

OECD DEVELOPMENT CENTRE



Working Paper No. 266

Informal Employment Re-loaded

by

Johannes Jütting, Jante Parlevliet and Theodora Xenogiani



CENTRE DE DEVELOPMENT
DEVELOPPEMENT CENTRE



January 2008

DEVELOPMENT CENTRE WORKING PAPERS

This series of working papers is intended to disseminate the Development Centre's research findings rapidly among specialists in the field concerned. These papers are generally available in the original English or French, with a summary in the other language.

Comments on this paper would be welcome and should be sent to the OECD Development Centre, 2, rue André Pascal, 75775 PARIS CEDEX 16, France; or to dev.contact@oecd.org. Documents may be downloaded from: <http://www.oecd.org/dev/wp> or obtained via e-mail (dev.contact@oecd.org).



THE OPINIONS EXPRESSED AND ARGUMENTS EMPLOYED IN THIS DOCUMENT ARE THE SOLE RESPONSIBILITY OF THE AUTHORS AND DO NOT NECESSARILY REFLECT THOSE OF THE OECD OR OF THE GOVERNMENTS OF ITS MEMBER COUNTRIES

CENTRE DE DÉVELOPPEMENT DOCUMENTS DE TRAVAIL

Cette série de documents de travail a pour but de diffuser rapidement auprès des spécialistes dans les domaines concernés les résultats des travaux de recherche du Centre de développement. Ces documents ne sont disponibles que dans leur langue originale, anglais ou français ; un résumé du document est rédigé dans l'autre langue.

Tout commentaire relatif à ce document peut être adressé au Centre de développement de l'OCDE, 2, rue André Pascal, 75775 PARIS CEDEX 16, France; ou à dev.contact@oecd.org. Les documents peuvent être téléchargés à partir de: <http://www.oecd.org/dev/wp> ou obtenus via le mél (dev.contact@oecd.org).



LES IDÉES EXPRIMÉES ET LES ARGUMENTS AVANCÉS DANS CE DOCUMENT SONT CEUX DES AUTEURS ET NE REFLÈTENT PAS NÉCESSAIREMENT CEUX DE L'OCDE OU DES GOUVERNEMENTS DE SES PAYS MEMBRES

Applications for permission to reproduce or translate all or part of this material should be made to:
Head of Publications Service, OECD
2, rue André-Pascal, 75775 PARIS CEDEX 16, France

TABLE OF CONTENTS

ACKNOWLEDGEMENTS.....	4
PREFACE	5
RÉSUMÉ.....	7
ABSTRACT	8
I. INTRODUCTION.....	9
II. CONCEPTUALISING INFORMAL EMPLOYMENT: DEFINITION AND MEASUREMENT ISSUES	11
III. PUZZLING TRENDS OF INFORMAL EMPLOYMENT	14
IV. UNDERSTANDING INFORMAL EMPLOYMENT: WHAT ARE THE INCENTIVES AND CONSTRAINTS?.....	21
V. AN EMERGING AGENDA: POLICY AND RESEARCH CHALLENGES.....	29
APPENDIX.....	32
BIBLIOGRAPHY	33
OTHER TITLES IN THE SERIES/ AUTRES TITRES DANS LA SÉRIE.....	36

ACKNOWLEDGEMENTS

The authors would like to thank Jacques Charmes, Bill Maloney, Christian Morrisson and Uma Rani for very useful comments on an earlier draft. This paper has also benefited from comments received from participants at the IZA/World Bank second conference on “Employment and Development” held in Bonn in 2007 as well as the “Work and Well-Being” conference organized by the University of Bath.

PREFACE

Employment is back on the international development agenda. The question of more and better jobs for the poor in developing countries was intensively debated in the seventies, but then dropped from the radar screen to be replaced by a focus on social sectors like health, education and more recently ICT. This shift of attention was fuelled by the common belief that through growth, structural adjustment and social development more and better jobs would be created and that a specific “employment agenda” is of no need. Interestingly, this is about to change. Why? Many studies - particular those analyzing “pro-poor-growth” - find that functioning labour markets are key in transforming growth into effective poverty reduction. Labour is most often the only asset of the poor and a growth process that does not create more and better jobs might fail to reduce poverty for a large share of people.

The Development Centre’s current work programme addresses these issues with a specific focus on informal employment. The issue of informality warrants specific attention as it is not only the quantity of jobs that matters but equally the quality. Informal employment is frequently understood to mean low-paid jobs without social protection, low productivity and only limited chances to climb up the social ladder. While this is in general true, there are important exceptions, in particular in middle- income countries: people voluntarily opt out or choose to be informal. This raises important questions and issues for research and policy making alike: What is the current state of informal employment? What is the link between productivity, different types of employment and social protection? How do employment, development and social policies inter-relate and how do they shape people’s incentives? What are the institutional reforms necessary to achieve greater coherence between employment and development policies?

This Working Paper takes stock of what we know about employment outside the formal labour markets. The persistent conventional characterisation of this type of work as low-paid, unproductive, a last resort when there are no other options, proves too simplistic and does not fully capture reality for all informal workers. Some people voluntarily choose to work “informally” either as entrepreneurs or wage employees. The amount of people working outside the formal labour market is in any case far from negligible: in middle-income countries around a third of the population whereas in poor developing countries this figure easily extends to more than 80 per cent of the population.

The main message for OECD and developing countries alike coming out of this work is not to demonise the reality of informal employment but rather to understand better who is working in what kind of circumstances informally and why; what makes these activities grow or decline and most importantly how can existing policies be made more coherent to create more and better jobs in a globalising economy. To this end, more empirical evidence is badly needed.

DEV/DOC(2008)2

The Development Centre has just started an ambitious undertaking to address these issues in country case studies in Mexico, Romania and possibly others. In close co-operation with the relevant Ministries and in partnership with local research institutes, the Centre seeks to contribute to better understand the informal sector and to provide policy solutions that help to better integrate the employment and social protection agendas.

Javier Santiso

Acting Director and Chief Development Economist

OECD Development Centre

January 2008

RÉSUMÉ

Cette publication porte un nouveau regard sur l'emploi informel, un phénomène qui suscite un regain d'intérêt aussi bien de la part des politiciens que des chercheurs. D'après la publication, l'emploi informel va en toute probabilité durer, qu'il est parfois un choix volontaire, qu'il peut offrir de meilleures conditions de travail que l'emploi formel, il est très hétérogène et diversifié. Les discussions autour des raisons de ces faits étonnants et des tendances sont basées à la fois sur les encouragements et sur les contraintes qui déterminent les débouchés du marché du travail. Remettre au goût du jour l'emploi informel suppose de repenser le programme politique actuel et trace de plus amples directions pour la recherche.

Mots clefs: emploi, secteur informel, protection sociale.

Classification JEL: E26; O17; J43.

ABSTRACT

This paper provides a fresh look at informal employment, a phenomenon of renewed interest to policy makers and researchers alike. It finds that informal employment is likely to stay, is sometimes a voluntary choice, can offer better working conditions than formal employment and is very heterogeneous and diverse. Reasons for these puzzling facts and trends are discussed by focussing on incentives and constraints determining labour market outcomes. "Reloading" informal employment argues for a re-thinking of the current policy agenda and maps out important further directions for research.

Key words: Employment, informal sector, social protection

JEL Classification: E26; O17; J43.

I. INTRODUCTION

The concepts of the informal sector, informality and informal employment have been debated since the early seventies, beginning with the launch of the ILO World Employment Programme, the publication of the Kenya Report (1972) and the seminal contribution by Hart (1973). More than three decades later some progress has been made in defining and measuring the “Informal Sector Elephant” (Mead and Morrisson 1996), while much less has been achieved when it comes to understanding the persistence of informality and what this means for policy making (Maloney 2004).

The informal sector has been “re-visited” by Turnham, Salomé and Schwarz (1990) and 14 years later by Maloney (2004). Both reviews are important stock-taking exercises and provide a more nuanced view than the one offered by traditional labour market analysis (Lewis 1954 and Todaro and Harris 1970). This paper provides a fresh look at the determinants of informal employment, taking an individual perspective. Re-loading informal employment is motivated by two important developments: *i*) the recent surge of interest in employment and development by the policy community, and *ii*) the emergence of a “third” view in the academic debate suggesting a segmented labour market within the informal sector allowing to combine the traditional view of segmented labour markets with the competitive labour market hypothesis.

There is an increasing, renewed interest in the relationship between employment, development and poverty reduction. A main outcome of the various “pro-poor-growth studies” is the identification of the employment sector as key for transforming growth into effective poverty reduction (OECD 2006, Osmani 2005, Islam 2004, Lundström and Ronnås 2006). Based on these results policy makers are looking for new insights and advice how to transform growth into more and better jobs. In policy circles, there exists still the widely held belief that those people working informally are forced to do so to ensure a minimum standard of living for their family. Jobs in the informal economy are characterised by “very poor working conditions and low earnings and with no or little social protection” (EC 2007).

On the research side, a long standing traditional view sees informal employment as being the product of a rationing out process in a dualistic labour market. This view holds that well-paid, secured and safe jobs are found in the formal sector, while the informal sector is characterised as small-scale, often not legal, with low productivity and low wages (Lewis 1954, Harris and Todaro 1970). This view has been challenged by those who argue that informal employment is a voluntary choice, thus maximising utility from an individual’s perspective (Gindling 1991, Maloney 2004). People opt to work informally because, after weighing costs and benefits, they find that they are not better off working in the formal sector. Recently, a third view has emerged combining aspects of both. Fields (2005) and others argue that in urban informal

labour markets in developing countries there exists an “upper tier” and “lower tier”. The “upper tier” comprises the competitive part, i.e. those who voluntarily choose to be informal and the “lower tier” is the part that consists of individuals who cannot afford to be unemployed but have no hope to get a formal job. In particular the last hypothesis offers interesting, new insights on individuals’ motivation to stay informal and has important policy consequences.

According to conventional theory, in the course of development the majority of workers would move from the informal sector to the formal one. However this has not materialised in low- to middle-income countries and informal employment has proven to be more complicated than initially thought. For example, the distinction between “formal” and “informal” occupations has become increasingly flawed as quite some workers have a foot in both sectors. Moreover, there is increasing evidence that tax evasion is not the only reason for which people might choose informal employment and that non monetary aspects of work also matter. These observations as well as the debate on the impact of informality on the economy and the resulting policy consequences call for a more comprehensive and holistic approach than has been applied in the past. In this endeavour it is critical to better understand individual choices: that is, which type of employment people opt for and why.

Against this background, the objective of this paper is to identify the main determinants of informal employment from an individual perspective. To achieve this goal, the paper describes recent trends in informal employment and analyses the underlying causes of informal employment. If the informal sector and informal employment continue to be integral features of the world economy for quite some time, there is a need to develop better instruments, methods and policies to reach out to these people.

The structure of this paper is as follows. Section 2 gives an introduction into the definitional, conceptual and measurement issues related to informal employment. Section 3 discusses some “puzzling” facts related to informal employment that do not seem to be in line with conventional labour market analysis. Building on this, section 4 critically evaluates some existing explanations of informal employment. Additionally, it suggests a more comprehensive analytical framework putting emphasis on the various determinants that influence an individual’s decision to engage in formal or informal employment. The concluding section 5 highlights some important policy implications and areas for future research.

II. CONCEPTUALISING INFORMAL EMPLOYMENT: DEFINITION AND MEASUREMENT ISSUES

The International Labour Organisation is the main international body providing official definitions of the informal sector and informal employment. The first standardised definition was agreed upon in 1993, when informal work was defined in terms of production units: informality in this sense refers to whether a firm is formal or not. For enterprises to be informal they must be owned by individuals or households that are non-separate legal entities independent of their owners; they produce at least some goods/services for sale/barter; they must be of a size below a certain threshold and engaged in non-agricultural activities. This also includes self-employment. Then, employment in the informal sector refers to: *“all jobs in informal sector enterprises or all persons who, during a given reference period, were employed in at least one informal sector enterprise, irrespective of their status in employment and whether it was their main or a secondary job.”* (ILO 2002b).

This definition was found to leave out important segments of informal employment, and in 2003 the ILO decided also to include informal workers outside of informal enterprises. In this broader understanding, informal employment is defined as the *“total number of informal jobs, whether carried out in formal sector enterprises, informal sector enterprises, or households”* (ILO 2002b). Informal jobs refer to work outside the regulatory framework because they are not subject to labour legislation, social protection, taxes or employment benefits. Various dimensions here thus determine whether a job is informal or formal, ranging from registration with social protection schemes, to compliance with labour or tax law. On the basis of this definition, several types of workers are identified: own-account workers and employers of informal firms, contributing family workers, informal employees (of formal and informal firms), and members of informal producers' cooperatives¹.

In research and policy analysis, the ILO definitions are not always followed and instead a multiplicity of indicators is used (for an overview of the choice of indicators in some recent studies, see Appendix A). This diversity results, firstly, from the fact that the definition of

¹ In most official statistics, agriculture is kept as a separate sector and is not included in informal employment. According to Charnes (2004, p.3) *“the international definition does not recommend to exclude agriculture from the informal sector, but it recommends to clearly distinguish the agricultural informal sector (including animal husbandry, forestry and fishery) from the non-agricultural informal sector”*. However because of the lack of precise data on agricultural activities, which does not allow researchers to distinguish between market and non market production, sometimes agriculture is excluded from informal employment altogether.

informality is strongly driven by data availability. The most common way to measure the size of informal employment is through household surveys². As a result, survey questions can dictate the definition used by researchers. In addition, apart from this measurement issue, selection of an informal employment indicator is driven by the goals of the researcher or policy maker involved. While some people are mainly interested in precarious, unprotected work, others are more interested to know whether people engage in black market or unregistered activities. While there is often some overlap among the various definitions, this is not always the case. Therefore, in case comparisons are made across different definitions, clearly the differences have to be well taken into account. Even if the percentages of informality using different definitions are quite similar, it should be remembered that they can refer to very different groups of people, between which the overlap is far from perfect.

As an illustration, Henley *et al.* (2006) investigate the overlap of three definitions of informality extracted from a Brazilian survey, i.e. (1) the absence of a registered labour contract, (2) the absence of pension coverage, and (3) informality as micro-activity. While shares of informal employment for 2001 ranged only from 49.3 per cent to 56 per cent according to the different definitions, these percentages referred to different groups with very incomplete overlap. In fact, only 39.6 per cent of the sample could be categorized as informal according to all three criteria (a strict definition). However, according to a broader definition (at least one criterion of informality), informal employment would be over 63.6 per cent.

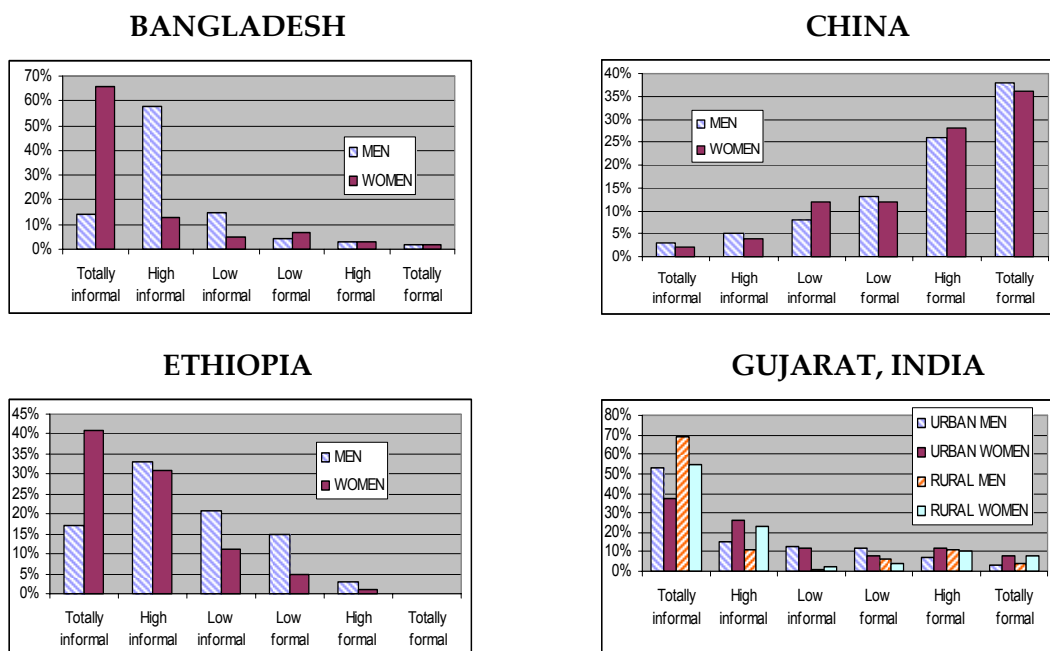
To do more justice to the multidimensionality of the phenomenon, informal employment is sometimes also presented as a continuum. A recent ILO report (ILO 2004) presents such a continuum of informality along the following five dimensions: regularity status, contract status, workplace status, employment protection status and social protection status. On the basis of these 5 dimensions, individuals receive scores ranging from 0 (totally informal) to 5 (totally formal). For the countries with available data, the results give an interesting picture of the complexity and diversity of informality across countries.

Figure 1 displays these scores of informality for Bangladesh, China, Ethiopia and the Indian state Gujarat. An interesting picture emerges. In three out of the four surveys (Bangladesh, Ethiopia and Gujarat), most people are to some degree informal and only a small share completely informal or completely formal³. On the other hand, in China a rather large percentage of people are totally formal, and very few people have totally or highly informal jobs. Still the majority of people are in some way(s) informal. The use of a continuum of informality thus offers a valuable complement to standard one-dimensional indicators of informality. In many cases the majority of people are found somewhere between formal and informal employment, hence important information would be lost if a dichotomous measure was used.

² Furthermore, more indirect and rather inaccurate measures are sometimes used. First, there is the residual method, where informal employment is estimated by subtracting from the entire active population the number of formal jobs (see ILO 2002a). Another, very unsatisfactory, way is to use the working poor as a proxy for informal employment (ILO 2007b, footnote 6).

³ There is a lot of country and gender variation, even within the group of high informality. In addition, disaggregating along the urban and rural workforce as done for the state of Gujarat reveals that a much larger share of the rural workforce is informal to all five dimensions compared to that in urban areas.

Figure 1. A continuum of informality for selected countries



Source: ILO 2004

In conclusion, there is no single internationally accepted and operational definition or indicator of informal employment, and in practice a variety of definitions and indicators is used. Often, data dictates the use of a one-dimensional indicator, but when data allows it, a continuum of informality can show how multidimensional the phenomenon is. As to single-dimensional indicators, it has to be remembered that each describes in fact different phenomena, provides a different aspect of reality and this also has important implications for policymaking.

III. PUZZLING TRENDS OF INFORMAL EMPLOYMENT

III.1 Persistent informal employment

In general, studies on different regions in the world tend to confirm the persistence or even a rise of informal employment over time⁴. As informality has several dimensions, we will here present evidence of various indicators. First of all, the ILO has gathered a large amount of information on informal sector employment, according to its original definition of non-agricultural employment in the informal sector⁵. The resulting picture in **Error! Reference source not found.** is quite clear. First, informality differs substantially across regions, for 1980-89 ranging from 38.8 per cent in North Africa, to 68.1 per cent in Sub-Saharan Africa. Secondly, informality according to this definition has increased over time in all regions. The biggest rise has occurred in Asia, followed by North and Sub-Saharan Africa.

Table 1. Employment in the informal sector

Informal sector as % non-agricultural employment		
Region	1980-89	1990-99
North Africa	38.8	43.3
Sub-Saharan Africa	68.1	74.8
Latin America	52.3	56.9
Asia	53.0	63.0

Source: Charmes 2000, quoted in Beneria 2001, table 6.

As a second example, in Table 2 we report statistics⁶ on the share of the informal economy in total output, where the informal economy is defined as unregistered activities. Although this

⁴ See ILO 2004; Perry *et al.* 2007 for Latin America; Chen Vanek and Carr 2004.

⁵ To be precise, it includes “all non-agricultural “unincorporated enterprises owned by households” and micro-enterprises as well as professional, domestic workers, and home-based workers; it also includes family labour and “employees on an occasional basis”” (Beneria, 2001).

⁶ The figures are estimated through indirect methods based on physical inputs (e.g. electricity use), currency demand or a model approach combining several factors. See Schneider 2002 for a more thorough presentation. A more critical account of the use of these methods can be found in Breusch 2005.

table does not indicate the share of people engaged in the production of this output, the number of people employed in unregistered activities is obviously closely linked to this⁷. Furthermore, it is important to note that involvement in the informal economy is not necessarily the same as informal employment⁸. Nonetheless, the table offers some interesting information. As can be clearly seen, the highest share of the informal economy is found in Africa and South America with around 42 per cent. The OECD countries rank last with a non-negligible 16.8 per cent. As the variation within each group can be considerable, the table also displays respectively the highest and lowest value per group⁹. The table also shows some trends over the years, and this trend is clearly an upward one. As to the OECD region, where informality is unsurprisingly the least relevant, its share rose from 13.2 per cent in 1989/90 to 16.3 per cent in 2002/2003. However, for most regions other than the OECD, data are only available for limited time stretch and this upward trend should thus be interpreted with care.

Table 2. The informal economy as % GDP, various years

Region	1989/90	1999/2000	2002/2003
<i>OECD (21 countries)</i>	13.2	16.8	16.3
Greece	22.6	28.7	28.2
United States	6.7	8.7	8.4
<i>Central European and Former Soviet</i>	-	38.1	40.1
<i>Union Countries (25 countries)</i>			
Georgia	-	67.3	68.0
Slovak Republic	-	18.9	20.2
<i>Africa (23 countries)</i>	-	41.3	43.2
Zimbabwe	-	59.4	63.2
South Africa	-	28.4	29.5
<i>South America (21 countries)</i>	-	41.1	43.4
Bolivia	-	67.1	68.3
Chile	-	19.8	20.9
<i>Asia (28 countries)</i>	-	28.5	30.4
Thailand	-	54.1	52.6
Singapore	-	13.1	13.7

Source: Schneider 2002, 2006. Note: regional values are unweighted averages.

As a third example, below we present some evidence on informality from a perspective of protection of the worker. Systematic information on informal employment according to the availability of social protection or a work contract for all countries is not available. However

⁷ The share of informal employment in total employment is higher than the share of the informal economy in total output if on average informal work is less productive than formal work, which is likely the case.

⁸ For example, the informal economy comprises illegal activities, which is normally excluded from some informal employment definitions.

⁹ In case the ranking changes over time, we display the country with the lowest/highest informal economy share in the latest year available.

Table 3 presents informal employment for selected Latin American countries according to a definition based on social protection. Based on household survey data from 1995-2004, it displays estimates of the share of workers without social security entitlements. While in some countries informality has declined or remained stable, in at least half the countries there has been a sustained rise, especially since 2000.

Table 3. Share of salaried workers with no social security rights, selected Latin American countries, 1998-2004 (in percentage)

	1998	1999	2000	2001	2002	2003	2004
Argentina	37.9	38.3	38.5	38.7	44.1	44.9	-
Brazil	36.4	36.7	-	35.9	36.1	34.8	35.0
Chile	22.9	-	23.7	-	-	22.4	-
Colombia	-	75.1	-	-	-	-	-
Ecuador	60.7	-	-	-	-	72.2	-
El Salvador	48.5	-	47.0	48.0	45.4	48.2	50.3
Guatemala	-	-	65.6	-	59.9	62.8	64.9
Jamaica	-	74.6	-	-	-	-	-
Mexico	57.8	-	55.0	-	59.0	-	60.2
Paraguay	-	73.8	-	72.6	73.8	74.4	76.8
Peru	-	77.2	77.3	73.2	71.9	70.2	-
Uruguay	-	-	-	23.2	23.7	25.8	27.6
Venezuela	35.4	-	31.9	35.6	38.9	41.6	40.2

Source: Socio-Economic Database for Latin America and the Caribbean (CEDLAS and the World Bank).

For Argentina, only data for the survey in 28 cities are displayed. For more info see

<http://www.depeco.econo.unlp.edu.ar/cedlas/sedlac/>

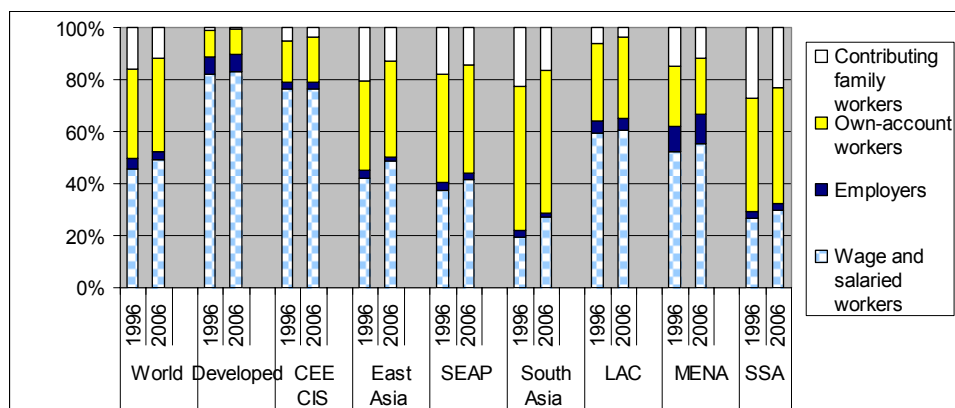
We here will not go into details about the causes behind the persistence or increase of informal employment in various parts of the world. One important issue is whether changes in informality can be attributed to changes of informality within sectors, or to sectoral changes in the economy. This second possibility is relevant as some economic sectors are especially prone to informal employment relations as we have seen above. An increase of the relative share of this sector in the economy thus would lead overall informality to increase. Evidence from Latin America suggests that a large part of the increase in informality can be attributed to increases *within sectors*. For example, Bosch and Maloney (2006) find that 91 per cent of the 4 per cent increase in informality in Mexican labour markets from 1991-5, as well as 90 per cent of the decline to its original level in 2001, can be attributed to changes within sectors. A similar picture arises for most other Latin American countries (Gasparini and Tornarolli 2007). This evidence suggests that certain jobs that were previously formal have currently become informal over the last decade(s). Such a tendency also seems to be of relevance in South Africa. In fact, Altman (2007) notes that not only the currently informal workers are a cause of concern, but “informality for formal workers may become a more important source of precariousness”.

III.2 Informal employment: a diverse phenomenon

Whichever definition is chosen, it is important to keep in mind that informal employment refers to many different types of workers and activities, ranging from marginal self-employed own-account workers, to well-off entrepreneurs who employ others, and from informal employees of informal or formal firms to contributing family workers.

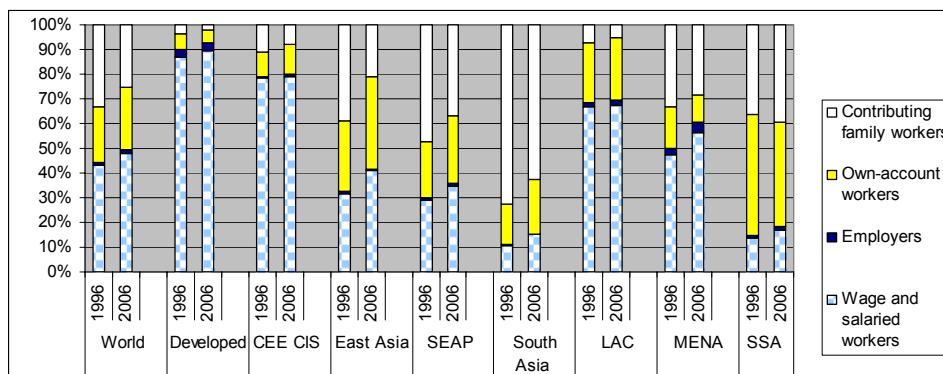
Figure 2 and Figure 3 display a detailed picture on employment categories: wage work and self-employment, the latter of which is in turn divided in employers, own-account workers and family workers. It should be noted that these tables do not focus on informal employment only. Although in own-account workers and contributing family workers in developing are regarded informal according to any type of definition, this is not the case with wage workers and employers which can be both informal and formal. Nonetheless, what is obvious is that contributing family workers and own-account workers constitute a very large share (sometimes the single largest) of total employment. Men are most often represented in own-account work, whereas women are engaged most often in contributing family work. For example, the share of women in contributing family work in South Asia was 62.6 per cent in 2006. In contrast, 55 per cent of men in South Asia were own account workers in 2006. In addition, we can witness some changes over time. The share of wage employment in total employment has somewhat risen, especially at the expense of contributing family work. For example, in the MENA region the share of women in wage and salaried work rose from 47.5 per cent in 1996 to 56.2 per cent in 2006.

Figure 2. Employment categories across the world, 1996, 2006 - men



Source: ILO 2007a. Note: CEE=Central and East Europe, SEAP= South East Asia and Pacific, LAC=Latin America and Caribbean, MENA=Middle East and North Africa, SSA=Sub-Saharan Africa.

Figure 3. Employment categories across the world, 1996, 2006 - women



Source: ILO 2007a. Note: CEE=Central and East Europe, SEAP= South East Asia and Pacific, LAC=Latin America and Caribbean, MENA=Middle East and North Africa, SSA=Sub-Saharan Africa.

The diversity of the sector is also apparent when one looks at the phenomenon of multiple job-holding. In particular, for some people an informal job is the only source of income, while for other informal work can be a complement to formal job earnings. In such a case, people combine a formal job or formal business with a small informal business or informal wage work. While it is well established that multiple job-holding of this kind is widespread, it is hard to establish the extent of the phenomenon as household and labour force surveys often do not capture the existence of several jobs. Table 4 shows for a limited number of countries, whether informal work is performed as main or as secondary activity. In some countries an important share of people is engaged in informal employment in addition to their other job. This is as high as 22.5 per cent in Lithuania and 20.3 per cent in Russia. In some other countries, such as Georgia and Kyrgyzstan, this share is much lower.

Table 4. Primary vs. secondary job-holding among informal sector workers (in %)

	Informal employment as...	
	1st job	2nd job
Barbados	88.6	11.4
Georgia	97.2	2.8
Kyrgyzstan	97.6	2.4
Lithuania	77.5	22.5
Russian Federation	79.7	20.3

Source: ILO 2002b. Data are for 1998-2001.

It is important to note that the overlap between formal and informal activities is even more pronounced if we take the household or the family as the unit of analysis. It is indeed the case that many families decide on the division of labour within the household on the basis of expected returns and often choose a smart combination of informal and formal work along with other forms of income generating and risk management activities (e.g. migration).

Studies show that a non-negligible share of the labour force over time moves between the formal and informal sectors and unemployment, and the other way around. This phenomenon is often studied in relationship to business cycles. Conventional economic theory predicts a movement of workers into informal employment in times of recession, and a decrease once the economy recovers and formal employment picks up. Although most evidence indeed shows a growth of informal employment when the economy contracts, there is also surprising evidence of movements to the informal sector in booms. In such a case, tight labour markets lead workers to look for better jobs and to take the risk of starting a (informal) business and for some this means a move into informal employment, mainly as self-employed. Indeed, these moves from formal to informal self-employment can very well go hand in hand with increases in earnings (see e.g. Packard 2007; Duryea *et al.* 2006; Bosch and Maloney, 2006).

III.3 Informal employment: always bad?

Traditional economic analysis of the informal economy tends to portray informal activity as unproductive and low-paid, a last resort for workers that cannot find a formal job. It may be that many of the informally employed would be better off in a formal position, but recent analyses of gross worker flows mentioned above suggest that in some cases informality is no last resort for workers at all. Informal employment in these cases, in particular self-employment, is not necessarily considered a bad thing.

Various elements are at hand when judging whether workers are better or worse off in their respective jobs (we will come back to this in more detail in section 4). One obvious element of this is earnings. Indeed, it will come as no surprise that informal employment is generally associated with lower wages than formal employment (Chen, Vanek and Carr, 2004; Perry *et al.* 2007; Gasparini and Tornarolli 2007; Bosch and Maloney 2006). However, this aggregate phenomenon conceals some interesting particularities. As mentioned, the studies on gross workers flows mentioned above all highlighted that moves from formal employment to informal self-employment can very well go hand in hand with higher earnings.

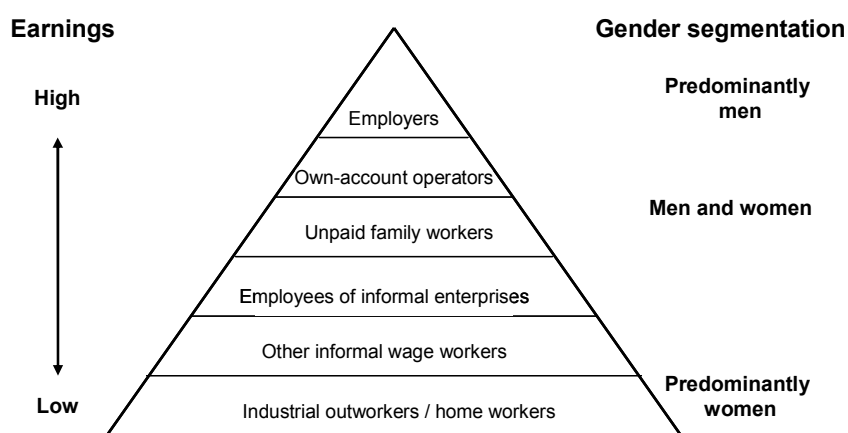
In addition to this, non-monetary elements play a role. Although it is hard to gather such information in a systematic manner, there is some exciting new evidence on job satisfaction and happiness of workers measured per employment category. In fact, from studies on Argentina, Bolivia, Colombia and Dominican Republic we learn that an important part of informal independent workers values the autonomy, flexible working hours and good prospects that are related to their work status. In addition, in a Brazilian study, 30,3 per cent of the men and 37,4 per cent of the women in informal salaried work answered they would not like to quit their informal job for a job with a work contract (all studies quoted in Perry *et al.* 2007).

From the above it follows that the relative wages of informal workers differ according to their employment status, and that some compete in their well-being with formal workers while others are clearly worse off (Günther and Launov 2006; Maloney 1999; UNIFEM 2005). Indeed, it is well documented that there are important differences in earnings between the various groups

of informal workers¹⁰. Chen, Vanek and Carr (2004) propose the following pyramid to describe the earning status of various informal employment groups (Figure 4). While employers can have a relatively good income, some groups such as home workers are much worse off.

This figure also highlights the distribution along gender lines. In general, men are more represented at the top of pyramid (employers, micro-entrepreneurs), and women more as unpaid family workers and home workers (for this see also Figure 2 and Figure 3).

Figure 4. Average earnings per informal employment category



Source: Chen, Martha Alter, Joann Vanek and Marilyn Carr. 2004

¹⁰ See Chen Vanek and Carr, 2004; Perry *et al.* 2007; UNIFEM 2005; Gasparini and Tornarolli 2007.

IV. UNDERSTANDING INFORMAL EMPLOYMENT: WHAT ARE THE INCENTIVES AND CONSTRAINTS?

IV.1 Challenging the conventional model

In the conventional model of labour markets, informal employment is due to labour market segmentation which implies that those working informally do so against their will. They would have preferred to be in formal employment, given the chance. The evidence presented in the previous section challenges in some respects this conventional view of the informal labour market. Emerging evidence suggests that a share of informal employment is voluntarily chosen and may offer specific benefits and opportunities to certain individuals. In particular, depending on their characteristics, some individuals may have a comparative advantage to work in the informal sector (Günther and Launov 2006). Moreover, many individuals and households may engage in innovative combinations of informal and formal work as risk-coping and income-generating strategies. Thus the conventional way of thinking about informal employment does not seem to fit the emerging evidence and a revised, more complex model, is needed.

Subject to job availability, workers choose the sector and type of employment which maximises their utility. This utility depends on the individuals' characteristics and their preferences, where preferences can be broadly defined to include both pecuniary and non pecuniary aspects of work. In fact, pay and job security, although they are important determinants of utility, are not the only ones. Other factors such as autonomy, flexibility, working hours, distance to work and opportunities offered in the informal sector also determine job satisfaction (Mulinge and Mueller 1998) and may lead workers to choose informal employment (Saavedra and Chong 1999). Overall, as in developed countries, well-being considerations may be very important in shaping employment strategies and individual choices. Individual preferences with regard to pay and non monetary job characteristics vary in important ways and are often shaped by family constraints as well as individual tastes.

Indeed a recent view (Maloney 1999, Perry *et al.* 2007) sees the informal sector as a sector where workers are self selected voluntarily because of the various benefits and advantages that it can offer, or because of the comparative advantage they may have in informal employment. According to this view workers weigh the costs and benefits from working informally versus working in the formal sector and choose the first based on their characteristics and preferences. We should note here, though, that individuals who are voluntarily informal, are not necessarily well off or not poor. Their choice of informality over formal work reveals that, for some reason, they are better off in that position. For example Maloney (2004) uses data from Latin American

countries and provides evidence that about 60 per cent of people in informal self-employment left their previous jobs and engaged in self-employment in a voluntary manner.

However, it is important to note that not all people in the informal sector are there by choice. Many are found in informal employment because this is their only chance of a paid job. These people are often excluded from all types of social protection and are also over represented among the poor.

In reality these two types of informal employment coexist. Indeed another strand of the literature sees the informal sector as a two-tier sector: the upper tier is reserved to those who prefer informality over a job in the formal labour market and a lower tier composed of those who are there because of no other alternatives (Fields 1990, 2005). For example, Perry *et al.* (2007) show that in selected Latin American countries, the bulk of the self-employed in the informal sector have moved to that sector voluntarily whereas most informal wage employees are found in the informal sector because they are excluded from formal activities. Perry *et al.* (2007) argue that even within this segment of the informal labour market, we can find workers who have voluntarily taken this option. Evidence in favour of “a tale of 2 tails” is also found in Yamada (1996) for Peru and Günther and Launov (2006) for Ivory Coast.

A review of the existing literature in developing countries reveals some interesting features of informal workers. Women are over-represented in the informal labour market (Maloney 2004), both as salaried workers and self-employed. This may be linked to the limited opportunities women in some countries have or, for example, to the downsizing, in many countries, of public employment, which traditionally has been the main destination of women in the labour market. On top of that, and in line with our story that non-pecuniary job characteristics matter, it may be that women value the flexibility and autonomy that informal work offers as it allows them to combine more easily work and family responsibilities (Cunningham, 2001).

Recent evidence (Perry *et al.* 2007) shows that single women are the most likely group to be in formal employment relative to married women and men. However, among married women, those with more young children are more likely to be self-employed in the informal sector, which also suggests a link between family responsibilities and the choice of informal work, in particular self-employment. Maloney (2004) shows evidence from Argentina, Mexico, Costa Rica and Brazil that women with young children are more likely to be self-employed than formal sector employees. Household composition seems to play an important role in choosing the informal sector. Gonzalez de la Rocha and Gantt (1995) show that heads of young families are more likely to be in manufacturing (formal sector) whereas heads of older families can move to riskier but better rewarded jobs as other household members can hedge against risk.

Table 5 provides a short summary of the evidence in the literature, where a positive sign implies that a specific characteristic is associated with a higher probability of formal employment, informal self-employment, or informal wage work respectively. Young workers are mostly found to work as informal paid workers (this is especially true for the less educated ones who have no chance of getting a job in the formal sector (Saavedra and Chong 1999). Older workers are often self-employed in the informal sector. They may be more willing to switch to

the informal sector as the trade-offs may be less difficult for them. For example, heads of older households, with sons and daughters already working in the formal sector may have to worry less about the benefits of formal coverage, as their children's coverage is often extended to the entire family. The picture in the formal sector is quite mixed, with both young and middle aged individuals working informally.

Women are over-represented in the informal labour market (Maloney 2004), both as salaried workers and self-employed. This may be linked to the limited opportunities women in some countries have or, for example, to the downsizing, in many countries, of public employment, which traditionally has been the main destination of women in the labour market. On top of that, and in line with our story that non-pecuniary job characteristics matter, it may be that women value the flexibility and autonomy that informal work offers as it allows them to combine more easily work and family responsibilities (Cunningham, 2001).

Recent evidence (Perry *et al.* 2007) shows that single women are the most likely group to be in formal employment relative to married women and men. However, among married women, those with more young children are more likely to be self-employed in the informal sector, which also suggests a link between family responsibilities and the choice of informal work, in particular self-employment. Maloney (2004) shows evidence from Argentina, Mexico, Costa Rica and Brazil that women with young children are more likely to be self-employed than formal sector employees. Household composition seems to play an important role in choosing the informal sector. Gonzalez de la Rocha and Gantt (1995) show that heads of young families are more likely to be in manufacturing (formal sector) whereas heads of older families can move to riskier but better rewarded jobs as other household members can hedge against risk.

Table 5. Profile of formal employee, informal sector employees and self-employed

	Formal Sector	Informal Sector	
		Self-employed	Salary workers
Age	+/-	+	-
Education	+	+	-
Experience		+	-
Married women	-	+	+
Single women	+		
Children		+	
Household members in formal jobs		+	+
Living in a poor household			+

Note: this table summarise the evidence on the characteristics of people working in the formal sector, in informal self-employment and informal wage work, as found in the literature. For example, a positive sign in the informal salary workers column implies that a specific characteristic is associated with a higher probability of informal employment. For example married women are more likely to be informal salaried workers, or informal self-employed. Individuals living in households with at least one member in formal employment, are more likely to be informally self-employed.

Education is an important factor determining selection into formal or informal employment. Individuals with no, or minimum education are mostly informal wage employees. Some of the highly educated find formal employment whereas others become self-employed in the informal sector (Saavedra and Chong 1999, Packard 2007). This last group may be choosing to move to informal business for various reasons that we will discuss later.

The evidence on age, education and other individual and household characteristics supports the idea of a life cycle model at the individual level. Individuals start with some years of work in the formal sector or the informal sector (as wage workers), until they accumulate the necessary physical and human capital to move to the informal sector (Maloney 2004, Packard 2007). This idea is indeed consistent with the finding that older and middle-aged individuals constitute the majority of self-employed in the informal sector. On the other side, young workers, who have the necessary human capital, get a formal job. However, for unskilled and disadvantaged young individuals, the main entry point into the labour market remains an informal job. They stay there, often changing employers, until they accumulate the necessary savings, and possibly human capital, to move to self-employment.

IV.2 Costs and risks associated with informal employment

Informal employment is often associated with important costs and risks. Informal workers are over represented among the poor, although it is not very clear which way the causality runs. Moreover informal work is also related to chronic poverty. The costs and risks associated with informal work are summarised in

Table 6 and can be classified in four main groups:

- **Uncertainty and vulnerability:** Informal work is characterised by higher uncertainty in terms of income flows as well as renewal of unwritten and oral contracts and may be associated with higher unemployment risk (Duryuea *et al.* 2006). Informal activities are often seasonal and thus more dependent on weather conditions and natural disasters.
- **Lack of benefits related to formal work:** informal workers lack social protection and other basic benefits such as overtime compensation, severance pay, unemployment benefits, sick leave and social protection. Furthermore they have no entitlements for any public social security e.g. accident, health, pensions. This lack of benefits does not allow poor individuals to exit poverty and exclusion.
- **Work conditions:** informal sector workers may work longer hours and are often exposed to occupational hazards and work accidents. Because unions and workers' association, when they exist, tend to be less powerful than those in the formal sector, workers' rights are not always observed. Besides, informal sector employees have less chance of accessing formal training.

Table 6. Costs and risks associated with informal employment

	Informal Sector	
	Self-employed	Salary Workers
Poverty, exclusion, vulnerability	?	✓✓
Uncertainty in terms of future earnings	✓	✓✓
Uncertainty in terms of contract renewal		✓
Uncertainty in terms of enterprise survival	✓	
Lack of basic benefits (severance pay, overtime, unemployment benefits, sick leave) and social protection	✓	✓
Long working hours		✓
Occupational hazards/ work accidents		✓
Absent (or weak) workers' organisation		✓
High entry cost	✓	
High indirect operational costs (e.g. bribes)	✓	

- High costs: starting up an informal business may require the payment of a significant amount of money as an entry fee. In addition, it may entail prior investment in physical and human capital. Finally, sustaining an informal business can be costly. Although informal entrepreneurs do not pay taxes and contributions, they often pay high fees e.g. in terms of bribes.

IV.3. Benefits and opportunities of informal employment

In this section we briefly review the evidence to show that there are benefits and opportunities associated with at least some forms of informal employment. These benefits go beyond the standard arguments of tax and various contributions avoidance (Cichello *et al.* 2006 for South Africa). Although small enterprises owners may partly choose to stay informal because of fiscal reasons, they may also do so because of other potential benefits of informality. These can range from more flexibility with the work to more autonomy and less administrative burden. It is important to note that these benefits do not equally apply to all people working informally. However, even those individuals who are found in informal work without having chosen it, benefit from some of the opportunities that informal employment may offer. Inefficiencies in formal sector protection and low levels of labour productivity may make informal employment a better option for some people (Maloney 1999, Perry *et al.* 2007). The benefits and opportunities offered by informal employment can be summarised in the following categories:

- Higher pay: individuals with specific characteristics may have a comparative advantage in informal employment. This comparative advantage can be translated into higher earnings compared to potential earnings in the formal sector. Evidence from Mexico (Maloney 1999) shows that movement from self-employment or contract work into formal salaried employment is associated with a decline in wages whereas movement from formal salaried to self-employment or contract work leads to a significant increase. Furthermore, movement from formal salaried and informal salaried work into self-employment is associated with a substantial and significant increase in wages.
- Greater flexibility and autonomy: individuals working in the informal sector benefit from flexibility in terms of working hours and in some cases choice of work location. This aspect may be especially valued by women with children who need to combine work and family (Cunningham, 2001). Working from home may be very interesting for women in some countries, when their physical mobility is constrained by social norms (World Bank 2004).
- Low quality of services and benefits provided by the formal sector: for example social security may not exist or may be of a very poor standard, and there may be uncertainty about the payment of future pensions. High administrative costs combined with low quality of services may discourage some workers from getting a job in the formal sector (Maloney 1999). This is especially true for young workers who tend to be more myopic than older workers, and hence value less old age payments such as pensions. Finally, even within the formal sector there is a high degree of turnover and thus workers often do not benefit from their seniority benefits and pensions (Maloney 1999, Perry *et al* 2007).
- Some “protection” in the informal sector: contrary to the general perception, in some cases the informal sector may not be uncovered/unprotected. For example, sometimes labour market policies such as minimum wages are binding in the informal sector. Various studies (see e.g. Lemos 2004, Maloney and Nuñez, 2003) have found that minimum wages have a significant impact on informal wages in Brazil and other Latin American countries. Furthermore, the household may find alternative ways of social protection at the household or family levels. For example, within a family, the optimal strategy may imply formal employment for one or more members which provides social protection and other benefits to the entire family, and informal employment for the rest of the family. Galiani and Weinschelbaum (2006) find that secondary workers are more likely to work in the informal sector if someone in the household has a formal job. In the same line, Maloney (1999) argues that the marginal value of formal sector benefits for a second worker in a household may be zero, which could go some way in explaining why individuals in larger households may choose work in the informal sector.
- Training opportunities and access to informal networks: working in the informal sector may be the only chance of accumulating experience or even of training and apprenticeship for low-skilled young workers or unskilled older individuals. Moreover, talented workers may have better prospects for upward mobility in the informal sector. Finally access to informal networks through informal employment can in certain cases be effective in providing some sort of unemployment and health insurance.

Table 7. Benefits and opportunities of informal employment

	Informal Sector	
	Self-employed	Salary Workers
Flexibility, Autonomy	✓	
Working hours flexibility, choice of work location	✓	✓
Higher potential earnings	✓	
Training opportunities	✓	✓
Accumulation of work experience	✓	✓
Career prospects/ upward mobility	✓	?
Access to social networks	✓	✓
Tax, social security and other contributions avoidance	✓	✓
Low quality and high uncertainty of formal sector benefits (e.g. social protection, pensions)	✓	✓

IV.4 Towards a more complex framework of informal employment

Having briefly reviewed the evidence on the attractiveness and risks of informal employment, one main issue prevails: the selection of individuals across sectors and types of employment cannot be described in a simple framework, distinguishing between formal and informal employment and between self employment and wage work. Many other factors need to be taken into account. For instance migration, either internal or international, is a major household risk-coping and income generating strategy and it should be also included in the framework. Moreover, informal work, formal employment and migration often coexist within a given household. More importantly they can also be used together by the same individual wishing to maximise his or her utility and income.

First, migrating within the country or abroad is a common used strategy to cope with risk and increase household income. Second, it seems that the decision individuals have to take is not so much a choice between formal and informal employment, but rather the choice between salaried work and self-employment. Consequently in

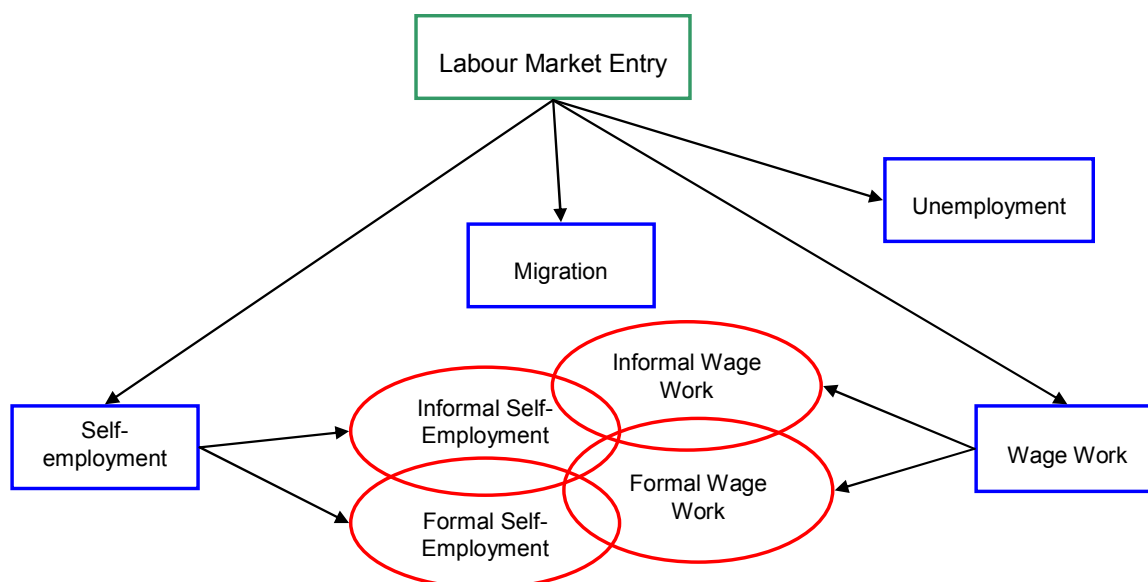
Figure 5 we provide a simple revised model of labour market decisions in two stages. Once the decision to enter into the labour market is taken, the decision must be taken whether to migrate, to become paid workers or to become self-employed (a fourth labour market state includes unemployment). In a second stage, the selection in formal or informal employment takes place.

The selection in different forms of employment and the choice among different income generating strategies is determined by the characteristics of the labour market and the economy and hence the characteristics of potential jobs. However on top of that, individual characteristics

and preferences determine the choices that individuals make between self-employment and wage work, informal and formal employment or migration as well as their selection into a specific labour market status with or without their will.

Figure 5 shows areas of intersection between different types of employment. For example, a formal worker may have a small informal (family or not) business and/or can be engaged in an informal paid activity. Distinguishing among these various activities can be difficult, especially given the available data source, mostly household surveys, which only report the main - and at best the secondary - occupation and activity of the respondent. At the household level, all these strategies, including migration, can be pursued at the same time.

Figure 5. Elements of a revised framework of labour market statuses



The above framework can potentially describe not only the individual decisions but also those of the households or the extended families. This may be appropriate given that often the choice between formal and informal employment depends on the household structure and the labour market status of other household members. The benefits and costs of work in the different sectors are viewed in light of the household composition and the labour market status of other family members. Moreover the life cycle model briefly discussed in the previous paragraphs can be extended to the household level. As time goes by, the size, education and age composition of household members change and, along with it, labour market choices may change. In addition, migration history or tradition in the household can determine future choices.

V. AN EMERGING AGENDA: POLICY AND RESEARCH CHALLENGES

This paper provides a fresh look at the determinants of informal employment from an individual perspective. It offers a complementary, sometimes challenging view to the traditional thinking on labour markets and formal and informal sector linkages. Whereas most of the existing studies discuss determinants of informality from a macro perspective by looking into its relationship with government policies and institutions, this paper emphasises the individual perspective. The observation that informal employment is not declining while the economy is growing, the increasing awareness of the heterogeneity of jobs and working conditions within the informal sector and the increasing blurred line between the formal and informal, questions the relevance and effectiveness of existing labour market, productivity and social protection policies. Although the segmentation between formal and informal work becomes less and less clear, existing policies do not seem to take this account. On one hand, many benefits available to informal workers and the self-employed are mostly provided by social assistance programmes which target poor individuals and households. On the other hand, individuals working formally are basically covered by labour market and social protection policies, designed specifically for those in formal employment. This creates a clear cut dichotomy in the types of policies directed towards people in formal and informal employment. There is a need to develop innovative labour market and social protection policies for those working informally beyond the classical social assistance approach.

Based on the review of the evidence on informal work, the following policy and research challenges emerge:

- Improving data collection

Improving statistics and measurement tools to assess properly labour market conditions is crucial for informed policy-making. Section two has shed some light on the poor state of informal labour market statistics and has highlighted the need to improve data collection and quality in the area of labour markets, employment and vulnerability. Existing data sets are scattered, often of a very low quality and out-dated. In particular, regular up-dating and monitoring is missing.

Informed policy decision hinges critically upon knowledge. Once data collection and quality is being taken care of, clear indicators should be constructed and selected to capture the

realities on the ground¹¹. In this, the complexities of informal employment should be well taken into account. For example it should be remembered that often individuals are not either formal or informal but can be both, at the same time or across time. Similarly, it should be taken into account that the individual is not always the appropriate level of analysis, as households or extended families often design strategies together.

- Understanding realities on the ground

There is a need to further analyse the determinants of informal employment and its composition through cross-country studies. Leading questions could be: can we observe a pattern in the size and the composition of informal employment in low- and middle-income countries? What can we say about factors influencing this pattern, e.g. trade openness, labour market regulation, institutional environment and history? What keeps some people excluded from formal employment? What determines individual choices? Some people do not have any choice at all other than staying informal. Besides the poor and the poorly educated, there is emerging evidence that some marginal groups of society are systematically excluded. We need to better understand what holds them away and how we can remedy these bottlenecks. In addition opting for informal employment can be a voluntary choice and people working informally are not necessarily worse-off compared to those working in the formal sector. Hence there is an urgent need to understand better why different groups within the informal sector, such as the self-employed, wage employees, women, men and youth, choose to stay or to go. Finally, it is equally important to undertake a dynamic analysis in order to be able to detect causalities. Of particular interest are the formal-informal linkages as well as the interaction between self-employed and wage employed within informal employment.

- Identifying better policies, instruments and good practices to handle trade-offs: the societal perspective

The focus of this paper has been the individual perspective on choices of informal employment. We therefore have not so much treated the societal perspective, which is of course important from a development perspective. The results of our review offer important insights into how governments and donor agencies may have to change their policies and instruments to better deal with realities on the ground.

Three points seem to emerge: First, there is a need for a holistic assessment of the impact of informal employment on the economy. It is clear that sometimes, from an individual perspective it makes sense to stay informal - but from a societal perspective it is clearly not. To develop a favourable business environment and adequate public services, a certain formalisation of the economy is needed. The critical question here is: how to do it? Many examples show that an aggressive formalisation often leads to the opposite result. It is a very important step forward to identify the right set of incentives through a critical review of good practices and a good understanding of realities on the ground.

¹¹ The World Bank together with the University of Cornell has started an interesting project to revise and test new indicators and more initiatives of this kind are most welcome.

Secondly, and following the same line of argument, the more general question is whether the existing policies and instruments of developing countries as well as of donor agencies do take into account the changing and heterogeneous realities on the ground. As an example, it is often not understood that the appropriate unit for risk management is not the individual, but the household or family. Often members of families are allocated strategically between formal and informal employment. This has important consequences for providing the right incentives, for offering appropriate services to informal business as well as for setting-up social protection mechanisms for those in informal employment.

Third, there is a need to differentiate between low-, middle- and high-income countries. In the low income context the formal sector's size is too small so that finding a job there, is for many not a realistic option. The critical challenge here is the transformation of a low labour productivity economy, mostly based on agriculture, to one based on labour intensive manufacturing, and services. In middle income countries the challenges are quite different. Here there is a need to improve formal and informal linkages to create a conducive business environment and to allow for a better social protection of those currently not covered.

APPENDIX

Table A1: Description of Variables

Indicator	Description
Loayza and Rigolini 2006	"Share of self-employed in the labour force (as reported in the surveys collected by the ILO)"
Amuedo-Dorantes 2004	Lack of a work contract
Bosch and Maloney 2006	Informal wage workers ("a lack of contributions by the employer to the social security agency") + informal self-employment ("those self-employed and owners of micro firms (less than 6 employees) with no social security contributions, excluding professionals and technicians")
Packard 2007	An "informal sector" consisting of non-contract wage employment, and self-employment
Henley <i>et al.</i> 2006	Use of three different definitions: (1) No signed labour card (2) No social security contribution and (3) Employment in firm with 5 or less employees
Gasparini and Tornarolli 2007	(1) Belonging "to any of the following categories: (i) unskilled self-employed, (ii) salaried worker in a small private firm, (iii) zero-income worker. (2) No right to a pension linked to employment when retired.
Günther and Launov 2006	The informal sector ("the active population which is neither employed in the public nor in the private formal sector")

BIBLIOGRAPHY

- ALTMAN, M. (2007), "What are the policy implications of the informal sector becoming the informal economy?", Concept paper prepared for IZA/WB Conference on Employment and Development, Bonn, Germany, June 8 & 9, 2007.
- AMUEDO-DORANTES, C. (2004), "Determinants and Poverty Implications of Informal Sector Work in Chile", *Economic Development and Cultural Change*, Vol. 52, No. 2, pp. 349-368.
- BENERIA, L. (2001), "Changing employment patterns and the informalisation of jobs: general trends and gender dimensions". International Labour Organisation, Geneva.
- BOSCH, M. and W.F. MALONEY (2006), "Gross worker flows in the presence of informal labour markets. Evidence from Mexico, 1987-2002", *World Bank Policy Research Working Paper 3883*, World Bank, Washington D.C.
- BREUSCH, T. (2005), "Estimating the Underground Economy using MIMIC models", *Econometrics* 0507003, EconWPA, revised 25 Jul 2005.
- CHARMES, J. (2000), "Size, Trends and Productivity of Women's Work in the Informal Sector", paper presented at the Annual IAFFE Conference, Istanbul, 15-17 August.
- CHARMES, J. (2004), "Data Collection on the Informal Sector: a Review of Concepts and Methods Used Since the Adoption of an International Definition Towards a Better Comparability of Available Statistics", paper prepared for the ILO.
- CHEN, M, J. VANEK and M. CARR (2004), *Mainstreaming Informal Employment and Gender in Poverty Reduction. A Handbook for Policy-makers and Other Stakeholders*. International Development Research Centre, Ottawa.
- CICHELO, P., G. FIELDS and M. LEIBBRANDT (2003), "Earnings and Employment Dynamics for Africans in Post-apartheid South Africa: A Panel Study of Kwazulu-Natal". *DPRU Working Paper No. 03/77*, Development Policy Research Unit, University of Cape Town.
- CUNNINGHAM, W. (2001), "Breadwinner Versus Caregiver: Labour Force Participation and Sectoral Choice over the Mexican Business Cycle", in E. G. KATZ and M. C. CORREIA (eds.) *The Economics of Gender in Mexico: World, Family, State and the Market*, pp. 85-132, World Bank, Washington, D.C.
- DURYEA, S., G. MARQUEZ, C. PAGÉS and S. SCARPETTA (2006), "For Better or For Worse: Job and Earnings Mobility in Nine Middle- and Low-Income Countries." *Brookings Trade Forum*, Washington, D.C.
- EC (2007), "Promoting Employment through EU Development Cooperation", *European Commission Staff Working Document*, Brussels.
- FIELDS, G. (1990), "Labour Market Modelling and the Urban Informal Sector: Theory and Evidence," in D. TURNHAM, B. SALOMÉ and A. SCHWARZ, (eds.), *The Informal Sector Revisited*. OECD Development Centre, Paris.
- FIELDS, G. (2005), "A Guide to Multisector Labour Market models", *World Bank Social Protection Discussion Paper Series No. 0505*, World Bank, Washington D.C.

DEV/DOC(2008)2

- GALIANI, S. and F. WEINSCHELBAUM (2006), "Modeling Informality Formally: Households and Firms", *CEDLAS Working Paper 0047*, Universidad Nacional de La Plata, Argentina.
- GASPARINI, L. and L. TORNAROLLI (2007). "Labour Informality in Latin America and the Caribbean: Patterns and Trends from Household Survey Microdata", *CEDLAS Working Paper No. 0*, CEDLAS, Nacional de La Plata, Argentina.
- GINDLING, T. (1991), "Labor Market Segmentation and the Determination of Wages in the Public, Private-Formal and Informal Sectors in San-Jose, Costa-Rica", *Economic Development and Cultural Change*, Vol. 39, No. 3., pp. 585-605.
- GONZÁLEZ DE LA ROCHA, M. and B. GANTT (1995), "The Urban Family and Poverty in Latin America", *Latin American Perspectives*, Vol. 22, No. 2, 12-31.
- GÜNTHER, I. and A. LAUNOV (2006), "Competitive and Segmented Informal Labour Markets", *IZA Discussion Paper 2349*, Institute for the Study of Labour, Bonn.
- HARRIS, J.R. and M.P. TODARO (1970), "Migration, Unemployment and Development: A Two-Sector Analysis", *The American Economic Review*, Vol. 60, No. 1. pp. 126-142.
- HART, K. (1973), "Informal Income Opportunities and Urban Employment in Ghana", *The Journal of Modern African Studies*, Vol. 11, No. 1, pp. 61-89.
- HENLEY, A., R. ARABSHEIBANI and F. G. CARNEIRO (2006), "On Defining and Measurement the Informal Sector", *World Bank Policy Research Working Paper 3866*, World Bank, Washington D.C.
- ILO (2002a), "Women and men in the informal economy: a statistical picture." International Labour Organisation, Geneva.
- ILO (2002b), "ILO compendium of official statistics on employment in the informal sector", *ILO STAT Working Paper No. 1-2002*, International Labour Organisation, Geneva.
- ILO (2004), *Economic security for a better world*, ILO Socio-Economic Security Program, International Labour Organisation, Geneva.
- ILO (2007a), "Global employment trends for women." International Labour Organisation, Geneva.
- ILO (2007b), "African Employment Trends." International Labour Organisation, Geneva.
- ISLAM, R. (2004), "The Nexus of Economic Growth, Employment and Poverty Reduction: An Empirical Analysis", International Labour Organisation, Geneva.
- LEMONS, S. (2004), "A menu of minimum wage variables for evaluating wages and employment effects: Evidence from Brazil", *IZA Discussion Paper No. 1069*, Institute for the Study of Labor, Bonn.
- LEWIS, W.A. (1954), "Economic Development with Unlimited Supplies of Labor." *Manchester School of Economic Studies*, Vol. 22, May, pp. 139-191.
- LOAYZA, N. and J. RIGOLINI (2006), "Informality Trends and Cycles", *World Bank Policy Research Working Paper 4078*, World Bank, Washington D.C.
- LUNDSTRÖM, S. and P. RONNÅS (2006), "Integrated Economic Analysis for Pro-Poor growth", *SIDA Methods document*, SIDA, Stockholm.
- MALONEY, W.F. (1999), "Does Informality Imply Segmentation in urban Labor Markets? Evidence from Sectoral Transitions in Mexico", *The World Bank Economic Review*, Vol.13, No. 2.
- MALONEY, W.F. (2004), "Informality Revisited", *World Development*, Vol. 32, No. 7, pp. 1159-78.
- MALONEY, W.F. and J. NUÑEZ (2004), "Measuring the Impact of Minimum Wages: Evidence from Latin America". In J. HECKMAN and C. PAGÉS (eds.), *Law and Employment. Lessons from Latin America and the Caribbean*. National Bureau of Economic Research, Cambridge MA.

- MEAD, D.C. and C. MORRISSON (1996), "The Informal Sector Elephant", *World Development*, Vol. 24, No. 10, pp. 1611-1619.
- MULINGE, M. and C. W. MUELLER (1998), "Employee Satisfaction in Developing Countries: the case of Kenya", *World Development*, Vol. 26, No. 12, pp. 2181-2199.
- OECD (2006) *Promoting Pro-Poor Growth. Policy Guidelines for Donors*. OECD, Paris.
- OSMANI, S.R. (2005), "The role of employment in Promoting the Millennium Development Goals". *Working Paper 18*, ILO/UNDP Issues in Employment and Poverty, Geneva/New York.
- PACKARD, T.G. (2007), "Do Workers in Chile Choose Informal Employment? A Dynamic Analysis of Sector Choice", *World Bank Policy Research Working Paper 4232*, World Bank, Washington D.C.
- PERRY, G. E., W.F. MALONEY, O.S. ARIAS, P. FAJNZYLBER, A.D. MASON and J. SAAVEDRA-CHANDUVI (2007), *Informality: Exit and Exclusion*, World Bank, Washington D.C.
- SAAVEDRA, J. and A. CHONG (1999), "Structural Reform, Institutions and Earnings: Evidence from the Formal and Informal Sectors in Urban Peru", *The Journal of Development Studies*, Vol. 35, No. 4.
- SCHNEIDER, F. (2002), "Size and measurement of the Informal Economy in 110 Countries around the World", paper presented at workshop of Australian National Tax Centre, Canberra, Australia.
- SCHNEIDER, F. (2006), "Shadow Economies and Corruption all over the World: what do we really know?", paper presented at the 8th INFER Annual Conference, Cork, Ireland.
- TURNHAM, D., B. SALOMÉ and A. SCHWARZ, (eds.) (1990), *The Informal Sector Revisited*, OECD Development Centre, Paris.
- UNIFEM (2005), *Progress of the World's Women 2005. Women, Work and Poverty*, United Nations Development Fund for Women, New York.
- WORLD BANK (2004), *Gender and Development in the Middle East and North Africa: Women in the Public Sphere*, World Bank, Washington D.C.
- YAMADA, G. (1996), "Urban Informal Employment and Self-Employment in Developing Countries: Theory and Evidence", *Economic Development and Cultural Change*, Vol. 44, No. 2, pp. 289-314.

OTHER TITLES IN THE SERIES/ AUTRES TITRES DANS LA SÉRIE

The former series known as “Technical Papers” and “Webdocs” merged in November 2003 into “Development Centre Working Papers”. In the new series, former Webdocs 1-17 follow former Technical Papers 1-212 as Working Papers 213-229.

All these documents may be downloaded from:

<http://www.oecd.org/dev/wp> or obtained via e-mail (dev.contact@oecd.org).

Working Paper No.1, *Macroeconomic Adjustment and Income Distribution: A Macro-Micro Simulation Model*, by François Bourguignon, William H. Branson and Jaime de Melo, March 1989.

Working Paper No. 2, *International Interactions in Food and Agricultural Policies: The Effect of Alternative Policies*, by Joachim Zietz and Alberto Valdés, April, 1989.

Working Paper No. 3, *The Impact of Budget Retrenchment on Income Distribution in Indonesia: A Social Accounting Matrix Application*, by Steven Keuning and Erik Thorbecke, June 1989.

Working Paper No. 3a, *Statistical Annex: The Impact of Budget Retrenchment*, June 1989.

Document de travail No. 4, *Le Rééquilibrage entre le secteur public et le secteur privé : le cas du Mexique*, par C.-A. Michalet, juin 1989.

Working Paper No. 5, *Rebalancing the Public and Private Sectors: The Case of Malaysia*, by R. Leeds, July 1989.

Working Paper No. 6, *Efficiency, Welfare Effects, and Political Feasibility of Alternative Antipoverty and Adjustment Programs*, by Alain de Janvry and Elisabeth Sadoulet, December 1989.

Document de travail No. 7, *Ajustement et distribution des revenus : application d'un modèle macro-micro au Maroc*, par Christian Morriison, avec la collaboration de Sylvie Lambert et Akiko Suwa, décembre 1989.

Working Paper No. 8, *Emerging Maize Biotechnologies and their Potential Impact*, by W. Burt Sundquist, December 1989.

Document de travail No. 9, *Analyse des variables socio-culturelles et de l'ajustement en Côte d'Ivoire*, par W. Weekes-Vagliani, janvier 1990.

Working Paper No. 10, *A Financial Computable General Equilibrium Model for the Analysis of Ecuador's Stabilization Programs*, by André Fargeix and Elisabeth Sadoulet, February 1990.

Working Paper No. 11, *Macroeconomic Aspects, Foreign Flows and Domestic Savings Performance in Developing Countries: A "State of The Art" Report*, by Anand Chandavarkar, February 1990.

Working Paper No. 12, *Tax Revenue Implications of the Real Exchange Rate: Econometric Evidence from Korea and Mexico*, by Virginia Fierro and Helmut Reisen, February 1990.

Working Paper No. 13, *Agricultural Growth and Economic Development: The Case of Pakistan*, by Naved Hamid and Wouter Tims, April 1990.

Working Paper No. 14, *Rebalancing the Public and Private Sectors in Developing Countries: The Case of Ghana*, by H. Akuoko-Frimpong, June 1990.

Working Paper No. 15, *Agriculture and the Economic Cycle: An Economic and Econometric Analysis with Special Reference to Brazil*, by Florence Contré and Ian Goldin, June 1990.

Working Paper No. 16, *Comparative Advantage: Theory and Application to Developing Country Agriculture*, by Ian Goldin, June 1990.

Working Paper No. 17, *Biotechnology and Developing Country Agriculture: Maize in Brazil*, by Bernardo Sorj and John Wilkinson, June 1990.

Working Paper No. 18, *Economic Policies and Sectoral Growth: Argentina 1913-1984*, by Yair Mundlak, Domingo Cavallo, Roberto Domenech, June 1990.

Working Paper No. 19, *Biotechnology and Developing Country Agriculture: Maize In Mexico*, by Jaime A. Matus Gardea, Arturo Puente Gonzalez and Cristina Lopez Peralta, June 1990.

Working Paper No. 20, *Biotechnology and Developing Country Agriculture: Maize in Thailand*, by Suthad Setboonsang, July 1990.

Working Paper No. 21, *International Comparisons of Efficiency in Agricultural Production*, by Guillermo Flichmann, July 1990.

- Working Paper No. 22, *Unemployment in Developing Countries: New Light on an Old Problem*, by David Turnham and Denizhan Eröcal, July 1990.
- Working Paper No. 23, *Optimal Currency Composition of Foreign Debt: the Case of Five Developing Countries*, by Pier Giorgio Gawronski, August 1990.
- Working Paper No. 24, *From Globalization to Regionalization: the Mexican Case*, by Wilson Peres Núñez, August 1990.
- Working Paper No. 25, *Electronics and Development in Venezuela: A User-Oriented Strategy and its Policy Implications*, by Carlota Perez, October 1990.
- Working Paper No. 26, *The Legal Protection of Software: Implications for Latecomer Strategies in Newly Industrialising Economies (NIEs) and Middle-Income Economies (MIEs)*, by Carlos Maria Correa, October 1990.
- Working Paper No. 27, *Specialization, Technical Change and Competitiveness in the Brazilian Electronics Industry*, by Claudio R. Frischtak, October 1990.
- Working Paper No. 28, *Internationalization Strategies of Japanese Electronics Companies: Implications for Asian Newly Industrializing Economies (NIEs)*, by Bundo Yamada, October 1990.
- Working Paper No. 29, *The Status and an Evaluation of the Electronics Industry in Taiwan*, by Gee San, October 1990.
- Working Paper No. 30, *The Indian Electronics Industry: Current Status, Perspectives and Policy Options*, by Ghayur Alam, October 1990.
- Working Paper No. 31, *Comparative Advantage in Agriculture in Ghana*, by James Pickett and E. Shaeldin, October 1990.
- Working Paper No. 32, *Debt Overhang, Liquidity Constraints and Adjustment Incentives*, by Bert Hofman and Helmut Reisen, October 1990.
- Working Paper No. 34, *Biotechnology and Developing Country Agriculture: Maize in Indonesia*, by Hidjat Nataatmadja *et al.*, January 1991.
- Working Paper No. 35, *Changing Comparative Advantage in Thai Agriculture*, by Ammar Siamwalla, Suthad Setboonsarng and Prasong Werakarnjanapongs, March 1991.
- Working Paper No. 36, *Capital Flows and the External Financing of Turkey's Imports*, by Ziya Önis and Süleyman Özmucur, July 1991.
- Working Paper No. 37, *The External Financing of Indonesia's Imports*, by Glenn P. Jenkins and Henry B.F. Lim, July 1991.
- Working Paper No. 38, *Long-term Capital Reflow under Macroeconomic Stabilization in Latin America*, by Beatriz Armendariz de Aghion, July 1991.
- Working Paper No. 39, *Buybacks of LDC Debt and the Scope for Forgiveness*, by Beatriz Armendariz de Aghion, July 1991.
- Working Paper No. 40, *Measuring and Modelling Non-Tariff Distortions with Special Reference to Trade in Agricultural Commodities*, by Peter J. Lloyd, July 1991.
- Working Paper No. 41, *The Changing Nature of IMF Conditionality*, by Jacques J. Polak, August 1991.
- Working Paper No. 42, *Time-Varying Estimates on the Openness of the Capital Account in Korea and Taiwan*, by Helmut Reisen and Hélène Yèches, August 1991.
- Working Paper No. 43, *Toward a Concept of Development Agreements*, by F. Gerard Adams, August 1991.
- Document de travail No. 44, *Le Partage du fardeau entre les créanciers de pays débiteurs défaillants*, par Jean-Claude Berthélemy et Ann Vourc'h, septembre 1991.
- Working Paper No. 45, *The External Financing of Thailand's Imports*, by Supote Chunanunthathum, October 1991.
- Working Paper No. 46, *The External Financing of Brazilian Imports*, by Enrico Colombatto, with Elisa Luciano, Luca Gargiulo, Pietro Garibaldi and Giuseppe Russo, October 1991.
- Working Paper No. 47, *Scenarios for the World Trading System and their Implications for Developing Countries*, by Robert Z. Lawrence, November 1991.
- Working Paper No. 48, *Trade Policies in a Global Context: Technical Specifications of the Rural/Urban-North/South (RUNS) Applied General Equilibrium Model*, by Jean-Marc Burniaux and Dominique van der Mensbrugghe, November 1991.
- Working Paper No. 49, *Macro-Micro Linkages: Structural Adjustment and Fertilizer Policy in Sub-Saharan Africa*, by Jean-Marc Fontaine with the collaboration of Alice Sindzingre, December 1991.
- Working Paper No. 50, *Aggregation by Industry in General Equilibrium Models with International Trade*, by Peter J. Lloyd, December 1991.
- Working Paper No. 51, *Policy and Entrepreneurial Responses to the Montreal Protocol: Some Evidence from the Dynamic Asian Economies*, by David C. O'Connor, December 1991.
- Working Paper No. 52, *On the Pricing of LDC Debt: an Analysis Based on Historical Evidence from Latin America*, by Beatriz Armendariz de Aghion, February 1992.
- Working Paper No. 53, *Economic Regionalisation and Intra-Industry Trade: Pacific-Asian Perspectives*, by Kiichiro Fukasaku, February 1992.
- Working Paper No. 54, *Debt Conversions in Yugoslavia*, by Mojmir Mrak, February 1992.
- Working Paper No. 55, *Evaluation of Nigeria's Debt-Relief Experience (1985-1990)*, by N.E. Ogbe, March 1992.
- Document de travail No. 56, *L'Expérience de l'allègement de la dette du Mali*, par Jean-Claude Berthélemy, février 1992.
- Working Paper No. 57, *Conflict or Indifference: US Multinationals in a World of Regional Trading Blocs*, by Louis T. Wells, Jr., March 1992.
- Working Paper No. 58, *Japan's Rapidly Emerging Strategy Toward Asia*, by Edward J. Lincoln, April 1992.
- Working Paper No. 59, *The Political Economy of Stabilization Programmes in Developing Countries*, by Bruno S. Frey and Reiner Eichenberger, April 1992.
- Working Paper No. 60, *Some Implications of Europe 1992 for Developing Countries*, by Sheila Page, April 1992.

DEV/DOC(2008)2

- Working Paper No. 61, *Taiwanese Corporations in Globalisation and Regionalisation*, by Gee San, April 1992.
- Working Paper No. 62, *Lessons from the Family Planning Experience for Community-Based Environmental Education*, by Winifred Weekes-Vagliani, April 1992.
- Working Paper No. 63, *Mexican Agriculture in the Free Trade Agreement: Transition Problems in Economic Reform*, by Santiago Levy and Sweder van Wijnbergen, May 1992.
- Working Paper No. 64, *Offensive and Defensive Responses by European Multinationals to a World of Trade Blocs*, by John M. Stopford, May 1992.
- Working Paper No. 65, *Economic Integration in the Pacific Region*, by Richard Drobnick, May 1992.
- Working Paper No. 66, *Latin America in a Changing Global Environment*, by Winston Fritsch, May 1992.
- Working Paper No. 67, *An Assessment of the Brady Plan Agreements*, by Jean-Claude Berthélemy and Robert Lensink, May 1992.
- Working Paper No. 68, *The Impact of Economic Reform on the Performance of the Seed Sector in Eastern and Southern Africa*, by Elizabeth Cromwell, June 1992.
- Working Paper No. 69, *Impact of Structural Adjustment and Adoption of Technology on Competitiveness of Major Cocoa Producing Countries*, by Emily M. Bloomfield and R. Antony Lass, June 1992.
- Working Paper No. 70, *Structural Adjustment and Moroccan Agriculture: an Assessment of the Reforms in the Sugar and Cereal Sectors*, by Jonathan Kydd and Sophie Thoyer, June 1992.
- Document de travail No. 71, *L'Allègement de la dette au Club de Paris : les évolutions récentes en perspective*, par Ann Vourc'h, juin 1992.
- Working Paper No. 72, *Biotechnology and the Changing Public/Private Sector Balance: Developments in Rice and Cocoa*, by Carliene Brenner, July 1992.
- Working Paper No. 73, *Namibian Agriculture: Policies and Prospects*, by Walter Elkan, Peter Amutenya, Jochbeth Andima, Robin Sherbourne and Eline van der Linden, July 1992.
- Working Paper No. 74, *Agriculture and the Policy Environment: Zambia and Zimbabwe*, by Doris J. Jansen and Andrew Rukovo, July 1992.
- Working Paper No. 75, *Agricultural Productivity and Economic Policies: Concepts and Measurements*, by Yair Mundlak, August 1992.
- Working Paper No. 76, *Structural Adjustment and the Institutional Dimensions of Agricultural Research and Development in Brazil: Soybeans, Wheat and Sugar Cane*, by John Wilkinson and Bernardo Sorj, August 1992.
- Working Paper No. 77, *The Impact of Laws and Regulations on Micro and Small Enterprises in Niger and Swaziland*, by Isabelle Joumard, Carl Liedholm and Donald Mead, September 1992.
- Working Paper No. 78, *Co-Financing Transactions between Multilateral Institutions and International Banks*, by Michel Bouchet and Amit Ghose, October 1992.
- Document de travail No. 79, *Allègement de la dette et croissance : le cas mexicain*, par Jean-Claude Berthélemy et Ann Vourc'h, octobre 1992.
- Document de travail No. 80, *Le Secteur informel en Tunisie : cadre réglementaire et pratique courante*, par Abderrahman Ben Zakour et Farouk Kria, novembre 1992.
- Working Paper No. 81, *Small-Scale Industries and Institutional Framework in Thailand*, by Naruemol Bunjongjit and Xavier Oudin, November 1992.
- Working Paper No. 81a, *Statistical Annex: Small-Scale Industries and Institutional Framework in Thailand*, by Naruemol Bunjongjit and Xavier Oudin, November 1992.
- Document de travail No. 82, *L'Expérience de l'allègement de la dette du Niger*, par Ann Vourc'h et Maina Boukar Moussa, novembre 1992.
- Working Paper No. 83, *Stabilization and Structural Adjustment in Indonesia: an Intertemporal General Equilibrium Analysis*, by David Roland-Holst, November 1992.
- Working Paper No. 84, *Striving for International Competitiveness: Lessons from Electronics for Developing Countries*, by Jan Maarten de Vet, March 1993.
- Document de travail No. 85, *Micro-entreprises et cadre institutionnel en Algérie*, par Hocine Benissad, mars 1993.
- Working Paper No. 86, *Informal Sector and Regulations in Ecuador and Jamaica*, by Emilio Klein and Victor E. Tokman, August 1993.
- Working Paper No. 87, *Alternative Explanations of the Trade-Output Correlation in the East Asian Economies*, by Colin I. Bradford Jr. and Naomi Chakwin, August 1993.
- Document de travail No. 88, *La Faisabilité politique de l'ajustement dans les pays africains*, par Christian Morisson, Jean-Dominique Lafay et Sébastien Dessus, novembre 1993.
- Working Paper No. 89, *China as a Leading Pacific Economy*, by Kiichiro Fukasaku and Mingyuan Wu, November 1993.
- Working Paper No. 90, *A Detailed Input-Output Table for Morocco, 1990*, by Maurizio Bussolo and David Roland-Holst, November 1993.
- Working Paper No. 91, *International Trade and the Transfer of Environmental Costs and Benefits*, by Hiro Lee and David Roland-Holst, December 1993.
- Working Paper No. 92, *Economic Instruments in Environmental Policy: Lessons from the OECD Experience and their Relevance to Developing Economies*, by Jean-Philippe Barde, January 1994.
- Working Paper No. 93, *What Can Developing Countries Learn from OECD Labour Market Programmes and Policies?*, by Åsa Sohlman with David Turnham, January 1994.

- Working Paper No. 94, *Trade Liberalization and Employment Linkages in the Pacific Basin*, by Hiro Lee and David Roland-Holst, February 1994.
- Working Paper No. 95, *Participatory Development and Gender: Articulating Concepts and Cases*, by Winifred Weekes-Vagliani, February 1994.
- Document de travail No. 96, *Promouvoir la maîtrise locale et régionale du développement : une démarche participative à Madagascar*, par Philippe de Rham et Bernard Lecomte, juin 1994.
- Working Paper No. 97, *The OECD Green Model: an Updated Overview*, by Hiro Lee, Joaquim Oliveira-Martins and Dominique van der Mensbrugghe, August 1994.
- Working Paper No. 98, *Pension Funds, Capital Controls and Macroeconomic Stability*, by Helmut Reisen and John Williamson, August 1994.
- Working Paper No. 99, *Trade and Pollution Linkages: Piecemeal Reform and Optimal Intervention*, by John Beghin, David Roland-Holst and Dominique van der Mensbrugghe, October 1994.
- Working Paper No. 100, *International Initiatives in Biotechnology for Developing Country Agriculture: Promises and Problems*, by Carliene Brenner and John Komen, October 1994.
- Working Paper No. 101, *Input-based Pollution Estimates for Environmental Assessment in Developing Countries*, by Sébastien Dessus, David Roland-Holst and Dominique van der Mensbrugghe, October 1994.
- Working Paper No. 102, *Transitional Problems from Reform to Growth: Safety Nets and Financial Efficiency in the Adjusting Egyptian Economy*, by Mahmoud Abdel-Fadil, December 1994.
- Working Paper No. 103, *Biotechnology and Sustainable Agriculture: Lessons from India*, by Ghayur Alam, December 1994.
- Working Paper No. 104, *Crop Biotechnology and Sustainability: a Case Study of Colombia*, by Luis R. Sanint, January 1995.
- Working Paper No. 105, *Biotechnology and Sustainable Agriculture: the Case of Mexico*, by José Luis Solleiro Rebolledo, January 1995.
- Working Paper No. 106, *Empirical Specifications for a General Equilibrium Analysis of Labor Market Policies and Adjustments*, by Andréa Maechler and David Roland-Holst, May 1995.
- Document de travail No. 107, *Les Migrants, partenaires de la coopération internationale : le cas des Maliens de France*, par Christophe Daum, juillet 1995.
- Document de travail No. 108, *Ouverture et croissance industrielle en Chine : étude empirique sur un échantillon de villes*, par Sylvie Démurger, septembre 1995.
- Working Paper No. 109, *Biotechnology and Sustainable Crop Production in Zimbabwe*, by John J. Woodend, December 1995.
- Document de travail No. 110, *Politiques de l'environnement et libéralisation des échanges au Costa Rica : une vue d'ensemble*, par Sébastien Dessus et Maurizio Bussolo, février 1996.
- Working Paper No. 111, *Grow Now/Clean Later, or the Pursuit of Sustainable Development?*, by David O'Connor, March 1996.
- Working Paper No. 112, *Economic Transition and Trade-Policy Reform: Lessons from China*, by Kiichiro Fukasaku and Henri-Bernard Solignac Lecomte, July 1996.
- Working Paper No. 113, *Chinese Outward Investment in Hong Kong: Trends, Prospects and Policy Implications*, by Yun-Wing Sung, July 1996.
- Working Paper No. 114, *Vertical Intra-industry Trade between China and OECD Countries*, by Lisbeth Hellvin, July 1996.
- Document de travail No. 115, *Le Rôle du capital public dans la croissance des pays en développement au cours des années 80*, par Sébastien Dessus et Rémy Herrera, juillet 1996.
- Working Paper No. 116, *General Equilibrium Modelling of Trade and the Environment*, by John Beghin, Sébastien Dessus, David Roland-Holst and Dominique van der Mensbrugghe, September 1996.
- Working Paper No. 117, *Labour Market Aspects of State Enterprise Reform in Viet Nam*, by David O'Connor, September 1996.
- Document de travail No. 118, *Croissance et compétitivité de l'industrie manufacturière au Sénégal*, par Thierry Latreille et Aristomène Varoudakis, octobre 1996.
- Working Paper No. 119, *Evidence on Trade and Wages in the Developing World*, by Donald J. Robbins, December 1996.
- Working Paper No. 120, *Liberalising Foreign Investments by Pension Funds: Positive and Normative Aspects*, by Helmut Reisen, January 1997.
- Document de travail No. 121, *Capital Humain, ouverture extérieure et croissance : estimation sur données de panel d'un modèle à coefficients variables*, par Jean-Claude Berthélemy, Sébastien Dessus et Aristomène Varoudakis, janvier 1997.
- Working Paper No. 122, *Corruption: The Issues*, by Andrew W. Goudie and David Stasavage, January 1997.
- Working Paper No. 123, *Outflows of Capital from China*, by David Wall, March 1997.
- Working Paper No. 124, *Emerging Market Risk and Sovereign Credit Ratings*, by Guillermo Larraín, Helmut Reisen and Julia von Maltzan, April 1997.
- Working Paper No. 125, *Urban Credit Co-operatives in China*, by Eric Girardin and Xie Ping, August 1997.
- Working Paper No. 126, *Fiscal Alternatives of Moving from Unfunded to Funded Pensions*, by Robert Holzmann, August 1997.
- Working Paper No. 127, *Trade Strategies for the Southern Mediterranean*, by Peter A. Petri, December 1997.
- Working Paper No. 128, *The Case of Missing Foreign Investment in the Southern Mediterranean*, by Peter A. Petri, December 1997.
- Working Paper No. 129, *Economic Reform in Egypt in a Changing Global Economy*, by Joseph Licari, December 1997.

DEV/DOC(2008)2

- Working Paper No. 130, *Do Funded Pensions Contribute to Higher Aggregate Savings? A Cross-Country Analysis*, by Jeanine Bailliu and Helmut Reisen, December 1997.
- Working Paper No. 131, *Long-run Growth Trends and Convergence Across Indian States*, by Rayaprolu Nagaraj, Aristomène Varoudakis and Marie-Ange Véganzonès, January 1998.
- Working Paper No. 132, *Sustainable and Excessive Current Account Deficits*, by Helmut Reisen, February 1998.
- Working Paper No. 133, *Intellectual Property Rights and Technology Transfer in Developing Country Agriculture: Rhetoric and Reality*, by Carliene Brenner, March 1998.
- Working Paper No. 134, *Exchange-rate Management and Manufactured Exports in Sub-Saharan Africa*, by Khalid Sekkat and Aristomène Varoudakis, March 1998.
- Working Paper No. 135, *Trade Integration with Europe, Export Diversification and Economic Growth in Egypt*, by Sébastien Dessus and Akiko Suwa-Eisenmann, June 1998.
- Working Paper No. 136, *Domestic Causes of Currency Crises: Policy Lessons for Crisis Avoidance*, by Helmut Reisen, June 1998.
- Working Paper No. 137, *A Simulation Model of Global Pension Investment*, by Landis MacKellar and Helmut Reisen, August 1998.
- Working Paper No. 138, *Determinants of Customs Fraud and Corruption: Evidence from Two African Countries*, by David Stasavage and Cécile Daubrée, August 1998.
- Working Paper No. 139, *State Infrastructure and Productive Performance in Indian Manufacturing*, by Arup Mitra, Aristomène Varoudakis and Marie-Ange Véganzonès, August 1998.
- Working Paper No. 140, *Rural Industrial Development in Viet Nam and China: A Study in Contrasts*, by David O'Connor, September 1998.
- Working Paper No. 141, *Labour Market Aspects of State Enterprise Reform in China*, by Fan Gang, Maria Rosa Lunati and David O'Connor, October 1998.
- Working Paper No. 142, *Fighting Extreme Poverty in Brazil: The Influence of Citizens' Action on Government Policies*, by Fernanda Lopes de Carvalho, November 1998.
- Working Paper No. 143, *How Bad Governance Impedes Poverty Alleviation in Bangladesh*, by Rehman Sobhan, November 1998.
- Document de travail No. 144, *La libéralisation de l'agriculture tunisienne et l'Union européenne: une vue prospective*, par Mohamed Abdelbasset Chemingui et Sébastien Dessus, février 1999.
- Working Paper No. 145, *Economic Policy Reform and Growth Prospects in Emerging African Economies*, by Patrick Guillaumont, Sylviane Guillaumont Jeanneney and Aristomène Varoudakis, March 1999.
- Working Paper No. 146, *Structural Policies for International Competitiveness in Manufacturing: The Case of Cameroon*, by Ludvig Söderling, March 1999.
- Working Paper No. 147, *China's Unfinished Open-Economy Reforms: Liberalisation of Services*, by Kiichiro Fukasaku, Yu Ma and Qiumei Yang, April 1999.
- Working Paper No. 148, *Boom and Bust and Sovereign Ratings*, by Helmut Reisen and Julia von Maltzan, June 1999.
- Working Paper No. 149, *Economic Opening and the Demand for Skills in Developing Countries: A Review of Theory and Evidence*, by David O'Connor and Maria Rosa Lunati, June 1999.
- Working Paper No. 150, *The Role of Capital Accumulation, Adjustment and Structural Change for Economic Take-off: Empirical Evidence from African Growth Episodes*, by Jean-Claude Berthélemy and Ludvig Söderling, July 1999.
- Working Paper No. 151, *Gender, Human Capital and Growth: Evidence from Six Latin American Countries*, by Donald J. Robbins, September 1999.
- Working Paper No. 152, *The Politics and Economics of Transition to an Open Market Economy in Viet Nam*, by James Riedel and William S. Turley, September 1999.
- Working Paper No. 153, *The Economics and Politics of Transition to an Open Market Economy: China*, by Wing Thye Woo, October 1999.
- Working Paper No. 154, *Infrastructure Development and Regulatory Reform in Sub-Saharan Africa: The Case of Air Transport*, by Andrea E. Goldstein, October 1999.
- Working Paper No. 155, *The Economics and Politics of Transition to an Open Market Economy: India*, by Ashok V. Desai, October 1999.
- Working Paper No. 156, *Climate Policy Without Tears: CGE-Based Ancillary Benefits Estimates for Chile*, by Sébastien Dessus and David O'Connor, November 1999.
- Document de travail No. 157, *Dépenses d'éducation, qualité de l'éducation et pauvreté : l'exemple de cinq pays d'Afrique francophone*, par Katharina Michaelowa, avril 2000.
- Document de travail No. 158, *Une estimation de la pauvreté en Afrique subsaharienne d'après les données anthropométriques*, par Christian Morrisson, Hélène Guilmeau et Charles Linskens, mai 2000.
- Working Paper No. 159, *Converging European Transitions*, by Jorge Braga de Macedo, July 2000.
- Working Paper No. 160, *Capital Flows and Growth in Developing Countries: Recent Empirical Evidence*, by Marcelo Soto, July 2000.
- Working Paper No. 161, *Global Capital Flows and the Environment in the 21st Century*, by David O'Connor, July 2000.
- Working Paper No. 162, *Financial Crises and International Architecture: A "Eurocentric" Perspective*, by Jorge Braga de Macedo, August 2000.
- Document de travail No. 163, *Résoudre le problème de la dette : de l'initiative PPTE à Cologne*, par Anne Joseph, août 2000.

- Working Paper No. 164, *E-Commerce for Development: Prospects and Policy Issues*, by Andrea Goldstein and David O'Connor, September 2000.
- Working Paper No. 165, *Negative Alchemy? Corruption and Composition of Capital Flows*, by Shang-Jin Wei, October 2000.
- Working Paper No. 166, *The HIPC Initiative: True and False Promises*, by Daniel Cohen, October 2000.
- Document de travail No. 167, *Les facteurs explicatifs de la malnutrition en Afrique subsaharienne*, par Christian Morrisson et Charles Linskens, octobre 2000.
- Working Paper No. 168, *Human Capital and Growth: A Synthesis Report*, by Christopher A. Pissarides, November 2000.
- Working Paper No. 169, *Obstacles to Expanding Intra-African Trade*, by Roberto Longo and Khalid Sekkat, March 2001.
- Working Paper No. 170, *Regional Integration In West Africa*, by Ernest Aryeetey, March 2001.
- Working Paper No. 171, *Regional Integration Experience in the Eastern African Region*, by Andrea Goldstein and Njuguna S. Ndung'u, March 2001.
- Working Paper No. 172, *Integration and Co-operation in Southern Africa*, by Carolyn Jenkins, March 2001.
- Working Paper No. 173, *FDI in Sub-Saharan Africa*, by Ludger Odenthal, March 2001
- Document de travail No. 174, *La réforme des télécommunications en Afrique subsaharienne*, par Patrick Plane, mars 2001.
- Working Paper No. 175, *Fighting Corruption in Customs Administration: What Can We Learn from Recent Experiences?*, by Irène Hors; April 2001.
- Working Paper No. 176, *Globalisation and Transformation: Illusions and Reality*, by Grzegorz W. Kolodko, May 2001.
- Working Paper No. 177, *External Solvency, Dollarisation and Investment Grade: Towards a Virtuous Circle?*, by Martin Grandes, June 2001.
- Document de travail No. 178, *Congo 1965-1999: Les espoirs déçus du « Brésil africain »*, par Joseph Maton avec Henri-Bernard Solignac Lecomte, septembre 2001.
- Working Paper No. 179, *Growth and Human Capital: Good Data, Good Results*, by Daniel Cohen and Marcelo Soto, September 2001.
- Working Paper No. 180, *Corporate Governance and National Development*, by Charles P. Oman, October 2001.
- Working Paper No. 181, *How Globalisation Improves Governance*, by Federico Bonaglia, Jorge Braga de Macedo and Maurizio Bussolo, November 2001.
- Working Paper No. 182, *Clearing the Air in India: The Economics of Climate Policy with Ancillary Benefits*, by Maurizio Bussolo and David O'Connor, November 2001.
- Working Paper No. 183, *Globalisation, Poverty and Inequality in sub-Saharan Africa: A Political Economy Appraisal*, by Yvonne M. Tsikata, December 2001.
- Working Paper No. 184, *Distribution and Growth in Latin America in an Era of Structural Reform: The Impact of Globalisation*, by Samuel A. Morley, December 2001.
- Working Paper No. 185, *Globalisation, Liberalisation, Poverty and Income Inequality in Southeast Asia*, by K.S. Jomo, December 2001.
- Working Paper No. 186, *Globalisation, Growth and Income Inequality: The African Experience*, by Steve Kayizzi-Mugerwa, December 2001.
- Working Paper No. 187, *The Social Impact of Globalisation in Southeast Asia*, by Mari Pangestu, December 2001.
- Working Paper No. 188, *Where Does Inequality Come From? Ideas and Implications for Latin America*, by James A. Robinson, December 2001.
- Working Paper No. 189, *Policies and Institutions for E-Commerce Readiness: What Can Developing Countries Learn from OECD Experience?*, by Paulo Bastos Tigre and David O'Connor, April 2002.
- Document de travail No. 190, *La réforme du secteur financier en Afrique*, par Anne Joseph, juillet 2002.
- Working Paper No. 191, *Virtuous Circles? Human Capital Formation, Economic Development and the Multinational Enterprise*, by Ethan B. Kapstein, August 2002.
- Working Paper No. 192, *Skill Upgrading in Developing Countries: Has Inward Foreign Direct Investment Played a Role?*, by Matthew J. Slaughter, August 2002.
- Working Paper No. 193, *Government Policies for Inward Foreign Direct Investment in Developing Countries: Implications for Human Capital Formation and Income Inequality*, by Dirk Willem te Velde, August 2002.
- Working Paper No. 194, *Foreign Direct Investment and Intellectual Capital Formation in Southeast Asia*, by Bryan K. Ritchie, August 2002.
- Working Paper No. 195, *FDI and Human Capital: A Research Agenda*, by Magnus Blomström and Ari Kokko, August 2002.
- Working Paper No. 196, *Knowledge Diffusion from Multinational Enterprises: The Role of Domestic and Foreign Knowledge-Enhancing Activities*, by Yasuyuki Todo and Koji Miyamoto, August 2002.
- Working Paper No. 197, *Why Are Some Countries So Poor? Another Look at the Evidence and a Message of Hope*, by Daniel Cohen and Marcelo Soto, October 2002.
- Working Paper No. 198, *Choice of an Exchange-Rate Arrangement, Institutional Setting and Inflation: Empirical Evidence from Latin America*, by Andreas Freytag, October 2002.
- Working Paper No. 199, *Will Basel II Affect International Capital Flows to Emerging Markets?*, by Beatrice Weder and Michael Wedow, October 2002.
- Working Paper No. 200, *Convergence and Divergence of Sovereign Bond Spreads: Lessons from Latin America*, by Martin Grandes, October 2002.
- Working Paper No. 201, *Prospects for Emerging-Market Flows amid Investor Concerns about Corporate Governance*, by Helmut Reisen, November 2002.

DEV/DOC(2008)2

- Working Paper No. 202, *Rediscovering Education in Growth Regressions*, by Marcelo Soto, November 2002.
- Working Paper No. 203, *Incentive Bidding for Mobile Investment: Economic Consequences and Potential Responses*, by Andrew Charlton, January 2003.
- Working Paper No. 204, *Health Insurance for the Poor? Determinants of participation Community-Based Health Insurance Schemes in Rural Senegal*, by Johannes Jütting, January 2003.
- Working Paper No. 205, *China's Software Industry and its Implications for India*, by Ted Tschang, February 2003.
- Working Paper No. 206, *Agricultural and Human Health Impacts of Climate Policy in China: A General Equilibrium Analysis with Special Reference to Guangdong*, by David O'Connor, Fan Zhai, Kristin Aunan, Terje Berntsen and Haakon Vennemo, March 2003.
- Working Paper No. 207, *India's Information Technology Sector: What Contribution to Broader Economic Development?*, by Nirvikar Singh, March 2003.
- Working Paper No. 208, *Public Procurement: Lessons from Kenya, Tanzania and Uganda*, by Walter Odhiambo and Paul Kamau, March 2003.
- Working Paper No. 209, *Export Diversification in Low-Income Countries: An International Challenge after Doha*, by Federico Bonaglia and Kiichiro Fukasaku, June 2003.
- Working Paper No. 210, *Institutions and Development: A Critical Review*, by Johannes Jütting, July 2003.
- Working Paper No. 211, *Human Capital Formation and Foreign Direct Investment in Developing Countries*, by Koji Miyamoto, July 2003.
- Working Paper No. 212, *Central Asia since 1991: The Experience of the New Independent States*, by Richard Pomfret, July 2003.
- Working Paper No. 213, *A Multi-Region Social Accounting Matrix (1995) and Regional Environmental General Equilibrium Model for India (REGEMI)*, by Maurizio Bussolo, Mohamed Chemingui and David O'Connor, November 2003.
- Working Paper No. 214, *Ratings Since the Asian Crisis*, by Helmut Reisen, November 2003.
- Working Paper No. 215, *Development Redux: Reflections for a New Paradigm*, by Jorge Braga de Macedo, November 2003.
- Working Paper No. 216, *The Political Economy of Regulatory Reform: Telecoms in the Southern Mediterranean*, by Andrea Goldstein, November 2003.
- Working Paper No. 217, *The Impact of Education on Fertility and Child Mortality: Do Fathers Really Matter Less than Mothers?*, by Lucia Breierova and Esther Duflo, November 2003.
- Working Paper No. 218, *Float in Order to Fix? Lessons from Emerging Markets for EU Accession Countries*, by Jorge Braga de Macedo and Helmut Reisen, November 2003.
- Working Paper No. 219, *Globalisation in Developing Countries: The Role of Transaction Costs in Explaining Economic Performance in India*, by Maurizio Bussolo and John Whalley, November 2003.
- Working Paper No. 220, *Poverty Reduction Strategies in a Budget-Constrained Economy: The Case of Ghana*, by Maurizio Bussolo and Jeffery I. Round, November 2003.
- Working Paper No. 221, *Public-Private Partnerships in Development: Three Applications in Timor Leste*, by José Braz, November 2003.
- Working Paper No. 222, *Public Opinion Research, Global Education and Development Co-operation Reform: In Search of a Virtuous Circle*, by Ida Mc Donnell, Henri-Bernard Solignac Lecomte and Liam Wegimont, November 2003.
- Working Paper No. 223, *Building Capacity to Trade: What Are the Priorities?*, by Henry-Bernard Solignac Lecomte, November 2003.
- Working Paper No. 224, *Of Flying Geeks and O-Rings: Locating Software and IT Services in India's Economic Development*, by David O'Connor, November 2003.
- Document de travail No. 225, *Cap Vert: Gouvernance et Développement*, par Jaime Lourenço and Colm Foy, novembre 2003.
- Working Paper No. 226, *Globalisation and Poverty Changes in Colombia*, by Maurizio Bussolo and Jann Lay, November 2003.
- Working Paper No. 227, *The Composite Indicator of Economic Activity in Mozambique (ICAE): Filling in the Knowledge Gaps to Enhance Public-Private Partnership (PPP)*, by Roberto J. Tibana, November 2003.
- Working Paper No. 228, *Economic-Reconstruction in Post-Conflict Transitions: Lessons for the Democratic Republic of Congo (DRC)*, by Graciana del Castillo, November 2003.
- Working Paper No. 229, *Providing Low-Cost Information Technology Access to Rural Communities In Developing Countries: What Works? What Pays?* by Georg Caspary and David O'Connor, November 2003.
- Working Paper No. 230, *The Currency Premium and Local-Currency Denominated Debt Costs in South Africa*, by Martin Grandes, Marcel Peter and Nicolas Pinaud, December 2003.
- Working Paper No. 231, *Macroeconomic Convergence in Southern Africa: The Rand Zone Experience*, by Martin Grandes, December 2003.
- Working Paper No. 232, *Financing Global and Regional Public Goods through ODA: Analysis and Evidence from the OECD Creditor Reporting System*, by Helmut Reisen, Marcelo Soto and Thomas Weithöner, January 2004.
- Working Paper No. 233, *Land, Violent Conflict and Development*, by Nicolas Pons-Vignon and Henri-Bernard Solignac Lecomte, February 2004.
- Working Paper No. 234, *The Impact of Social Institutions on the Economic Role of Women in Developing Countries*, by Christian Morrisson and Johannes Jütting, May 2004.
- Document de travail No. 235, *La condition des femmes en Inde, Kenya, Soudan et Tunisie*, par Christian Morrisson, août 2004.
- Working Paper No. 236, *Decentralisation and Poverty in Developing Countries: Exploring the Impact*, by Johannes Jütting, Céline Kauffmann, Ida Mc Donnell, Holger Osterrieder, Nicolas Pinaud and Lucia Wegner, August 2004.
- Working Paper No. 237, *Natural Disasters and Adaptive Capacity*, by Jeff Dayton-Johnson, August 2004.

- Working Paper No. 238, *Public Opinion Polling and the Millennium Development Goals*, by Jude Fransman, Alphonse L. MacDonnald, Ida Mc Donnell and Nicolas Pons-Vignon, October 2004.
- Working Paper No. 239, *Overcoming Barriers to Competitiveness*, by Orsetta Causa and Daniel Cohen, December 2004.
- Working Paper No. 240, *Extending Insurance? Funeral Associations in Ethiopia and Tanzania*, by Stefan Dercon, Tessa Bold, Joachim De Weerd and Alula Pankhurst, December 2004.
- Working Paper No. 241, *Macroeconomic Policies: New Issues of Interdependence*, by Helmut Reisen, Martin Grandes and Nicolas Pinaud, January 2005.
- Working Paper No. 242, *Institutional Change and its Impact on the Poor and Excluded: The Indian Decentralisation Experience*, by D. Narayana, January 2005.
- Working Paper No. 243, *Impact of Changes in Social Institutions on Income Inequality in China*, by Hiroko Uchimura, May 2005.
- Working Paper No. 244, *Priorities in Global Assistance for Health, AIDS and Population (HAP)*, by Landis MacKellar, June 2005.
- Working Paper No. 245, *Trade and Structural Adjustment Policies in Selected Developing Countries*, by Jens Andersson, Federico Bonaglia, Kiichiro Fukasaku and Caroline Lesser, July 2005.
- Working Paper No. 246, *Economic Growth and Poverty Reduction: Measurement and Policy Issues*, by Stephan Klasen, (September 2005).
- Working Paper No. 247, *Measuring Gender (In)Equality: Introducing the Gender, Institutions and Development Data Base (GID)*, by Johannes P. Jütting, Christian Morrisson, Jeff Dayton-Johnson and Denis Drechsler (March 2006).
- Working Paper No. 248, *Institutional Bottlenecks for Agricultural Development: A Stock-Taking Exercise Based on Evidence from Sub-Saharan Africa* by Juan R. de Laiglesia, March 2006.
- Working Paper No. 249, *Migration Policy and its Interactions with Aid, Trade and Foreign Direct Investment Policies: A Background Paper*, by Theodora Xenogiani, June 2006.
- Working Paper No. 250, *Effects of Migration on Sending Countries: What Do We Know?* by Louka T. Katseli, Robert E.B. Lucas and Theodora Xenogiani, June 2006.
- Document de travail No. 251, *L'aide au développement et les autres flux nord-sud : complémentarité ou substitution ?*, par Denis Cogneau et Sylvie Lambert, juin 2006.
- Working Paper No. 252, *Angel or Devil? China's Trade Impact on Latin American Emerging Markets*, by Jorge Blázquez-Lidoy, Javier Rodríguez and Javier Santiso, June 2006.
- Working Paper No. 253, *Policy Coherence for Development: A Background Paper on Foreign Direct Investment*, by Thierry Mayer, July 2006.
- Working Paper No. 254, *The Coherence of Trade Flows and Trade Policies with Aid and Investment Flows*, by Akiko Suwa-Eisenmann and Thierry Verdier, August 2006.
- Document de travail No. 255, *Structures familiales, transferts et épargne : examen*, par Christian Morrisson, août 2006.
- Working Paper No. 256, *Ulysses, the Sirens and the Art of Navigation: Political and Technical Rationality in Latin America*, by Javier Santiso and Laurence Whitehead, September 2006.
- Working Paper No. 257, *Developing Country Multinationals: South-South Investment Comes of Age*, by Dilek Aykut and Andrea Goldstein, November 2006.
- Working Paper No. 258, *The Usual Suspects: A Primer on Investment Banks' Recommendations and Emerging Markets*, by Javier Santiso and Sebastián Nieto Parra, January 2007.
- Working Paper No. 259, *Banking on Democracy: The Political Economy of International Private Bank Lending in Emerging Markets*, by Javier Rodríguez and Javier Santiso, March 2007.
- Working Paper No. 260, *New Strategies for Emerging Domestic Sovereign Bond Markets*, by Hans Blommestein and Javier Santiso, April 2007.
- Working Paper No. 261, *Privatisation in the MEDA region. Where do we stand?*, by Céline Kauffmann and Lucia Wegner, July 2007.
- Working Paper No. 262, *Strengthening Productive Capacities in Emerging Economies through Internationalisation: Evidence from the Appliance Industry*, by Federico Bonaglia and Andrea Goldstein, July 2007.
- Working Paper No. 263, *Banking on Development: Private Banks and Aid Donors in Developing Countries*, by Javier Rodríguez and Javier Santiso, November 2007.
- Working Paper No. 264, *Fiscal Decentralisation, Chinese Style: Good for Health Outcomes?*, by Hiroko Uchimura and Johannes Jütting, November 2007.
- Working Paper No. 265, *Private Sector Participation and Regulatory Reform in Water supply: the Southern Mediterranean Experience*, by Edouard Pérard, January 2008.