
ECONOMICS

Sociology

Iryna Lapshyna,
Lviv Academy of Commerce,
Lviv, Ukraine,
E-mail: irina.lapshyna@gmail.com

Received: May, 2014
1st Revision: July, 2014
Accepted: September, 2014

DOI: 10.14254/2071-789X.2014/7-4/8

Lapshyna, I. (2014), Corruption as a Driver of Migration Aspirations: the Case of Ukraine, *Economics and Sociology*, Vol. 7, No 4, pp. 113-127. DOI: 10.14254/2071-789X.2014/7-4/8

CORRUPTION AS A DRIVER OF MIGRATION ASPIRATIONS: THE CASE OF UKRAINE

ABSTRACT. This paper explores the corruption-migration aspirations nexus in Ukraine. The article demonstrates that corruption continues to pervade all levels of Ukraine's political and socio-economic system, and provides evidence from the findings of EUMAGINE project. The study reveals robust evidence that apart from the traditional migration driver – income differentials between source and destination countries – corruption is also a driver of migration aspirations. In summary, our analysis draws attention to the fact that Ukraine does not only suffer from a broad variety of negative externalities, diverse institutional inefficiencies and structural problems, but may also lose - as a consequence of the negative socio-economic and political effects of corruption – the human capital necessary for sustainable economic development.

JEL Classification: D73, F22 **Keywords:** corruption-migration aspirations nexus, migration aspiration, international migration, Ukraine.

Introduction

“Here in Ukraine everything can be bought either for money or for big money. There is no third option” [41131]¹.

The phenomenon of corruption has now assumed global proportions. It is an issue that resonates with people all over the world and therefore has become a popular topic in academic and political discourse. So pervasive has corruption been globally that there is no country in the world that has, in one way or the other, been spared of the ‘corruption virus’ though to different extent.

In Ukraine uncontrolled systematic corruption has emerged after the collapse of the Soviet Union. For the last 20 years, the topic of corruption has entered the agendas of all major political actors in Ukraine. Academics are paying increasing attention to this problem as today Ukraine presents all of the forms of corruption that may be found throughout the

¹ Codes for the research areas: 41... – Zbarazskij rayon in Ternopil'ska oblast, 42... – Znamyanskyj rayon in Kirovograd'ska oblast, 43... – Solomyanskyj rajon in Kyiv city, 44... – Novovodolaz'kyj rayon in Kharkiv'ska oblast.

world. Corruption has had a devastating impact on the people of Ukraine and its economy. It has spread to almost every segment of society – health care, education, police force, business, juridical system and politics. Corruption in Ukraine remains one of the top problems threatening economic growth and democratic development.

The article is based on the findings of the data analysis collected through the survey and the qualitative data-gathering in Ukraine in 2011-2012 within the EU FP7-funded project EUMAGINE². The project focuses on four countries: Morocco, Turkey, Senegal and Ukraine. Within these countries four research areas have been selected for data collection.

The aim was to survey representative random sample of 500 members of the population aged 18-40 in each research area (2,000 per country). Qualitative data-gathering concerns gathering of in-depth information on how perceptions on human rights and democracy are formed, and the role they play in migration aspirations and decision-making (20 per region; 80 per country). Qualitative data gathering was necessary for understanding migration perceptions, imaginations, motivational and behavioural processes. In addition we conducted nine interviews with representatives of embassies, state, NGOs and business stakeholders.

Quantitative and qualitative data collection in Ukraine took place in the following research areas:

- research area with immigration history: Solomyanskyj rayon in Kyiv city;
- research area with low emigration: Znamyanskyj rayon in Kirovogradska oblast;
- research area with high emigration to the East: Novovodolaz'kyj rayon in Kharkivska oblast;
- research area with high emigration to the West: Zbarazhskyj rayon in Ternopil'ska oblast.

Firstly, based on the results of the qualitative interviews, the article focuses on the perceptions of corruption of individuals in education, health care, business and labour market in Ukraine. Secondly, the paper sheds light on corruption in Ukraine and Europe in Ukrainians' imaginations and perceptions. Thirdly, based on the regression analysis it is proved that corruption is positively associated with migration aspirations in Ukraine.

The research object of the article is corruption as a driver of migration aspirations in Ukraine. The findings support the theoretical suggestions that individuals respond to a deterioration of socio-economic and politico-institutional conditions - induced by corruption - by, among other options, leaving the country and migrating to a better place, where corruption is less rampant (Dimant *et al.*, 2013).

1. Literature review

The issues of corruption are of great interest for researchers and policy makers. According to Karklins (2002), a decade after the transition from communism began, corruption is the main obstacle to democratic and economic progress in the post-communist region. She examines corrupt practices in terms of their political costs and suggests three types of post-communist corruption: low-level administrative corruption, self-serving asset stripping by officials and "state capture" by corrupt networks. Fedirko (2013) in his report acknowledges that corruption becomes the symbol of the rampant socio-political disorder in the country. He stresses that corruption exacerbates social inequality, which in the long run has negative effects on economic growth. Cabelkova and Hanousek (2004) focus on perceptions of corruption and willingness to bribe throughout various sectors of Ukraine,

² I worked as a national expert in Ukraine on the project. For further details visit official site of the EUMAGINE project – <http://www.eumagine.org/>

including educational establishments. Shaw (2009) in his study examines educational corruption of various types including bribing on exams and term papers to obtain credits and to enter institutions. Voznyak (2008) in his research explains variations of the corruption over Ukrainian administrative units. Groedeland (2009) argues that corruption is not only a leftover from communism or a result of transition, but also to some extent an expression of culture – and to a considerably greater extent than expected.

Previous empirical research suggests that socio-economic and demographic factors (e.g., underdevelopment and demographic pressures), politico-institutional conditions (e.g., political instability) are among the determinants of international migration (Hatton and Williamson, 2003; Mayda, 2010). More recent studies for instance Dimant *et al.* (2013) argue that a related important push factor, which has so far been mostly neglected in both theoretical and empirical researches, is corruption. He indicates that skilled people are particularly prone to emigrate because terror and corruption make it difficult to recoup the often substantial investments into one's own education and to earn an adequate return on this investment.

Organizations, which focus their investigations particularly on corruption issues, state that “corruption in Ukraine is extremely widespread and often accepted by the population as a customary means of getting things done” (Management Systems International, 2007).

In its 2013 Corruption Perceptions Index Transparency International called Ukraine as the most corrupt nation in Europe and the fifth most corrupt in the Commonwealth of Independent States (CIS). Transparency International has ranked Ukraine 144th (out of 177 countries) in its 2013 Corruption Perception Index (Transparency International, 2013). Ukraine is situated in the group of “high risk” countries together with Cameroon, Central African Republic, Iran, Nigeria, and Papua New Guinea. This ranking placed Ukraine ahead of several Central Asian post-Soviet states, including Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan, but behind Kazakhstan, Russia, Azerbaijan and Belarus. Ukraine's position remains unchanged from 2012, though Ukraine's score fell, indicating a marginally higher level of corruption over the previous year (Goncharova, 2013).

According to a report prepared by the European Research Association in cooperation with Kyiv International Institute of Sociology in 2011 a total of 60.1 per cent of respondents said they were involved in corrupt transactions with government officials over the past 12 months as compared to 62.5 per cent in 2009 and 67 per cent in 2007. When looking at the specific forms of corruption that have been encountered, the results show that extortion has returned to the 2007 level (25.8 per cent in 2011 and 25.6 per cent in 2007), even though in 2009 it declined to 22.1 per cent. Voluntary offering of bribes, after decreasing to 9.9 per cent in 2009 from 13.1 per cent in 2007, remains at the same level of 10.0 per cent in 2011. The use of personal connections has increased from 13.7 per cent in 2009 to 15.3 per cent in 2011 (European Research Association, 2011).

2. Corruption in the Ukrainian context

“I know of no single sphere that would not be infected by corruption” [43111].

According to our survey the statement that there is a lot of corruption in Ukraine finds strong support (total of 80.3 per cent) in categories “strongly agree” or “agree” in all research localities. Corruption in quantitative and qualitative interviews was referred to as one of the highly problematic issues in Ukraine. It was described as a wide-spread and growing problem in Ukrainian society.

The largest number of respondents in these categories has been found in Solomyanskyj rayon (88,4 per cent) and the smallest in Kirovogradska oblast (68,9 per cent) (see *Figure 1*).

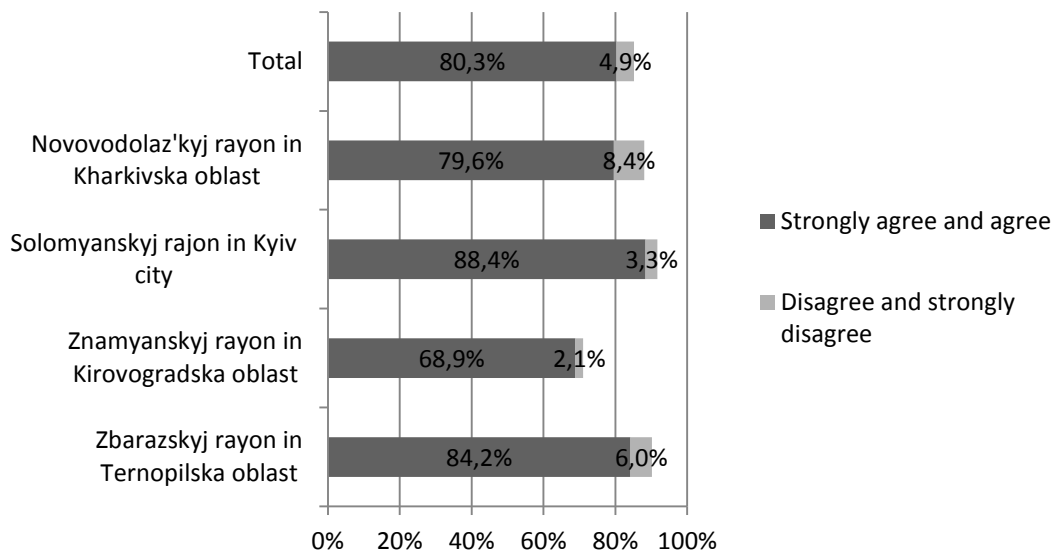


Figure 1. There is a lot of corruption in Ukraine

Source: EUMAGINE project data.

These survey findings are confirmed in qualitative interviews and in in-depth interviews with NGOs, private sector organizations, embassies and non-governmental organizations. The representatives of Caritas made clear: “Bribery and corruption is the biggest problem in Ukraine; this is not a one-day problem to solve”. This is reflected in various reports which illustrate that corruption can be found in almost all types of hierarchical power-relationships in Ukraine and in all sectors of society, like police, health sector and education sector. In practice, when people go to doctors, register their cars or would like to pass examinations in universities, they are requested to “pay extra” (Vollmer *et al.*, 2012, p. 17).

Our informants elaborated further: “...Judging by the fact that our people are not rich and half of them try to survive, another half let’s say live at the medium level, and besides this the number of millionaires in our country grows, I can say that corruption is not at a low level” [41238].

The informants referred to the Soviet past, pointing out that corruption existed but on a lower scale “I remember that there was corruption during the Soviet era, but it was [no more than] a bottle of Armenian cognac. And now [everything has] changed. Say, for example, you give a plot of land for some service. In the past I would go to the school’s director to “solve” the problem, I would give [him/her] a bottle of Armenian cognac or Georgian wine and the issue would be resolved. There was corruption during Soviet times but it just was not visible” [41131].

Of interest is the fact that different countries have different views on corruption. For instance, it is known that due to a multiplicity of cultures there is a discrepancy in perception of gift giving in different countries. Those countries that use the tradition of gift culture which may not view corruption the same as ones who does not follow that tradition. Our findings confirm Groedeland (2009) claim that corruption in Ukraine is not only a result of transition, but also to some extent an expression of culture. Based on our qualitative interviews we could

assume that Ukraine might be considered as a country of gift giving. Therefore sometimes what is internationally recognized as corruption, individually in Ukraine it could be considered as a gift: “If there are no demands, if one person gives somebody a little sum on his own will, then, this will be seen as a gift. But if a doctor or a university professor demands a certain sum of money, this is qualified as bribery” [43123].

Remarkably, the word “gratitude” for Ukrainians could have one more meaning: “The thing is that nobody tells you officially what to bring and what they will give you in return. It has just taken root in our people’s consciousness – if somebody does something for me quickly, I should show my gratitude” [42110].

Reflecting on corruption issue another informant suggested that it is so-to-say part of “culture” and a matter of custom: “The problem is the fact that people give [bribes] and get accustomed to it. People just learned that they should give [bribe] in order to get something” [41131].

Part of the issue is that “It seems to me that such negative phenomena, in particular corruption, are less widespread where people are spiritually rich. They are more widespread where people are less rich spiritually. The temperament, character, education and the cultural level of people play a major role for sure. The higher level of culture and education people have, the less they display negative qualities [42110]”.

3. Corruption within the healthcare system

*“...honey, have you got money?”
[44122].*

This is the “first thing they ask you when you’ve got to hospital and even if you have a bone sticking out, the first thing they ask you: ‘honey, have you got money?’, If you haven’t got it, well, the first aid will be given to you, but you’ll writhe in pain. Or you must be dying, so that they finally show compassion and help you. And basically if you are able to walk, do not fall, are still alive, then ... well, the situation is extremely bad, especially in Vodolaga” [44122].

Our qualitative studies highlight the fact that the corruption in the health sector impacts Ukraine heavily. In general terms the results of the qualitative research testify to the fact that corruption within the healthcare system is a widespread and deeply entrenched practice. It appears to be customary to pay extra for services that are supposed to be provided by the state for free. “We have free treatment and all that, but it doesn’t really work. Because if you, God forbid, get to the hospital, you should pay there to a nurse so she looks after you, you should pay doctors, so that they would tell you everything, do something, testes something or treat something. A fortune goes for operations too, it is very expensive here in Ukraine. For example, my friend recently gave birth, she had to pay separately to a doctor, separately to an obstetrician, a nurse, for a ward, for all these vitamins, injections, droppers, that is to say that she paid for everything” [41240].

Overall respondents perceive situation within healthcare system in Ukraine negatively: “...Corruption is everywhere. In medicine sphere it is. If you get into hospital now – it didn’t happen to me personally, but the neighbours told. They went to Ternopil to hospital, and when the neighbour had to be operated, they were told to pay to a doctor, to an anaesthetist. No one would do anything if he\she is not given money” [41242].

“...One has to pay for everything, our hospital is terrible. The situation we are in is, well, not just hopeless, it is catastrophic. Nobody will give you medicines for free, but it is very rarely that this can happen... Sometimes someone is provided with something or

something is given to us, but it is always not enough, mostly people have to buy it all, all that you need” [41112].

When our informants compare the health care system with the past, they stated that it was better: “in Soviet times there was dispensary, medical boards, and now people may simply not know that they have some health problems. Even if people realize the problem and ought to be examined, they need to have a certain amount of money just for minimum examination. In Vodolaga if you have money, then yes, you will be taken into consideration at least, diagnosed. Otherwise, you have to waste the whole day in a queue in front of the door. Comparing with Soviet time, we haven’t made a step forward yet. Well, it cannot be compared to the Soviet time, actually. If you were operated on, for example, tonsils, appendix, and even more complex operations were carried in the Soviet Union times, you could do without bribes... well, a bottle of cognac, a box of chocolate would be quite enough” [44122].

The interviewees emphasize bribery in medical service, sometimes they are even afraid to go to doctor: “Well, local medicine like everywhere now is based on...bribes. I am really terrified by today’s system of medicine in general. And medicine is horrible of course. The thing is that there is no qualified doctor you can address at our local hospital, I think [42101]”.

Several respondents express their concern about doctors’ qualification. One of the reasons is low salaries: “the level of health care usually is low. The equipment is not modern like a developed country can afford. The same with knowledge: if their salary is low, the doctor cannot be highly qualified, because he/she has to do other work to supplement his/her income and this reflects on his/her specialization. You need to work and read a lot to maintain standards” [41114].

Another reason for distrust is corruption schemes during entering medical universities and studying there: “And now taking into the account the fact that only people having a great deal of money can enter medical institutes or colleges, who studies at these educational institutions? Children of rich parents. The question is what kind of doctors they will become. Perhaps there is one person out of ten who really wants to become a doctor and maybe he/she is capable of doing so” [42101].

At the same time interviewed people sympathize with medical professionals, sometimes even justify corruption believing that they are forced to engage in corrupt behaviour by the severely low salaries: “when you are in a hospital you should pay a doctor. I do not know if this may be called corruption, well, actually under the law it counts as corruption, but the doctor does not claim for this, people give by themselves. They understand that the salary is low and the doctor has to live somehow” [41114].

4. Corruption within education sector

“Here in Ukraine nothing can be done in the university or in hospital without corruption schemes” [41240].

The scale and scope of corruption in Ukraine’s education industry is enormous. At least 30 per cent of Ukrainians enter colleges by paying bribes while many others use their connections with the faculty and administration (Osipian, 2009). It might be not much different from many other Post-Soviet countries, but the rate of growth of the criminal activities in education in Ukraine is alarming.

Eumagine findings confirm that corruption is present in all segments of education in

Ukraine and undermines the quality of education and its status in the educational services market.

A critical view on corruption within the education sphere was shown in our qualitative interviews: “in case of other groups of students in the institute, especially those who are in fee-paying education, if they cannot pass a test, sometimes they can negotiate with the teacher to find a way to enable them to pass... it is very common” [41240].

Remarkably, that educator must also pay in order to get a job in a school or at a university: “Teachers have to pay to get their work too” [42109].

Corruption in the form of gifts and bribes for preferential treatment is reported and this can be seen as a parameter of low quality as it shifts the focus from the educational process and student achievement to personal gain. It was further stated that “...it is very expensive to study... My classmate studies and always has grade 5 [which is the highest grade in Ukraine], she has a stipend, she has paid 500 UAH for the exam and still got grade 3... I do not know how to explain this...” [41125].

It should be stated that though the Ukrainian labour force, including teachers and doctors, is characterized as highly qualified and skilled, the level of wages is much lower than in developed countries, and in some other developing countries.

As a result low salaries in education reduces teacher motivation for better delivery and prevents the system from attracting and retaining good professionals and: “...the quality of knowledge is not very high, moreover, it’s even very poor and low. That is, teachers are somehow not interested in their work now. Well, there are of course, those who are interested, but they could be counted on the fingers of the hand” [44128].

Low-paid teachers are often used to explain low-quality education: “our education is lamentable. I mean the quality of lecturing and testing, the attitude of teachers to their students. Of course, it is because our teachers` salaries are very low. This surely has impact on the quality of education” [43108].

One informant suggests that low pay for teachers is a reason for corruption: “I think in the medical service and in education such relations are more common. These are the most financially vulnerable areas. If people, who work there, were paid decent salaries, they would value their positions; they would not dare to take bribes” [43130].

Moreover, low teacher salaries also indicate the poor and decreasing status of education as a profession within Ukrainian society: “teacher’s profession is not prestigious in our country, because it does not bring much money... it allows living, that is all” [43131].

5. Corruption in business

“You can create a firm, do business, but only under the conditions that you have a lot of money to buy everybody and start working. The person who has a lot of money, opportunities, s/he will stay in business, [but] a small entrepreneur will close down” [41131].

It is no secret that Ukraine is not an easy country in terms of doing business. Ukraine is ranked 112 among 189 economies in the Doing Business 2014 report (*Figure 2*).

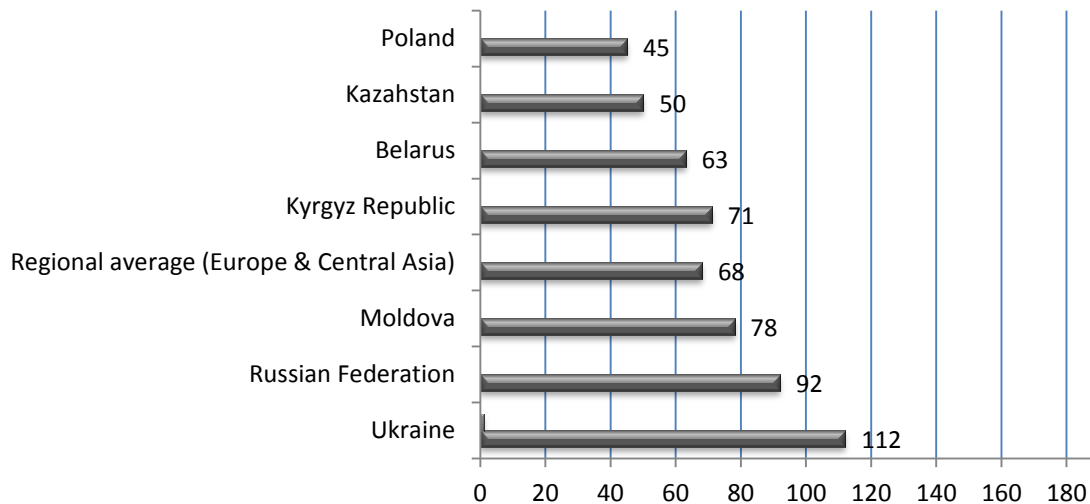


Figure 2. How Ukraine and comparator economies rank on the ease of doing business
Source: Doing Business, 2013.

According to the Doing Business ranking Ukraine has leaped 25 positions since 2012 and World Bank experts have acknowledged Ukraine's progress in simplifying conditions for doing business (World Bank, 2013).

Figure 3 demonstrates how Ukraine ranks on different segments of doing business.

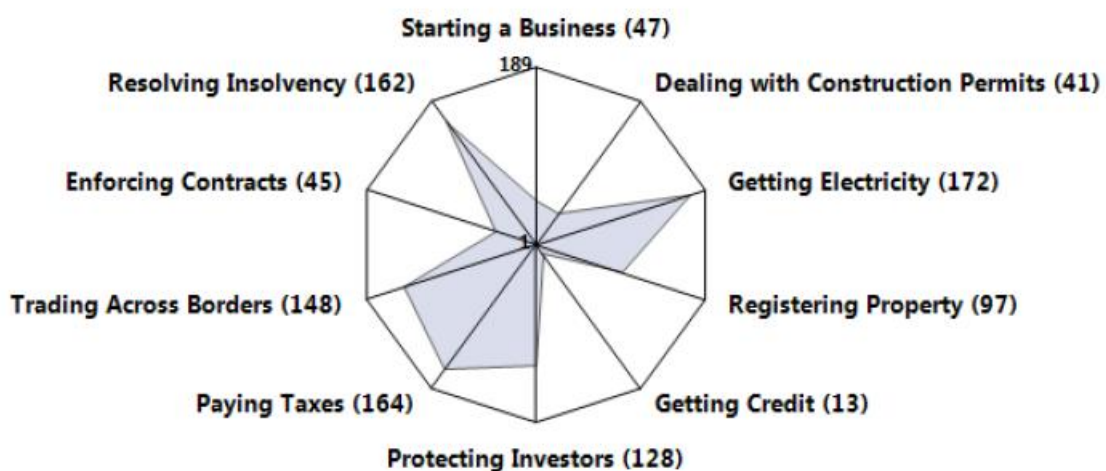


Figure 3. How Ukraine ranks on Doing Business topics
Source: Doing Business, 2013.

In the view of our informants conditions for doing business remain very difficult. Our interviewees report the following regulatory and administrative issues as barriers to business development in Ukraine: firm registration, inspections, obtaining permits/approvals, licensing/ certification procedures. In addition they also point toward corruption, lack of transparency, frequent changes to legislation, political instability and inflation, unstable exchange rate and criminal pressure as serious barriers to business activities.

The interviewees are extremely critical about starting a business in Ukraine. Obtaining permits/approvals, inspections and corruption were cited as the most significant barriers to

business development: “If people come, say, to get one piece of paper [*permit*] [they] have to go through the dozens of offices, but one comes to an office and normally “give” there [a bribe], then the official gives a call himself/herself [to other offices in order to get a permit for you]... A person can do the same but it will take just too much time and efforts. Once I’ve faced with one question, I have had a problem with fire department, I’d just give you an example, in order to give [them] all the documentations from A to Z for the premises, for commercial premises they calculated the price of 170 000 UAH, which is amount of money equivalent to half of the building value. Of course, I have chosen the way of corruption [41131]”.

In addition the interviewees report governmental and fiscal authorities’ pressure: “private entrepreneurs complain that mid-sized business suffers from governmental pressure; I think in other areas there is a similar situation” [43111]. “... In the past fiscal authorities would never lose a chance to earn money for themselves and their bosses; but now they try to suppress us on the legislation level too; small businesses suffer the most” [43135].

Analysis has shown that engaging in corrupt practices was explained by some entrepreneurs as a way to get “acceptable” profits. This demonstrates our respondent’s view: “that it is almost impossible to get profit under existing conditions: “I already have my business started... to tell the truth, there is a corridor for corruption here, do you understand? There is a little ‘corridor’ for corruption. Now thanks to this little corridor one can bring here some goods, let’s say, and sell it... and smoothly make money out of it. If, let’s say, don’t use this ‘corridor’, sort of, such earnings become unacceptable. The margin of profit without this corridor, frankly speaking, is unacceptable” [43112].

Our findings illustrate also that Ukrainians have positive perception of running business and transparency in Europe: “I think, in big international companies salaries are always declared; foreigners respect laws” [43108].

One informant suggests that unfavourable conditions for doing business in Ukraine might even lead to emigration: “so why do people leave? It’s much easier to start business in Poland or somewhere lets’ say - in Sweden. It’s very easy to run business in Estonia. My colleague in Estonia, he works for the same international company as me. But in parallel he has his own business, his own transport company. It’s not forbidden by the policy of our company. His income is taxed. He violates no laws running his own business simultaneously with his job in the company” [43107].

6. Corruption within the labour market

It is very hard to get a job just like that, more often relations with influential people or money are needed. Money decides everything” [42109].

After more than 20 years of Ukraine independence, shadow economy, informal employment, corruption and nepotism stay the main challenges during its economic transformation period. Transition to a market economy has radically changed the nature of its labour market and employment.

Lack of application of the rule of law in Ukraine has various negative impacts on labour market as well. Views of our interviewees on corruption in labour market are rather critical. Several informants stated that in order to get a job people should pay: “I know when

one wants to get a job they also want him to pay. You pay and we give the job. There is such thing, anyway, it is everywhere, well, here in Ukraine” [41125].

Further to this, the interviewee emphasized that “if you want to get a job in public sector you simply have to pay a big sum of money. It is not officially, it is a violation of the law of course” [41126].

In addition, in the qualitative interviews informants frequently referred to corruption to explain their distrust into the politicians in Ukraine: “I wanted to get a job and was told to pay a bribe. I was shocked when I heard... It was not like this earlier that to get a job you had to pay to someone for that place...” [41242].

Another interviewee points out the importance of personal contacts in Ukraine, which could resolve a lot of issues, including getting a good job: “contacts do everything...” [43107]. Our informants also add that sometimes parents help children to get a job “Well, in principle, already mature people [have more chances to find a job], so they work. If they have contacts, they work on such corresponding positions. And young people – in principle [they] can find a job in some companies. And well, usually, again it’s my opinion – they are people who have rich parents. They can afford studying abroad and take a risk coming back. Parents can help them to find a job in a particular organization, company, or elsewhere” [41126].

Our respondents consider economic opportunities (“finding a good job”) significantly better in Europe than in Ukraine. Less than ten per cent believe that it is easy to find a good job in Ukraine whilst 33.2 per cent believe this is the case in Europe (*Figure 4*). Qualitative interviews confirmed this view regarding job opportunities in Europe. In general terms informants believe that “...in Europe there is economic stability, good opportunities for education, job perspectives and all for life. European level of life sounds nice! [42101].

Strong opinion about personal carrier development in Ukraine has been expressed by a Polish embassy representative. He stated: Ukraine “became an undemocratic country” in comparison to EU countries yet, “there are very, very few people leaving Ukraine directly because of political concerns but if you look at the economic reasons they are of course partly result of these locked careers”, i.e. young people do not see fair trajectories or promising opportunities for their careers. It was elaborated further that such obstacles to personal development come to the fore by an “untransparent judicial system” and this is indeed “a systemic question; many people here are disgusted by this Oligarchic system ruling here in Ukraine; which hampers their personal careers”.

7. Ukraine and Europe in perceptions of Ukrainians

“Compared to our country, the corruption in Europe can be equated to zero. Here we have real corruption” [41116].

To explore peoples’ views on perceptions of Ukraine and Europe we asked them a range of questions. The informants have rather positive image of the EU as a place with better living standards, associated with the prevalence of law and order and social protection. The respondents believe that health care in Europe is good (83.2 per cent), whilst only 8.2 per cent think that it is good in Ukraine. However, people are more positive and almost proud about education in Ukraine. Overall, 37.3 per cent of the respondents believe that schools are good or very good in Ukraine, whilst 27 per cent think that they are bad or very bad. Informants tend to explain poor quality of school education with low salaries of teachers who are therefore not motivated to invest much effort in their job. The dominant view among respondents, 72.3 per cent, is that schools in Europe are good or very good.

Around 33 per cent of the respondents think that it is easier to find a good job and people can get ahead by working hard in Europe. At the same time perceptions of Ukraine were rather skeptical. Only 8.1 per cent of our respondents believe that it is easy to find a good job in Ukraine (See *Figure 4*).

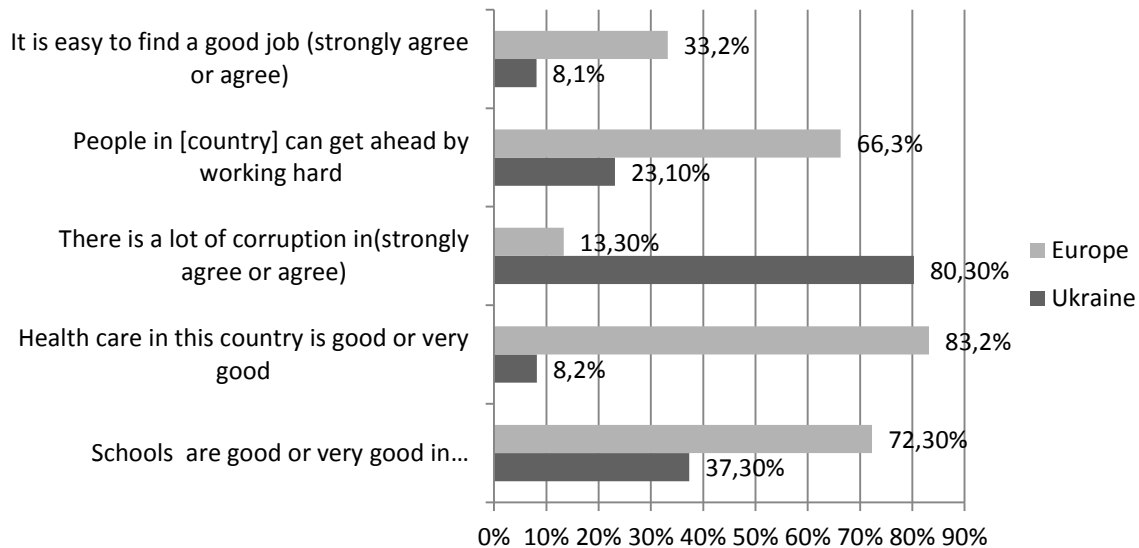


Figure 4. Ukraine and Europe in perceptions of Ukrainians
Source: EUMAGINE project data.

Our findings reveal that the respondents are not critical about corruption in Europe, only 13.3 per cent of the respondents believe that there is a lot of corruption in Europe. This is also determined by the country they have in mind, whether it is Italy or German: “in Italy, when there are “some problems you can bribe somebody, so everything is possible... Italians are quite similar to Ukrainians when it comes to solving things”. In comparison with Italy interviewees think of Germany of the “country of strict laws” (Vollmer *et al.*, 2012, p. 20).

We asked people what their views are on corruption in Europe in in-depth interviews. These pointed to a minimal level of corruption comparatively to Ukraine: “... as for me, first of all [when I hear the word “Europe”] I think that there is no corruption in Europe or corruption is minimal there, also I can say that it is associated with democracy. ...Minimal level of corruption is in every country. But such barefaced, undisguised corruption as it is Ukraine, I do not want to speak about Russia, I cannot tell you clearly, but probably they do not have such corruption as in Ukraine, because it is very hidden and minimal [41238]. “Well, I think that if it even [corruption] is there, it is less than we have it here. We just have it here and all is done openly. It seems to me that it is more strictly with this there. That is why the country is more advanced and so...it its better there” [41118].

The interviewees believe that corruption in Europe is low and therefore have positive perceptions regarding the situation in Europe. It was stated that: “We hear on television that there is corruption in European countries, but I don’t think that this corruption is the same as in our country, so massive, so basically... everywhere, in every area, in each case here we have this corruption. I don’t think that there are similar elements in Europe. Probably it is somewhere partially because it is still the human factor, but not so much as here. It is so rampant today in our country that there are no limits” [41116].

It should be mentioned that our informants are aware that there is difference in corruption perception in Ukraine and in Europe “I can compare with Europe – they think quite differently, they have different attitudes. I think there is also corruption there, just as in Ukraine. But very minimal. If you give fine money to a policeman, it’s a crime. But here if you give money, it’s ok. Here comes the difference” [42104].

Views of the interviewees on perception of Europe were quite similar and could be generalized using the following quote “[When I hear the word “Europe”, first that comes to my mind are] good living standards, justice, fair methods of doing business - all this surely has a good effect on the life quality and the country on the whole” [43135].

8. Perceptions of corruption – migration aspirations link

According to our survey 49.3 per cent of the population in all selected research areas have the aspiration to live or work abroad for some time. We examine whether aspirations to migrate to Europe change according to perceptions of corruption in Ukraine.

To test our hypothesis that aspiration to migrate to Europe is associated with perceptions of corruption in Ukraine and Europe, we run a logistic regression. Our sample is restricted to people aged between 18 and 39 years old in the four Ukrainian regions cited above. The response variable is migration aspiration to Europe.

To avoid the problem of spurious relationships between the dependent and the independent variable we employ several control variables such as sex, age-group, education and marital status. Our main explanatory variable is perceptions of corruption. *Table 1* presents the result of the logistic regression.

Table 1. Logistic regression for perceptions of corruption in Ukraine and migration aspiration in Ukraine

| Variables: Migration Aspiration | Odds Ratio |
|------------------------------------|----------------------|
| Woman | 0.804** (0.0826) |
| Age Group (18-29) | 1.324*** (0.138) |
| Secondary Education | 0.826* (0.0839) |
| Currently Married | 0.653*** (0.0689) |
| Think there is a lot of corruption | 1.577** (0.342) |
| Logistic Regression Information | |
| Chi2 | 46.89*** |
| Observations | 1,662 |

Standard errors in parentheses *** p<0.01, ** p<0.05, * p<0.1

Source: EUMAGINE survey-based data set for Ukraine, 2011. Author’s calculations.

Our finding suggests that those people who believe that there is a lot of corruption in Ukraine are 1.5 times more likely to have a positive migration aspiration to Europe compared to those who think the opposite (*Table 1*).

The predicted probability analysis shows that the probability of having a positive migration aspiration is 50 per cent for those think there is a lot of corruption in Ukraine; and

the probability is 42 per cent among those who think there is not a lot of corruption in Ukraine (Table 2).

Table 2. Predicted probabilities of migration aspiration by perception of corruption in Ukraine

| Region | Mean |
|--|------|
| Think there is not a lot of corruption | .417 |
| Think there is a lot of corruption | .502 |
| Total | .497 |

Source: EUMAGINE survey-based data set for Ukraine, 2011. Author's calculations.

There is also evidence of a link between perceptions of corruption in Europe and migration aspiration in Ukraine (Table 3).

Table 3. Logistic regression for perceptions of corruption in Europe and migration aspiration in Ukraine

| Variables: Migration Aspiration | Odds Ratio |
|--|----------------------|
| Woman | 0.801 (0.113) |
| Age Group (18-29) | 1.109 (0.162) |
| Secondary Education | 0.750** (0.106) |
| Currently Married | 0.603*** (0.0884) |
| Think there is not a lot of corruption | 2.054*** (0.318) |
| Chi2 | 48.39*** |
| Observations | 900 |

Standard errors in parentheses *** p<0.01, ** p<0.05, * p<0.1

Source: EUMAGINE Data Set for Ukraine, 2011. Author's calculations.

The odds ratio of 2.0 for those people who believe that there is only little corruption in Europe means that this group is twice as more likely to have a positive migration aspiration compared to those who think that there is a lot of corruption in Europe.

The probability of having a positive migration aspiration is 58 per cent for those who think there is not a lot of corruption in Europe; and the probability is 40 per cent among those who think there is a lot of corruption in Europe (Table 4).

Table 4. Predicted probabilities of migration aspiration by perception on corruption in Europe, Ukraine

| Region | Mean |
|--|------|
| Think there is a lot of corruption | .397 |
| Think there is not a lot of corruption | .579 |
| Total | .529 |

Source: EUMAGINE Data Set for Ukraine, 2011. Author's calculations.

These results support our hypothesis that aspiration to migrate to Europe is associated with perceptions of corruption in Ukraine and Europe. More generally, it is plausible to assume that above stated negative conditions and corruption in different spheres of Ukraine constitute push factors of migration.

Summary

The quantitative and qualitative research findings presented in this article demonstrate that corruption in Ukraine is omnipresent. Numerous examples of corruption in schools and universities, the healthcare sector, the labour market, business, government and administration are illustrated. Our study indicates that, in general, Ukrainians are rather critical of conditions in their own country and simultaneously have rather positive images of Europe. However, although they are against being forced to give bribes, they are not necessarily against voluntarily giving them to somebody if this might help them solve their problems faster. Another corruption justification our informants suggest is low salaries and the gratitude/gift tradition.

Further to this, our findings suggest that corruption, apart from the traditional migration driver – income and living standards disparities between source and destination countries – is an important driver of individual migration aspirations. We find that (a) those people who believe that there is a lot of corruption in Ukraine are 1.5 times more likely to have a positive migration aspiration to Europe than to those who think the opposite; (b) people who believe that there is little corruption in Europe are twice as likely to have a positive migration aspiration as those who think that there is a lot of corruption in Europe. In 2012, according to our survey almost half of the population (49.3 per cent) aged between 18 and 39 in selected areas covered in this article aspire to spend some time living or working abroad. Following Albert Hirschman's (1970) concept of "exit, voice and loyalty", it therefore seems that individuals respond to a deterioration in socio-economic and politico-institutional conditions - caused by corruption - by, among other options, aspiring to leave the country and migrate to a place where corruption is perceived as being less rampant.

Finally, bringing the observations presented in this article together, the following conclusion could be drawn. Corruption in Ukraine undermines the rule of law and has political and economic reasons. Thus to tackle the issue of high migration aspiration in Ukraine it is necessary for the government to implement target-aimed anti-corruption measures and of course to improve the overall socio-economic and political situation in Ukraine, otherwise Ukraine will lose more human capital, which is needed for sustainable economic development: "Well, today our authorities promise us that everything's going to be fine here soon. If that's true, I don't think people here will really want to go abroad. I can see no sense in leaving the country if the business climate is good, if income is good and if you are going to be well-provided for in old age. If we have a steady economy, and one can easily find a job, the wages are not kept down, and they are decent, then the question arises: why migrate anywhere, why go anywhere, if you can get everything you need at home?" [44127].

References

- Besters-Dilger, J (ed.) (2009), *Ukraine on its way to Europe. Interim results of the Orange Revolution*, Chapter "Cultural constants, Corruption and the Orange Revolution" by Groedeland Ase Berit.
- Cabelkova, I., & Hanousek, J. (2004), The Power of Negative Thinking: Corruption Perception and Willingness to Bribe in Ukraine, *Applied Economics*, Vol. 36 (4), pp. 383-397.

- Dimant, E., Krieger, T. and Meierrieks, D. (2013), *The Effect of Corruption on Migration, 1985-2000*, http://wiwi.uni-paderborn.de/fileadmin/lehrstuehle/departement-4/wiwi-dep-4-ls-8/Team/Dimant_Krieger_Meierrieks_2013_-_The_Effect_of_Corruption_on_Migration__1985-2000.pdf (referred on 10/05/2014).
- European Research Association, Kyiv International Institute of Sociology (2011), *Corruption in Ukraine. Comparative Analysis of National Surveys: 2007-2009, 2011*, Kyiv, 47 p., http://uniter.org.ua/data/block/corruption_in_ukraine_2007-2009_2011_engl.pdf (referred on 2/03/2014).
- Fedirko, T. (2013), *Corruption and “rules of the game” in Ukrainian economy*, Portal on Central Eastern and Balkan Europe, <http://www.pecob.eu/corruption-ukraine> (referred on 3/03/2014).
- Goncharova, O. (2013), Transparency International slams Ukraine as ‘most corrupt in Europe’, <http://www.kyivpost.com/content/ukraine/transparency-international-slams-ukraine-as-most-corrupt-in-europe-332965.html> (referred on 21/02/2014).
- Hatton, T. J., Williamson, J. G. (2003), Demographic and economic pressure on emigration out of Africa, *Scandinavian Journal of Economics* 105, pp. 465-485.
- Hirschman, A. (1970), *Exit, Voice and Loyalty: Responses to Decline in Firms, Organizations and States*, Harvard University Press, Cambridge MA.
- Karklins, R. (2002), Typology of post-communism corruption. Capitalism. Corruption and something else, *Problems of Post-Communism*, Vol. 49, No. 4, July/August, pp. 22-32.
- Management Systems International (2007), *Corruption in Ukraine: 2007 Baseline National Survey for the MCC Threshold Country Program*, Kyiv: MSI.
- Mayda, A. (2010), International migration: A panel data analysis of the determinants of bilateral flows, *Journal of Population Economics*, Vol. 23, pp. 1249–1274.
- Transparency International (2013), Corruption by country, http://www.transparency.org/country#UKR_DataResearch_SurveysIndices (referred on 8/05/2014).
- Doing Business (2013), *Understanding Regulations for Small and Medium-Size Enterprises*, Washington, DC: World Bank Group.
- Osipian, A. (2009), Corruption and Reform in Higher Education in Ukraine, *Canadian and International Education / Education canadienne et internationale*, Vol. 38(2), pp. 104-122, <http://ir.lib.uwo.ca/cie-eci/vol38/iss2/8> (referred on 2/03/2014).
- Shaw, Ph. (2009), *The Determinants of Educational Corruption: The Case of Ukraine*, http://www.hull.ac.uk/php/ecskrb/GDP2009/Shaw2_Ukrain_GDP2009.pdf (referred on 1/05/2014).
- Vollmer, B., Borshchevska, Y., Lapshyna, I. (2012), *WP7 Ukraine Report. Eumagine project paper*, Antwerp, Antwerp University.
- Voznyak, V. (2008), *Corruption in Ukraine: explaining variation across administrative divisions*, Materials for presentation at the 66th Annual Meeting of the Midwest Political Science Association, Chicago, IL, April 3-6.