h) - h - R - z) = 0. \quad (5)$$

³ See Constant, Gataullina and Zimmermann, (2009) on ethnicity and earnings. See Chiswick (1978, 1991, 1998), Dustman (1997), McManus, Gould and Welch (1983), Berman, Lang and Siniver (2003) and Pendakur (2002) on language proficiency migrants and earnings. See Cutler and Glaeser (1997) and Borjas (2000) on segregation of minorities and earnings and Epstein (2012).

⁴ One way of looking at this is that as one invests time in consuming ethnic goods, he has less time for work.

From (4) and (5) we obtain that

$$\frac{\partial w_f(h)}{\partial h} = 1 - a. \quad (6)$$

Denote by h^* an individual's investment level in ethnic product consumption that satisfies (6).

If $a < 1$ then the individual will not invest in ethnic goods since it will be cheaper and more beneficial to invest in R .

We conclude

$$\text{Since } \frac{\partial w_f(h)}{\partial h} < 0 \text{ then if } a < 1: h^* = 0 \text{ and } R^* = \frac{w(0) - z}{2}.$$

$$\text{If } a > 1, h^* \text{ satisfies } \frac{\partial w_f(h)}{\partial h} = 1 - a \text{ and } R^* = \frac{w(h^*) - (1 + a) - z}{2}.$$

As income increases the individual will invest more in ethnic goods that do not affect their income (R) and, if as income increases the effect of consuming ethnic goods has a stronger effect on wages, the individual will decrease consumption of such products.

Minimum wage and ethnic goods

Now consider the consumption of ethnic goods by individuals earning minimum wage w_0 .

The first order conditions holding for the determination of h and R are, similar to (4) and (5), as follows:

$$\frac{\partial((w_0 - h - R - z)(ah + R))}{\partial h} = -(ah + R) + (w_0 - h - R - z)a = 0, \quad (4')$$

and

$$\frac{\partial((w_0 - h - R - z)(ah + R))}{\partial R} = -(ah + R) + (w_0 - h - R - z) = 0. \quad (5')$$

If a does not equal 1, the individual will only invest in one of the ethnic goods. If $a > 1$, the individual will invest in h and if $a < 1$ the individual will invest in R . If $a > 1$ we obtain $R = 0$ and $h^* = \frac{w_0 - z}{2}$. If $a < 1$ we obtain $R = \frac{w_0 - z}{2}$ and $h^* = 0$. Thus, for $a > 1$, low wage workers will spend on ethnic goods that will work to keep them isolated from the native population and in the course of doing so, work to keep their incomes low.

Many immigrants arrive in a host country with minimal transferable skills. They earn minimum wages and consume ethnic goods that decrease their probability of assimilation. Those immigrants who arrive with a possibility of earning higher than the minimum wage invest in both types of ethnic goods: goods decreasing the probability of assimilation and public ethnic goods that have a smaller negative effect on assimilation. As wages increase, investment in isolating ethnic goods shrink and investment in ethnic goods that have a smaller negative effect on assimilation increase (public ethnic goods). Those earning lower wages are consuming higher levels of ethnic goods distinguishing them from the local population, while those with high income invest in public ethnic goods.

Different group sizes

We can push our analysis further by considering two immigrant groups, those earning high incomes and investing in both types of ethnic goods and those earning low incomes and investing in only one type of ethnic good. For the latter, think of those earning the minimum wage and investing only in the ethnic goods that provide them a higher return, i.e. $a > 1$.

How do individuals obtain utility from the consumption of ethnic goods? There are many dimensions to this question and many possible answers. Some will feel better about themselves; others may make a better impression on other immigrants, etc. Here we wish to consider the effect from “belonging”, specifically how the size of the group affects the individual’s utility. As your group size increases, it is easier to consume ethnic goods and thus obtain recognition from your society (for an example, see Berman (2000)). Therefore, as the population that invests in h increases in size, the utility obtained from h increases.⁵ The same can also be said about investment R , however this would be true for an increase in the total number of immigrants. We normalize the utility of R to unity and consider the coefficient of h to be the relative size of migrants investing in this type of ethnic good:

$a \left(\frac{m_h}{m_h + m_R} \right)$ where m_h is the number of individuals investing in h (dress codes, etc., that stand out as isolating goods). m_R is the number investing in type R ethnic goods that does not

⁵ One could think of economies of scale benefit with regard to h ethnic goods, such as decreasing the cost of importing the products, or benefitting from a larger group attending services or at the ‘club’ as you feel part of a bigger group and have more with whom to share the experience. As the network increases, benefits increase and the migrant feels safer when consuming the products. Of course, if the size of the group is too large, it can go against you by, for example, generating greater animosity on the part of your hosts.

have an effect on the wages (behind the scene ethnicity). We assume $\frac{\partial a\left(\frac{m_h}{m_h + m_R}\right)}{\partial m_h} > 0$ and

now we wish to see what happens to investment in both type of ethnic goods as the size of group h , the group investing in ethnic goods h , m_h , increases.

From the results presented above, those earning minimum wages will invest $R = 0$ and $h^* = \frac{w_0 - z}{2}$, thus a change in m_h will not have an effect on them. On the other hand, for those that earn wages higher than the minimum, their investment levels are given by the fact that h^* satisfies

$$\frac{\partial w_f(h)}{\partial h} = 1 - a \text{ and } R^* = \frac{w(h^*) - (1 + a) - z}{2}. \quad (7)$$

Since increasing m_h increases a , we can consider how changes in a affect R and h in equilibrium which is given by (7).

Note that $\frac{\partial w_f(h)}{\partial h} < 0$ thus increasing a will decrease wages and as a result increasing a

will increase h^* : $\frac{\partial h^*}{\partial a} > 0$. Now let us consider the effect it has on R^* :

$$\frac{\partial R^*}{\partial a} = \frac{\frac{\partial w(h^*)}{\partial h^*} \frac{\partial h^*}{\partial a} - 1}{2} < 0. \quad (8)$$

Increasing the size of the group investing in ethnic goods that affect wages, etc., has an effect on investment in this type of ethnic good (R , a less isolating good).

If the number of low skilled immigrants earning the minimum wage increases, this affects immigrants earning higher than minimum wages. The workers earning wages above the minimum wage increase their consumption of ethnic goods that distinguish them from the local population, and assimilation decreases.

The reason for this is that investing in ethnic goods where it is apparent and everyone can see it has an externality. It affects your family, children and neighbors. The more who invest in it, the more the cost of not investing, increases. Thus, as we have more low income individuals investing in such ethnic goods, this affects consumption by immigrants earning higher wages. It may even decrease their wages. This is a trap. Increased immigration by low wage immigrants separates not only those new immigrants from the local population but also those who were getting closer to the local population and were on the path to assimilation.

Permanent verse temporary Migration

We now consider the decision-making of permanent vs. temporary migrants. In our framework a permanent migrant tries to increase utility taking into consideration the option that proper behavior may increase his future income. The temporary migrant does not take into consideration possible increases in income as he expects to have a very limited lifespan in the host country.

A temporary migrant's objective is as described in (3)

$$W(c, e) = \begin{cases} (w_f - h - R - z)(ah + R) & \text{if } c \geq z \\ w_f - h - R - z & \text{if } c < z \end{cases} \quad (3)$$

A permanent migrant's utility is

$$rV(low) = W(c, e) + \Pr(h) (V(high) - V(low)), \quad (9)$$

where V is the discounted lifetime utility of the permanent migrant, *low* indicates that upon immigration the migrant starts with low income and “high” is his income if he assimilates and obtains a higher income. Pr is the probability of assimilating and obtaining a higher income thus increasing lifetime discounted utility. As h increases, the probability of assimilation decreases.

It is clear that the temporary immigrant will only invest in h ethnic goods and $R=0$. His utility and investment in h will equal

$$W = a \left(\frac{w_0 - z}{2} \right)^2 \quad \text{and} \quad h^* = \frac{w_0 - z}{2}. \quad (10)$$

The permanent migrant wishes to raise the opportunity to increase income over time and thus decreases investment in h below that of temporary migrants.

Permanent migrants wish to increase R while temporary migrants prefer not to invest in R . We obtain two type of migrants, permanent ones wishing to increase investment in R and decrease investment in h in order to increase the probability of increasing income. However this can be overcome by an increase in the number of temporary migrants. Thus if the local population does not want immigrants to assimilate they can allow the number of temporary migrants to increase which increases investment by permanent migrants in h and thus decreases their probability of assimilation.

Circular migration⁶

In circular migration, migrants want to go home but want also to return back to the host country. In this case they want to hold onto the ties at home like temporary migrants and still want to be connected to the host country somewhat like the permanent migrants.

A temporary migrant's objective is as described in (3)

$$W(c, e) = \begin{cases} (w_f - h - R - z)(ah + R) & \text{if } c \geq z \\ w_f - h - R - z & \text{if } c < z \end{cases} \quad (3)$$

A permanent migrant's utility is

$$rV(\text{low}) = W(c, e) + \text{Pr}(h) (V(\text{high}) - V(\text{low})). \quad (9)$$

Thus a circular migrant's objective function is

$$rV'(\text{low}) = W(c, e) + (1 - \alpha)\text{Pr}(h)' (V(\text{high}) - V(\text{low})), \quad (11)$$

where $\text{Pr}(h)'$ is the probability of returning and earning a higher wage as a result of returning to the same place and $0 \leq \alpha \leq 1$ reflects the level of how temporary the migrant feels in the host country. For $\alpha = 0$, the migrant is a permanent migrant and if $\alpha = 1$ the migrant is temporary.

As presented above, it is clear the temporary immigrant only invests in h ethnic goods and $R=0$. His utility and investment in h equals $W = a\left(\frac{w_0 - z}{2}\right)^2$ and $h^* = \frac{w_0 - z}{2}$. The permanent migrant wishes to increase his opportunity for higher income over time and thus

⁶ We thank Klaus F. Zimmermann for suggesting this section.

decrease investment in h below that of temporary migrants. Thus, the circular migrant invests less in h (the isolating ethnic goods) than the temporary migrant but more than the permanent migrant invests. He invests more than the temporary migrant in the non-isolating ethnic goods but less than the investment made by the permanent migrant. This depends on the level of α reflecting the migrant's impermanence level.

Summary of theoretical results

We can summarize our findings above: (1) As income increases the migrant invests more in ethnic goods that do not affect their income (non-isolating goods). (2) Minimum wage immigrants consume ethnic goods that decrease their probability of assimilation. (3) Those who arrive with a possibility of earning higher than the minimum wage invest in both types of ethnic goods. (4) As wages increase, investment in isolating ethnic goods shrink and investment in ethnic goods that have a smaller negative effect on assimilation increase (public ethnic goods). (5) If the number of low skilled immigrants earning the minimum wage increases, immigrants earning higher than minimum wages increase their consumption of ethnic goods that distinguish them from the local population, decreasing assimilation. (6) Permanent migrants increase the consumption of non-isolating goods while temporary migrants prefer not to invest in these goods.

3. Post-1990 Migrations and the Russian Federation

Migration since 1990 among the countries comprising the Former Soviet Union (FSU) can be divided into two main phases. Migration at the time of the breakup of the FSU and during the immediately following years can be seen as an ethnic migration. People who had been allocated from European parts of the Union to its peripheral regions by the Central Soviet Government were returning to their home regions. The incentives the Central Soviet

Government provided for people to go and work in peripheral regions, including affordable housing, opportunities to buy cars and higher salaries, disappeared. Indeed, some of this ethnic migration was caused by wars in early 1990s: civil wars in Tajikistan and Georgia, short military clashes between Armenia and Azerbaijan, Moldova and its Pridnestrian region, and Georgia with both Abkhazia and the South Ossetia. Official statistics on net migration for 1992 (State Statistical Committee of USSR and the Statistical Committee of CIS, n.d.) show the major recipients of migrants were Ukraine (288,000), Russia (176,000), Belarus (54,000) and Armenia (28,000). Countries with negative net migration were: Kazakhstan (179,000), Tajikistan (142,000), Kyrgyzstan (77,000), Uzbekistan (75,000), Azerbaijan (61,000), Georgia (45,000), Moldova (37,000), and Turkmenistan (14,000).

The second migration phase had more to do with increasing income inequality among these countries along with minimal migration restrictions. There were no severe differences among the countries at the time of the FSU breakup in GDP per capita, but during the following years significant differences developed. The top five in terms of per capita GDP in 2011 were (World Bank, 2013): Estonia (US\$16,809), Lithuania (US\$14,148), Russian Federation (US\$13,284), Latvia (US\$13,837), and Kazakhstan (US\$11,357). The lowest five were: Tajikistan (US\$835), Kyrgyzstan (US\$1,124), Uzbekistan (US\$1,545), Moldova (US\$1,970), and Georgia (US\$3,220). The five countries with highest GDP per capita received 65% of the migrants from countries of the FSU, with the Russian Federation the main recipient of migrants in the region (World Bank, n.d).

Against this general background we look at migrants to Russia for evidence on their ethnic good consumption and the links it might have to their earnings and assimilation. These migrants shared a common historical and some cultural background with Russians over the period of Soviet rule. On one hand such a background allows some migrants to easily

integrate into the local population in Russia, on another hand some of the younger generation of migrants have difficulties in assimilation because of the erosion of the role of Russian language and culture in their own countries. Furthermore, the increasing role of religion among populations of these countries further distances the Central Asian countries from Russia. Migrants from the Central Asian countries are predominantly Muslims while the majority of Russians are Russian Orthodox Christians. Having a common background but diverging cultural values might have differential impacts on assimilation by migrants from the Central Asian countries, which makes it a good illustration.⁷

Data

We use data collected by the Independent Research Service SREDA in an effort to take a snapshot of migrant groups in Moscow. Information was collected from 401 migrants from mainly Central Asian states who were queued in two Federal Migration Service offices in Moscow in July 2012. Excluded from the survey were citizens of Baltic (Latvia, Lithuania, and Estonia) and Slavic (Belarus, Russia and Ukraine) states. Otherwise, from those in the queue, the interviewees were randomly sampled with respect to their citizenship. The most represented groups of migrants are citizens of Uzbekistan (38%), Tajikistan (24%) and Kyrgyzstan (23%). The survey questions include information about migrant characteristics, their major problems in Russia, their perception of Russians, migrants' integration capacity, their attitude towards religion, knowledge of Russian language and their interest on attending courses on Russian language and culture.

⁷ Another factor influencing the earnings of migrants is discriminatory behavior by Muscovites. Fear of Russian nationalists and arrest by the police are additional reasons migrants might accept low paying jobs and unfair treatment, as well as a reason they may choose to remain close to their own ethnic communities.

Overall the 401 sample migrants provide a snapshot of their position in Moscow's economic hierarchy. For the first 6 months of 2012 the group has an average income of 23,607 Rubles (US\$726), which is half of the 45,712 Rubles (US\$1,406) average salary in Moscow (Territorial Office of Federal State Statistics Service in Moscow, 2012). According to the data, 74% of migrants live in Moscow without their relatives and 73% remit money home. 91% of migrants communicate daily with their compatriots. Most migrants plan to return home, while 14% of them want to remain in Russia. About 45% of migrants are willing to become Russian citizens. 85% of surveyed migrants are Muslim and 13% are Christian. The larger group of Muslims, 59%, is Sunni. According to subjective evaluations of migrants' communication skills by interviewers, 34% of migrants speak Russian fluently, 45% understand Russian, but make mistakes in their speech, 14% understand questions, but cannot easily express their own thoughts, and 6% speak Russian with major difficulties. Most surveyed do not have post high school education, and give their ages as 18-34. More than half of migrants have been in Moscow for less than 2 years and 99% of migrants say they came to Russia to earn money.

Our focus is on ethnic goods and the impact of these goods on immigrant assimilation. After accounting for missing data, our sample is 173 migrants.⁸ Our discussion from here on is about this group and its subsamples. Since the majority of respondents are citizens of three Central Asian main migrant sending countries (Kyrgyzstan, Tajikistan and Uzbekistan), we extracted four subsamples from the sample.⁹

⁸ We examined the summary statistics on the excluded observations and found only following four variables differ in means between two samples at 0.05 level: 'More than one and less than two years', 'Want children to be like Russians', 'Send Remittances', 'Speaks (Russian) Freely'.

⁹ The former Soviet Central Asia includes: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. Tajikistan, Kyrgyzstan and Turkmenistan have the lowest GDPs per capita in the region.

The first subsample includes 138 citizens of the three Central Asian countries. This subsample does not include migrants from two other countries of the region, Kazakhstan and Turkmenistan, due to their small numbers. The second subsample includes 39 citizens of Kyrgyzstan, the third and fourth subsamples include 38 citizens of Tajikistan and 61 citizens of Uzbekistan, respectively. Table 2 highlights the variables of particular concern with summary statistics for the sample and each of the subsamples. Definitions of the variables are given in Table 1.

The means of earnings among citizens of the three major migrant countries of Central Asia were close. Overwhelmingly, migrants are men, though in country level subsamples there are relatively more migrant women among the surveyed citizens of Kyrgyzstan. Migrant mean age is in the range of 28-32, from which we infer that migrants come to Russia to work and earn income. About 82% of migrants in the whole sample and 87% of migrants from the Central Asian countries do not have university education. Low-skilled labor migrants have lower salaries in their home countries compared to what they receive in Russia; and compared to skilled migrants the home-host country differential is much larger -- hence the greater migration flow of low skilled workers. Migrants from Kyrgyzstan have been in Moscow a shorter time relative to migrants from Tajikistan and Uzbekistan. Only 7% of migrants in the whole sample and 6% of Central Asians came with their families to Moscow. About a half of migrants use the internet.

The great majority of migrants, 92%, speak daily with compatriots from their home country, a major indication of their slower assimilation. According to our theoretical discussion, staying in communication with only one's own compatriots lowers migrants'

They are the most represented in the survey sample. Other countries, such as Kazakhstan, have had little emigration since the first wave of the early 1990s.

potential earnings, since migrants would be consuming more isolating goods which decreases their degree of assimilation. Half of the migrants are willing to become Russian citizens. The highest willingness is among the citizens of Tajikistan and the lowest is among the citizens of Uzbekistan.

58% of migrants from Central Asian attended mosque at least once, while the relative majority of mosque attendants are from Tajikistan; 68% of its migrants. Tajikistan experienced the rapid restoration of religious Islamic values after the breakup of Soviet Union, accelerated by the civil war between Islamists and the National Government. Generally, the migrants in our sample do not generally want their children to be Russian. The lowest willingness is among migrants from Uzbekistan: only 25% of its citizens want their children to be like Russians. About 47% of all migrants plan to stay in Russian for several additional years, and 18% of all migrants want remain permanently. The lowest willingness to stay for such longer periods is among migrants from Tajikistan: 39% of its citizens want to stay for several years and only 11% plan to stay permanently in Russia. Remittances are sent by 90% of the migrants; 97% of those from Tajikistan,. This is consistent with the World Bank's (2011) finding on Tajikistan's high dependence on remittances. 44% of Central Asian migrants want to attend Russian language courses. 43% of all surveyed migrants speak fluent Russian, the largest proportion of fluent Russian speakers are from Kyrgyzstan, 54%, 34% and 21% of citizens of Tajikistan and Uzbekistan, respectively.

What the data tell us

We proceed by estimating a standard earnings equation in which we include various indicators of assimilation (Table 3). We follow this with several probit estimations exploring the correlates of the indicators of assimilation. We also explore more sophisticated techniques (IV, simultaneous equations, and so on), as our theoretical modeling calls for worrying about

the endogeneity/simultaneity between types of ethnic goods and income. We found that the data are not able to support such analysis. With our small sample our standard errors are high as often there is not enough variation, and we find only very weak correlations between the log of earnings and our assimilation indicators.

We now study the correlations between the earnings of each of the ethnic goods consumed by migrants in the destination region, i.e., Moscow, by using Ordinary Least Squares regression analysis. Our dependent variable in our estimation is the logarithm of migrants' earnings for the last month. We control for the individual characteristics of migrants and types of ethnic goods consumed by migrants in Moscow. According to our theoretical discussion, the consumption of some ethnic goods have significantly negative correlation with migrant's earnings (*h* goods), while the migrant's consumption of other types of ethnic goods does not have a significant correlation with earnings (*R* goods). The regression results for the whole sample and four subsamples are reported in Table 3.

Initially, we look at how the individual characteristics of migrants are correlated with their earnings. Male migrants have higher earnings than women. Our estimate for the whole sample is positive and statistically significant. The estimate, however, becomes insignificant for individual countries, which might be due to insufficient variation. The age variables show a concave relationship with earnings, which increase with age at a slower pace. However, the coefficients are not significant. Lower levels of education are associated with lower earnings. The coefficient on the variable is negative. The Central Asian and individual country subsamples indicate that the negative relationship between less education and earnings holds, but is not statistically different from zero, which might be due the fact that most migrants from these countries do not have university education. For the whole sample and the Central Asian subsample, individuals who stayed in Moscow more than 6 months and less than one year

earn more than those who have been in Moscow for less than 6 months (the reference group). Furthermore, those staying for more than 6 months and less than one year are earning better (but not significantly so) than those staying longer. Internet users have higher incomes; the coefficient on the corresponding variable is positive and statistically significant for both the whole sample and Central Asian subsamples. The significant difference between internet users is observed in the sample of migrants from Uzbekistan, the coefficient of the variable is positive and statistically different from zero.

We turn to our variables associated with the consumption of ethnic goods and their relationship with migrants' earnings. Migrants, who came with their families to Moscow, might be less likely to consume isolating ethnic goods that lower their earnings. Since they send their children to Russian schools while both parents work, a migrant living with his family will integrate faster with the local community. Furthermore, migrants with families will avoid the consumption of the isolating ethnic goods that decrease their earnings simply because they need to earn sufficient money to cover family's living expenses -- living expenses in Moscow are high, and living together with families imply more expenses than the migrant who lives alone.

Consumption of the isolating ethnic good of daily communication with one's own compatriots is significantly associated with lower individual wages. The coefficient on the variable is negative and statistically significant for the whole sample, including the Central Asian and Tajikistan's subsamples. This is consistent with our discussion on the impact of an increasing number of immigrants on their assimilation. Coefficients on the variable for the Kyrgyzstan and Uzbekistan subsamples are negative but not statistically different from zero.

Furthermore, the willingness to become a Russian citizen is also associated with higher wages. Coefficients on the variable are positive and significant for the whole sample

and the Central Asian subsample, as well as for Tajikistan's subsample. Such correlation is consistent with our discussion in the theoretical section of the paper: with higher wages migrants want to consume less of the isolating ethnic goods in order to be more closely associated with Russia.

In most cases Mosque attendance means attending Friday prayers. While Islam permits prayer at home or a workplace, it obligates men to attend weekly Friday prayers. However, whether Mosque attendance can be viewed as an isolating or relatively integrating investment is a question. If it is occasional and expected, it may very well be non-isolating; if often and “in the employers face”, it may be isolating. In our estimation the coefficient is small, positive and not significant for all samples. This indicates some ambiguity in its implications for income and assimilation.

Another aspect of assimilation is whether migrants want the next generation, i.e. their children, to possess the qualities they see in the local Russian people. The coefficient on this variable is negative and statistically significant, indicating that having your children emulate your Russian hosts is correlated with lower income, *ceteris paribus*. Migrants' plans to stay longer in Russia imply less consumption of isolating ethnic goods in favor of more integrating ethnic goods. The variable coefficients for ‘planning to stay for several years’ and ‘forever’, have positive signs for both the whole sample and the Central Asian subsample. These coefficients are not statistically different from zero, which implies that the associated increase in integrating ethnic goods does not reduce migrants' earnings. Another example of the integrating ethnic goods, as discussed earlier, is the remittance of money to the home country. Sending remittances home is positively correlated with migrants' earnings and statistically significant. This result is also consistent with our earlier discussion, i.e. the

consumption of ethnic goods such as remitting money to home does not reduce individual earnings.

A migrant's willingness to attend Russian language courses and his spoken Russian language fluency is significantly significant correlated with earnings (Chiswick, 1991; Chiswick and Miller, 1995; Isphordiing and Otten, 2013). The degree of willingness to attend Russian language courses indicates the low degree of assimilation of migrants within the local population. Since some migrants are willing to attend these courses due to their weak knowledge of Russian, it is not surprising that they earn less than those who know Russian well and are not willing, and do not need, to attend these courses. In other words, greater fluency in Russian is associated with higher migrant earnings, which we observe in the coefficient estimate of the variable whether migrants speak Russian fluently.

Next we examine the correlations between seven assimilation goods and other associated independent variables using probit regressions. The regression results as marginal effects of independent variables and their standard errors are reported in Table 4. The decisions on mosque attendance (the first column) are positively correlated with male gender. Communication with one's own compatriots also is positively correlated with mosque attendance. Such communication is associated with higher consumption of isolating ethnic goods, including mosque attendance. A lower level of education is positively correlated with mosque attendance: the more educated have higher ambitions for assimilation, hence less consumption of isolating ethnic goods such as the mosque attendance. The length of stay has positive and statistically significant correlations with the mosque attendance: migrants learn where to meet other migrants including the location of mosques, and start knowing their migrant compatriots, which both are associated with higher probability of mosque attendance. Living with families is also positively significantly correlated with the mosque attendance:

families following their religious traditions build their acquaintance with local religious clerics and relationships with their own compatriots through mosque attendance. Sending remittances is also positively and significantly correlated with mosque attendance, which might reflect the effect of religion on the altruism of migrants. However, knowledge of the Russian language is negatively correlated with the mosque attendance: assimilating migrants know the local language better and will consume less of isolating ethnic goods.

The next probit regression indicates there is a significant correlation of migrant's age, internet use, and earnings with migrant's daily communication with their own compatriots (the second column). Individual age has a concave relationship with communication with compatriots. Internet users are also more likely to be communicating with their own compatriots: the corresponding coefficient is positive and statistically significant. Migrants' earnings are negatively correlated with daily communication with their own compatriots, as discussed in the earnings regression above.

Migrant's age shows a convex relationship with decisions on remitting (the third column). Migration with own families is associated with lower probability of remitting money to the home country. Remitting is also positively correlated with migrant's willingness to obtain Russian citizenship and statistically different from zero. The willingness to have their children be like Russians and plan to stay for longer periods, reflect the willingness of further assimilation, and are negatively and significantly correlated with decisions on sending remittances. Migrant's use of the internet is also negatively and significantly correlated with the probability of sending remittances. While earnings and mosque attendance have positive correlation with the probability of sending remittances, and are statistically different from zero, they correspond to our findings in previous regressions.

Female migrants and migrants with professional education are more likely to speak Russian fluently (the fourth column), and for this group the corresponding coefficients are negative and statistically significant.¹⁰ Since the specialized literature in professional schools in many former Soviet countries is available primarily in Russian, many graduates from these schools are fluent in Russian. When migration with their own families is associated with fluent knowledge of Russian, these families tend to assimilate faster. The ‘use of the internet’ and ‘plans to stay for longer periods’ have positive correlations with Russian fluency, and their coefficients are positive and statistically significant. Not surprisingly, fluent knowledge of Russian language is negatively associated with the migrant's willingness to attend Russian courses. As was discussed earlier, knowledge of the Russian language has significantly positive and negative correlations with earnings and mosque attendance, respectively.

The willingness to attend Russian courses (the fifth column) is negatively correlated with a lower level of education. Migrants who have been not willing to acquire professional education also do not show their willingness toward learning the language of the host country. However, willingness to become Russian citizens is positively correlated with willingness to attend Russian language courses, which is not surprising: both are positively related to the migrant's assimilation. As was discussed earlier, the willingness to attend Russian courses is significantly negatively correlated with both the knowledge of Russian and earnings.

¹⁰ We also estimated male and female samples separately, finding the coefficient of the variable ‘Secondary education or lower’ increased in significance from the .10 to the .05 level in the male sample, implying it is mainly men who have lower level of education (i.e. excluding women reduces the variation). In contrast, the coefficient of variable ‘My family is in Moscow’ is reduced in significance from the .01 to the .05 level, implying that women in Moscow are accompanied with their husbands and children. Similarly, the variable ‘Want to attend Russian language courses’ also lost its significance in Male sample. We think this is because migrant women have more time than their husbands to spend on learning Russian. Other variables did not change in significance and their signs remained the same. Because of space limitations we only report the results including women.

Among male migrants who want their children to be like Russians (the sixth column), the corresponding coefficient is positive and statistically significant. Furthermore, migrants' willingness for their children to be like Russians is positively correlated with migrating with their families, and their willingness to become Russian citizens, and the use of internet. As discussed earlier, their willingness for their children to be like Russians is negatively correlated with decisions on remittances and earnings. The willingness become citizens (the last column) is positively and significantly correlated with willingness to have children who behave as Russians, plans to remain forever in Russia, sending remittances and willingness to attend Russian language classes.

4. Conclusion

Among immigrants, many try to keep their ethnicity hidden while others become ever deeply more mired in their native ethnic culture. However, they are not the natives of the host or source countries – they are immigrants who struggle to balance their obligations and dreams. We develop a simple theoretical model useful for capturing the consequences of this struggle. We introduce the idea that different types of ethnic goods have vastly different effects on immigrant assimilation and consider the relationship between the consumption of ethnic goods, wages and assimilation.

We categorize ethnic goods consumed by immigrants into those that are isolating and those that are not. The consumption of ethnic goods makes the migrants differ from the local population and as a result affects assimilation and wages. By choosing isolating ethnic goods, migrants affect the reaction of the local population towards them and the host's willingness to accept them. Moreover, as income decreases migrants tend to consume more isolating ethnic goods and the probability of assimilation in the future declines.

Bringing in low-wage immigrants separates not only those new immigrants from the local population but also those that were getting closer to the local population and were on the path towards assimilation; it results in a trap. Increasing temporary migration increases consumption of isolating ethnic goods, forcing the permanent migrants to also increase their consumption of isolating ethnic goods and thus decrease their probability of assimilation.

We connect our theory to illustrative evidence on the assimilation of Central Asians into the Muscovite economy. We find that those investing in isolating ethnic products generally have lower incomes, while those migrants whose investments are less in these isolating goods and more in less isolating goods (such as remittances) have higher incomes.

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Table 1. Definitions

Logwage	Logarithms of last month earnings, a continuous variable: 8.0064-12.4292
Male	Dummy variable taking a value of 1 if the respondent is man.
Age	Age of the respondent, a continuous variable, 19-57
Age-squared	Squared age of the respondent, a continuous variable, 361-3249
Secondary Education or lower	Dummy variable taking a value of 1 if the respondent has education from vocational schools or lower.
More than 6 months less than a year	Dummy variable taking a value of 1 if the respondent has been in Moscow for 6 months but less than a year.
More than one and less than two years	Dummy variable taking a value of 1 if the respondent has been in Moscow for more than 1 year but less than 2 years.
More than two and less than five years	Dummy variable taking a value of 1 if the respondent has been in Moscow for more than 2 years but less than 5 years.
More than five years	Dummy variable taking a value of 1 if the respondent has been in Moscow for more than 5 years.
My family is in Moscow	Dummy variable taking a value of 1 if the respondent's family is in Moscow.
Communicates daily with compatriots	Dummy variable taking a value of 1 if the respondent communicates daily with his compatriots.
Want a citizenship	Dummy variable taking a value of 1 if the respondent says wants to become Russian citizen.
Mosque Attendance	Dummy variable taking a value of 1 if the respondent attended Mosque in Moscow.
Want children to be like Russians	Dummy variable taking a value of 1 if the respondent wants children be like Russians.
Internet user	Dummy variable taking a value of 1 if the respondent uses the internet.
Plan to stay several years	Dummy variable taking a value of 1 if the respondent plans to stay for several years.
Plan to stay forever	Dummy variable taking a value of 1 if the respondent plans to stay forever.
Send Remittances	Dummy variable taking a value of 1 if the respondent sends money to his home country.
Want to attend Russian language courses	Dummy variable taking a value of 1 if the respondent wants to attend Russian courses.
Speaks Russian fluently	Dummy variable taking a value of 1 if the respondent speaks fluently Russian, evaluated by interviewer.

Table 2. Summary Statistics

	All		Central Asia		Kyrgyzstan		Tajikistan		Uzbekistan	
	Mean	sd	mean	Sd	mean	sd	mean	sd	mean	sd
log(earnings)	10.01	0.42	9.95	0.43	9.94	0.32	9.96	0.35	9.96	0.53
Male	0.92	0.26	0.92	0.27	0.82	0.39	0.92	0.27	0.98	0.13
Age	31.47	8.63	31.09	8.40	28.38	7.72	31.92	8.18	32.30	8.68
Age-squared	1064.66	603.18	1036.41	581.91	863.77	496.70	1084.13	591.24	1117.05	611.50
Secondary education or lower	0.82	0.39	0.87	0.34	0.87	0.34	0.87	0.34	0.87	0.34
More than 6 months less than a year	0.12	0.33	0.13	0.34	0.23	0.43	0.08	0.27	0.10	0.30
More than one and less than two years	0.17	0.37	0.17	0.38	0.23	0.43	0.11	0.31	0.18	0.39
More than two and less than five years	0.20	0.40	0.20	0.40	0.13	0.34	0.24	0.43	0.23	0.42
More than five years	0.33	0.47	0.29	0.46	0.15	0.37	0.37	0.49	0.33	0.47
My family is in Moscow	0.07	0.25	0.06	0.23	0.08	0.27	0.05	0.23	0.05	0.22
Communication with compatriots every day	0.92	0.26	0.93	0.25	0.92	0.27	0.92	0.27	0.95	0.22
Want a citizenship	0.49	0.50	0.43	0.50	0.46	0.51	0.53	0.51	0.34	0.48
Mosque Attendance	0.47	0.50	0.58	0.50	0.56	0.50	0.68	0.47	0.52	0.50
Want children to be like Russians	0.38	0.49	0.30	0.46	0.33	0.48	0.34	0.48	0.25	0.43
Internet user	0.55	0.50	0.51	0.50	0.54	0.51	0.50	0.51	0.51	0.50
Plan to stay several years	0.47	0.50	0.47	0.50	0.56	0.50	0.39	0.50	0.46	0.50
Plan to stay forever	0.18	0.39	0.14	0.35	0.13	0.34	0.11	0.31	0.16	0.37
Send Remittances	0.90	0.30	0.91	0.28	0.85	0.37	0.97	0.16	0.92	0.28
Want to attend Russian language courses	0.38	0.49	0.44	0.50	0.44	0.50	0.47	0.51	0.43	0.50
Speaks Russian fluently	0.43	0.50	0.34	0.48	0.54	0.51	0.34	0.48	0.21	0.41
Observations	173		138		39		38		61	

Table 3. Ordinary Least Squares Regression Results

Dependent variable: log(earnings)	All		Central Asia		Kyrgyzstan		Tajikistan		Uzbekistan	
Male	0.3133 (0.1009)	***	0.2125 (0.1148)	*	0.3118 (0.2842)		0.1993 (0.2485)		0.5754 (0.4645)	
Age	0.0164 (0.0262)		0.0321 (0.0281)		-0.0283 (0.0635)		0.0794 (0.0496)		0.0603 (0.0562)	
Age-squared	-0.0001 (0.0004)		-0.0003 (0.0004)		0.0003 (0.0010)		-0.0010 (0.0007)		-0.0005 (0.0007)	
Secondary education or lower	-0.1430 (0.0751)	*	-0.0482 (0.1048)		-0.1388 (0.2050)		-0.0992 (0.2108)		-0.0458 (0.2037)	
More than 6 months less than a year	0.1521 (0.0854)	*	0.1858 (0.0872)	**	0.2510 (0.1961)		0.3487 (0.2090)		0.0686 (0.1927)	
More than one and less than two years	0.0803 (0.0906)		0.1002 (0.0935)		0.1802 (0.1646)		-0.0788 (0.2175)		0.2355 (0.1763)	
More than two and less than five years	0.0602 (0.1041)		0.0707 (0.1142)		0.3047 (0.2092)		0.1934 (0.1773)		-0.0076 (0.2632)	
More than five years	0.0657 (0.0824)		0.0524 (0.0856)		0.4324 (0.2580)		0.1894 (0.1435)		-0.1377 (0.2174)	
My family is in Moscow	0.3195 (0.1216)	***	0.3516 (0.1489)	**	0.0674 (0.3167)		-0.5807 (0.3773)		0.7043 (0.2123)	***
Communication with compatriots every day	-0.1477 (0.0577)	**	-0.2213 (0.0903)	**	-0.3082 (0.2292)		-0.6128 (0.2151)	**	-0.3163 (0.1938)	
Want a citizenship	0.1564 (0.0859)	*	0.1664 (0.0948)	*	-0.0378 (0.1659)		0.5250 (0.2041)	**	0.1816 (0.2446)	
Mosque Attendance	0.0760 (0.0796)		0.1376 (0.0880)		0.1586 (0.2551)		-0.0127 (0.1338)		0.1703 (0.1810)	
Want children to be like Russians	-0.1969 (0.0787)	**	-0.2067 (0.0823)	**	0.0858 (0.2198)		-0.4777 (0.1745)	**	-0.2422 (0.2445)	
Internet user	0.1381	**	0.1429	**	-0.1504		0.0423		0.2641	*

	(0.0592)		(0.0703)		(0.1813)		(0.1314)		(0.1338)
Plan to stay several years	0.0519 (0.0648)		0.0784 (0.0685)		-0.1172 (0.1545)		0.2496 (0.1672)		0.1068 (0.1571)
Plan to stay forever	0.0623 (0.0764)		0.0944 (0.0921)		0.0049 (0.2200)		0.4300 (0.2762)		0.0565 (0.3365)
Send Remittances	0.3741 (0.0884)	***	0.4170 (0.0935)	***	0.2692 (0.1944)		-0.1748 (0.2736)		0.4921 (0.2107)
Want to attend Russian language courses	-0.1085 (0.0567)	*	-0.0807 (0.0637)		-0.1076 (0.1699)		-0.3648 (0.1659)	**	-0.0444 (0.1315)
Speaks Russian fluently	0.1571 (0.0881)	*	0.1583 (0.0976)		0.1682 (0.2867)		0.0527 (0.1612)		0.4891 (0.3695)
Constant	8.9690 (0.5144)	***	8.6229 (0.5809)	***	10.1923 (1.1605)	***	8.9050 (1.0361)	***	7.4996 (1.3018)
Observations	173		138		39		38		61
R ²	0.272		0.281		0.526		0.699		0.378

Robust standard errors in parentheses

* p<.10, ** p<.05, *** p<.01

Table 4. Probit Results, Marginal Effects

Dependent variable	Mosque Attendance	Communicate w. Compatriots	Remit	Speaks Rus. Fluently	Want Russian courses	Children be like Russians	Want Citizenship
Male	0.2561 ** (0.1244)		0.0122 (0.0333)	-0.2336 ** (0.1098)	-0.0036 (0.1291)	0.1420 * (0.0856)	-0.0144 (0.0750)
Communication with Compatriots every day	0.2995 ** (0.1190)		0.0106 (0.0488)	-0.1018 (0.1333)	0.0494 (0.1483)	-0.0431 (0.0720)	-0.0045 (0.0838)
Age	0.0156 (0.0298)	0.0394 ** (0.0164)	-0.0495 *** (0.0179)	0.0205 (0.0248)	0.0068 (0.0328)	0.0011 (0.0217)	0.0027 (0.0165)
Age-squared	-0.0003 (0.0004)	-0.0005 ** (0.0002)	0.0009 *** (0.0003)	-0.0003 (0.0003)	-0.0002 (0.0005)	0.0002 (0.0003)	-0.0002 (0.0002)
Secondary Education or lower	0.2369 *** (0.0844)	-0.0210 (0.0463)	-0.0262 (0.0315)	-0.1686 ** (0.0707)	-0.1604 * (0.0945)	-0.0310 (0.0730)	0.1046 (0.0706)
More than 6 months less than a year	0.1899 * (0.0994)	-0.0454 (0.0594)	0.0136 (0.0551)	0.0113 (0.0949)	-0.0171 (0.1235)	0.1086 (0.0722)	-0.0702 (0.0758)
More than one and less than two years	0.2813 *** (0.1045)	-0.0032 (0.0649)	0.0903 * (0.0502)	0.0516 (0.0904)	-0.0111 (0.1137)	0.1562 ** (0.0679)	-0.0455 (0.0706)
More than two and less than five years	0.2098 ** (0.1005)	0.0699 (0.0719)	0.0660 (0.0534)	0.0926 (0.0837)	-0.1289 (0.1060)	0.1031 (0.0764)	-0.0150 (0.0611)
More than five years	0.3064 *** (0.0919)	-0.0466 (0.0613)	0.0256 (0.0443)	0.0597 (0.0905)	-0.0136 (0.1068)	0.0648 (0.0767)	-0.0305 (0.0653)
My family is in Moscow	0.5045 *** (0.1583)	-0.0245 (0.0711)	-0.2451 *** (0.0554)	0.2604 * (0.1463)	-0.0187 (0.1614)	0.2092 *** (0.0709)	-0.0977 (0.1102)
Want a citizenship	-0.0434 (0.1020)	-0.0469 (0.0487)	0.2394 *** (0.0681)	0.0232 (0.0978)	0.3503 *** (0.0951)	0.5043 *** (0.0331)	

Want children to be like Russians	-0.0924 (0.0998)	-0.0266 (0.0471)	-0.3289 *** (0.0891)	0.0708 (0.0911)	-0.0912 (0.1094)				0.5194 *** (0.0534)
Internet user	0.1039 (0.0746)	0.0828 * (0.0445)	-0.1480 *** (0.0425)	0.1553 *** (0.0598)	-0.0460 (0.0775)	0.1371 *** (0.0427)		0.0300 (0.0409)	
Plan to stay several years	0.0265 (0.0715)	0.0674 (0.0485)	-0.0813 * (0.0419)	0.2333 *** (0.0560)	0.1038 (0.0763)	-0.0303 (0.0482)		0.0148 (0.0490)	
Plan to stay forever	0.0617 (0.1027)	0.0121 (0.0537)	-0.0866 ** (0.0410)	0.2311 *** (0.0752)	-0.1135 (0.1118)	-0.0406 (0.0528)		0.2510 *** (0.0671)	
Send Remittances	0.4037 *** (0.1534)	-0.0168 (0.0794)		0.1013 (0.1034)	0.1173 (0.1267)	-0.1720 *** (0.0623)		0.2115 ** (0.0901)	
Want to attend Russian language courses	0.0446 (0.0757)	-0.0102 (0.0361)	0.0034 (0.0263)	-0.1711 *** (0.0605)		-0.0505 (0.0510)		0.1292 *** (0.0400)	
Speaks Russian fluently	-0.3737 *** (0.0666)	-0.0517 (0.0405)	0.0157 (0.0280)		-0.2603 *** (0.0870)	-0.0015 (0.0604)		0.0358 (0.0620)	
logwage	0.1062 (0.0702)	-0.0970 *** (0.0352)	0.1719 *** (0.0460)	0.1141 ** (0.0581)	-0.1927 * (0.0997)	-0.1722 *** (0.0507)		0.0674 (0.0455)	
Mosque Attendance		0.0674 (0.0413)	0.1208 *** (0.0366)	-0.2521 *** (0.0474)	0.0280 (0.0823)	-0.0657 (0.0441)		-0.0239 (0.0412)	
Observations	173	173	173	173	173	173	173	173	

Robust standard errors in parentheses

* p<.10, ** p<.05, *** p<.01

APPENDIX

As discussed in the body of the paper, after accounting for missing data our survey of 401 individuals is reduced to a sample of 173 migrants. Of these 138 are citizens of three Central Asian countries: 39 citizens of Kyrgyzstan, 38 of Tajikistan and 61 of Uzbekistan. These are portrayed in Table 2 of the paper.

The table below provides the summary statistics on the excluded 228 observations. We found only four variables differ in means between the excluded observations sample and the included observations sample) at 0.05 level: ‘More than one and less than two years’, ‘Want children to be like Russians’, ‘Send Remittances’, ‘Speaks (Russian) freely’. Other variables do not differ in their means.

Appendix Table: Missing Data Sample

	All		Central Asia		Kyrgyzstan		Tajikistan		Uzbekistan	
	mean	sd	mean	sd	mean	sd	mean	sd	mean	sd
logwage	9.93	0.45	9.91	0.47	9.94	0.25	9.97	0.28	9.85	0.62
Male Gender	0.88	0.32	0.88	0.33	0.79	0.41	0.92	0.28	0.90	0.30
age	30.11	8.93	30.34	9.14	28.85	8.84	30.14	8.12	31.33	9.87
age2	986.32	608.45	1003.77	623.92	908.77	567.96	973.02	572.72	1077.99	681.02
Secondary and lower	0.88	0.32	0.88	0.32	0.85	0.36	0.93	0.25	0.87	0.34
More than 6 months less than a year	0.11	0.31	0.11	0.31	0.19	0.40	0.05	0.22	0.10	0.30
More than one and less than two years	0.08	0.27	0.07	0.26	0.13	0.34	0.03	0.18	0.07	0.25
More than two and less than five years	0.16	0.37	0.16	0.37	0.15	0.36	0.14	0.35	0.19	0.39
More than five years	0.25	0.43	0.25	0.44	0.10	0.30	0.39	0.49	0.25	0.44
My family is in Moscow	0.04	0.18	0.03	0.17	0.00	0.00	0.05	0.22	0.03	0.18
Communication with Compatriots every day	0.90	0.30	0.89	0.31	0.83	0.38	0.93	0.25	0.90	0.30
Want a citizenship	0.42	0.49	0.37	0.48	0.38	0.49	0.54	0.50	0.25	0.44
Mosque Attendance	0.32	0.47	0.35	0.48	0.33	0.47	0.44	0.50	0.30	0.46
Want children to be like Russians	0.25	0.43	0.21	0.41	0.21	0.41	0.31	0.46	0.15	0.36
Internet	0.46	0.50	0.43	0.50	0.40	0.50	0.42	0.50	0.44	0.50
Plan to stay several years	0.31	0.46	0.32	0.47	0.40	0.50	0.19	0.39	0.35	0.48
Plan to stay forever	0.11	0.32	0.08	0.28	0.06	0.24	0.15	0.36	0.05	0.23
Send Remittances	0.60	0.49	0.61	0.49	0.58	0.50	0.59	0.50	0.64	0.48
Want to attend Russian Courses	0.41	0.49	0.45	0.50	0.44	0.50	0.59	0.50	0.35	0.48
Speaks Freely	0.27	0.45	0.26	0.44	0.25	0.44	0.25	0.44	0.26	0.44
Observations	228		202		52		59		91	

In the body of the paper we examine samples which include both male and female migrants. Women consist of eight percent of the All and Central Asian samples. For comparison, Below we present the OLS and probit results on the male only sample. Comparing the coefficient estimates of the combined male and female sample to the male sample, we find the coefficient estimates of the variable ‘Secondary education or lower’ increased in significance from the .10 to the .05 level in the male sample which implies that it is mainly men who have lower level of education (i.e. excluding women reduces the variation). In contrast, the coefficient of variable ‘My family is in Moscow’ is reduced in significance from the .01 to the .05 level, implying that women in Moscow are accompanied by their husbands and children. Similarly, the variable ‘Want to attend Russian language courses’ also lost its significance in Male sample. We think this is because migrant women have more time than their husbands that they can spend on learning the Russian language. Other variables did not change in significance and their signs remained the same. Therefore, because of space limitations we report only the results including women.

Appendix Table: Ordinary Least Squares Regression Results, Male Sample

Dependent variable: log(earnings)	All		Central Asia		Kyrgyzstan		Tajikistan		Uzbekistan	
Age	0.0177 (0.0270)		0.0357 (0.0285)		-0.0669 (0.0582)		0.0833 (0.0504)		0.0603 (0.0557)	
Age-squared	-0.0001 (0.0004)		-0.0004 (0.0004)		0.0010 (0.0009)		-0.0011 (0.0007)		-0.0005 (0.0007)	
Secondary Education or lower	-0.1672 (0.0822)	**	-0.0990 (0.1231)		0.2732 (0.2338)		-0.1683 (0.2302)		-0.0458 (0.2021)	
More than 6 months less than a year	0.1472 (0.0831)	*	0.1822 (0.0868)	**	0.0511 (0.1420)		0.0864 (0.1893)		0.0686 (0.1911)	
More than one and less than two years	0.0377 (0.0946)		0.0626 (0.0975)		0.1438 (0.1381)		-0.1075 (0.2501)		0.2355 (0.1748)	
More than two and less than five years	0.0405 (0.1081)		0.0421 (0.1227)		0.1248 (0.2075)		0.1875 (0.1757)		-0.0076 (0.2610)	
More than five years	0.0500 (0.0850)		0.0228 (0.0899)		0.3512 (0.2134)		0.1667 (0.1557)		-0.1377 (0.2156)	
My family is in Moscow	0.3182 (0.1422)	**	0.3812 (0.1757)	**	-0.2030 (0.2953)		-0.7581 (0.3645)	*	0.7043 (0.2106)	***
Communication with Compatriots every	-0.1470	**	-0.2216	**	-0.3464		-0.5967	**	-0.3163	

day	(0.0572)		(0.0901)		(0.2251)		(0.2306)		(0.1922)	
Want a citizenship	0.1684 (0.0887)	*	0.1876 (0.0995)	*	-0.2861 (0.1937)		0.5231 (0.2139)	**	0.1816 (0.2426)	
Mosque Attendance	0.0776 (0.0833)		0.1470 (0.0910)		-0.0479 (0.2335)		-0.0081 (0.1239)		0.1703 (0.1795)	
Want children to be like Russians	-0.2065 (0.0813)	**	-0.2364 (0.0854)	***	-0.0508 (0.2075)		-0.4308 (0.1791)	**	-0.2422 (0.2425)	
Internet user	0.1243 (0.0618)	**	0.1184 (0.0731)		-0.1863 (0.1841)		-0.0292 (0.1487)		0.2641 (0.1327)	*
Plan to stay several years	0.0430 (0.0677)		0.0696 (0.0723)		-0.1857 (0.1187)		0.2839 (0.1812)		0.1068 (0.1558)	
Plan to stay forever	0.0544 (0.0802)		0.0705 (0.0971)		0.0072 (0.1513)		0.6635 (0.2882)	**	0.0565 (0.3338)	
Send Remittances	0.3432 (0.0993)	***	0.3651 (0.1075)	***	-0.3256 (0.1975)		-0.1374 (0.2657)		0.4921 (0.2089)	**
Want to attend Russian language courses	-0.0924 (0.0597)		-0.0592 (0.0674)		0.0068 (0.1504)		-0.3815 (0.1702)	**	-0.0444 (0.1304)	
Speaks Russian fluently	0.1597 (0.0926)	*	0.1591 (0.1048)		-0.0019 (0.2590)		0.0314 (0.1801)		0.4891 (0.3665)	
Constant	9.3141 (0.5081)	***	8.8853 (0.5751)	***	11.6353 (0.9110)	***	9.0995 (1.0172)	***	8.0750 (1.0880)	***
Observations	160		127		32		35		60	
R^2	0.226		0.228		0.612		0.674		0.376	

Appendix Table: Probit Results, Marginal Effects, Male Sample

Dependent variable	Mosque Attendance	Communicate w.Compatriots	Remit	Speaks Rus.Fluently	Want Russian courses	Children be like Russians	Want Citizenship				
Communication with Compatriots every day	0.2706 (0.1165)	**	0.0570 (0.0523)	-0.0965 (0.1345)	0.0490 (0.1443)	-0.0440 (0.0741)	-0.0312 (0.0865)				
Age	0.0247 (0.0315)	0.0413 (0.0167)	**	-0.0615 (0.0263)	**	0.0228 (0.0260)	0.0057 (0.0332)	0.0038 (0.0225)	0.0006 (0.0163)		
Age-squared	-0.0005 (0.0004)	-0.0005 (0.0002)	**	0.0012 (0.0005)	***	-0.0003 (0.0004)	-0.0001 (0.0005)	0.0001 (0.0003)	-0.0001 (0.0002)		
Secondary Education or lower	0.2654 (0.0891)	***	-0.0174 (0.0499)	0.0024 (0.0331)	-0.1597 (0.0753)	**	-0.1346 (0.1029)	-0.0783 (0.0809)	0.1331 (0.0790)	*	
More than 6 months less than a year	0.2224 (0.1046)	**	-0.0482 (0.0644)	-0.1829 (0.0999)	*	0.0458 (0.0972)	-0.0262 (0.1302)	0.1529 (0.0723)	**	-0.1346 (0.0779)	*
More than one and less than two years	0.2407 (0.1109)	**	-0.0143 (0.0678)	-0.1167 (0.0911)		0.0261 (0.0962)	-0.0372 (0.1166)	0.1626 (0.0664)	**	-0.0228 (0.0714)	
More than two and less than five years	0.2259 (0.1054)	**	0.0714 (0.0762)	-0.1510 (0.0824)	*	0.0790 (0.0898)	-0.1278 (0.1088)	0.0861 (0.0759)		-0.0125 (0.0606)	
More than five years	0.3154 (0.0958)	***	-0.0471 (0.0642)	-0.2429 (0.1317)	*	0.0558 (0.0944)	-0.0343 (0.1092)	0.0648 (0.0784)		-0.0169 (0.0665)	
My family is in Moscow	0.4522 (0.1628)	***	-0.0349 (0.0769)	-0.4239 (0.1491)	***	0.2735 (0.1470)	*	0.0442 (0.1656)	0.1908 (0.0910)	**	-0.0817 (0.1072)
Want a citizenship	-0.0831 (0.1041)		-0.0535 (0.0524)	0.0492 (0.1003)		0.0148 (0.1069)	0.3418 (0.1012)	***	0.5129 (0.0415)	***	
Want children to be like Russians	-0.0657 (0.1010)		-0.0212 (0.0510)	-0.2613 (0.0518)	***	0.0797 (0.0974)	-0.0580 (0.1157)			0.5180 (0.0521)	***
Internet user	0.1111 (0.0792)		0.0808 (0.0491)	-0.2853 (0.1074)	***	0.1761 (0.0625)	***	-0.0138 (0.0798)	0.1378 (0.0443)	***	0.0124 (0.0431)

Plan to stay several years	0.0201 (0.0752)	0.0682 (0.0503)	-0.3539 *** (0.1106)	0.2189 *** (0.0587)	0.0823 (0.0781)	-0.0384 (0.0472)	0.0159 (0.0513)
Plan to stay forever	0.0155 (0.1070)	0.0072 (0.0564)	-0.2367 *** (0.0891)	0.2160 *** (0.0804)	-0.0686 (0.1170)	-0.0360 (0.0522)	0.2280 *** (0.0670)
Send Remittances	0.3516 ** (0.1446)	-0.0323 (0.0877)		0.1100 (0.1083)	0.2184 * (0.1323)	-0.1781 ** (0.0719)	0.2119 ** (0.0899)
Want to attend Russian language courses	0.0535 (0.0811)	-0.0085 (0.0396)	0.0820 ** (0.0417)	-0.1823 *** (0.0633)		-0.0422 (0.0525)	0.1177 *** (0.0408)
Speaks Russian fluently	-0.3805 *** (0.0699)	-0.0615 (0.0437)	0.0442 (0.0398)		-0.2764 *** (0.0900)	-0.0009 (0.0600)	0.0263 (0.0637)
logwage	0.1034 (0.0762)	-0.0905 ** (0.0380)	0.2498 ** (0.1138)	0.1199 * (0.0625)	-0.1744 * (0.1037)	-0.2020 *** (0.0537)	0.0776 (0.0476)
Mosque Attendance		0.0680 (0.0455)	0.2598 ** (0.1102)	-0.2632 *** (0.0491)	0.0369 (0.0865)	-0.0539 (0.0442)	-0.0390 (0.0434)
Observations	160	160	160	160	160	160	160

