

CIFREM SEMINARS

Entry of New Firms in Russia: An Empirical Analysis (with Maria Bytchkova and Saul Estrin)

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2 PM - DISA seminar room

Faculty of Economics- Via Inama, 5

We analyse a three years panel data set of Russian firms spanning from 2000 to 2002 and we investigate the effect of institutional and regional factors –sourced, respectively, from the Expert Rating Agency and the Russian State Statistics Agency (former Goskomstat)- on entry rates across time, industries and regions. We exploit one year and two years entry rates as dependent variable in a Tobit estimation model. We investigate whether industries that should naturally have high entry do so in Russia. We discover that: a) entrants are more affluent in 2000, less so afterwards; b) some business environment institutions do have an effect, although limited, on entry rates; c) regional industrialisation level, urbanisation, poverty and crime rate are correlated with the entrepreneurial activity