

world development report **2013** 

Jobs

world development report **2013** 

Jobs



THE WORLD BANK
Washington, DC

Some rights reserved

1 2 3 4 15 14 13 12

This work is a product of the staff of The World Bank with external contributions. Note that The World Bank does not necessarily own each component of the content included in the work. The World Bank therefore does not warrant that the use of the content contained in the work will not infringe on the rights of third parties. The risk of claims resulting from such infringement rests solely with you.

The findings, interpretations, and conclusions expressed in this work do not necessarily reflect the views of The World Bank, its Board of Executive Directors, or the governments they represent. The World Bank does not guarantee the accuracy of the data included in this work. The boundaries, colors, denominations, and other information shown on any map in this work do not imply any judgment on the part of The World Bank concerning the legal status of any territory or the endorsement or acceptance of such boundaries.

Nothing herein shall constitute or be considered to be a limitation upon or waiver of the privileges and immunities of The World Bank, all of which are specifically reserved.

Rights and Permissions



This work is available under the Creative Commons Attribution 3.0 Unported license (CC BY 3.0) <http://creativecommons.org/licenses/by/3.0>. Under the Creative Commons Attribution license, you are free to copy, distribute, transmit, and adapt this work, including for commercial purposes, under the following conditions:

Attribution—Please cite the work as follows: **World Bank. 2012. *World Development Report 2013: Jobs*. Washington, DC: World Bank. DOI: 10.1596/978-0-8213-9575-2.** License: Creative Commons Attribution CC BY 3.0.

Translations—If you create a translation of this work, please add the following disclaimer along with the attribution: *This translation was not created by The World Bank and should not be considered an official World Bank translation. The World Bank shall not be liable for any content or error in this translation.*

All queries on rights and licenses should be addressed to the Office of the Publisher, The World Bank, 1818 H Street NW, Washington, DC 20433, USA; fax: 202-522-2625; e-mail: pubrights@worldbank.org.

Softcover

ISSN: 0163-5085

ISBN: 978-0-8213-9575-2

e-ISBN: 978-0-8213-9576-9

DOI: 10.1596/978-0-8213-9575-2

Hardcover

ISSN: 0163-5085

ISBN: 978-0-8213-9620-9

DOI: 10.1596/978-0-8213-9620-9

Photo credits:

page 67: Garimpeiros (independent prospectors) at the Serra Pelada gold mine, in Brazil © Sebastião Salgado/Amazonas—Press Images. Used with permission of Sebastião Salgado/Amazonas—Press Images. Further permission required for reuse.

page 91: Day laborer in a pineapple plantation in Pontian, Malaysia © Justin Guariglia/Redux. Used with permission of Justin Guariglia/Redux. Further permission required for reuse.

page 145: Shopkeeper and a friend at a foodstuff shop in Mpape, Nigeria © Ayemoba Godswill/World Bank; Rural migrants working in construction in China © Curt Carnemark/World Bank.

page 222: Farmers in a pomegranate field in Tajikistan © Gennadiy Ratushenko/World Bank; Wage worker at a garment factory in Vietnam © Lino Vuth/World Bank; Street vendor in Kabul, Afghanistan © Steve McCurry/Magnum Photos; Drying peppers in the street in Mexico © Curt Carnemark/World Bank.

page 248: Employees at a call center in Poland © Piotr Malecki/Panos Pictures.

page 318: Worker at a construction site in Jakarta, Indonesia © Sebastião Salgado/Amazonas—Press Images. Used with permission of Sebastião Salgado/Amazonas. Further permission required for reuse.

Cover design: Will Kemp, World Bank

Interior design: Debra Naylor

Contents

<i>Foreword</i>	<i>xiii</i>
<i>Acknowledgments</i>	<i>xv</i>
<i>Abbreviations and data notes</i>	<i>xvii</i>

Overview	Moving jobs center stage	2
	Jobs wanted	3
	Development happens through jobs	8
	Valuing jobs	14
	Jobs agendas are diverse . . . but connected	17
	Policies through the jobs lens	21
	Jobs are center stage, but where are the numbers?	34
	Questions When is the conventional wisdom right?	36
	Notes	39
	References	41
1	The jobs challenge	48
	A job, but not always a salary	49
	Youth bulges, aging societies, and migrant nations	51
	Cities, wages, and women	52
	Jobs are changing in surprising ways	54
	Prosperity, but a changing distribution of earnings	56
	The role of the private sector	58
	Vulnerability on a global scale	58
	Question 1 What is a job?	63
	Notes	68
	References	69

Part 1	Jobs are transformational	74
2	Jobs and living standards	76
	Jobs improve material well-being	76
	Jobs are more than just earnings	82
	Jobs and life satisfaction	84
	Question 2 Growth strategies or jobs strategies?	87
	Notes	92
	References	93
3	Jobs and productivity	98
	Employment turbulence, not jobless growth	98
	Most jobs are in very small farms and firms	104
	In farms, uneven technological progress	106
	Among firms, much churning and few gazelles	107
	Question 3 Can entrepreneurship be fostered?	114
	Notes	119
	References	121
4	Jobs and social cohesion	126
	Jobs can help manage social tensions	127
	Jobs (or the lack of jobs) can shape social interactions	134
	Question 4 Can policies contribute to social cohesion?	140
	Notes	146
	References	147
Part 2	What are good jobs for development?	152
5	Valuing jobs	154
	Rights as the foundation	155
	The value of jobs to individuals and society	158
	Spillovers from jobs	159
	Can the development payoffs from jobs be quantified?	162
	Question 5 Skills or jobs—which comes first?	174
	Notes	179
	References	182
6	Diverse jobs agendas	190
	Agrarian economies	190
	Conflict-affected countries	193
	Urbanizing countries	197
	Resource-rich countries	199
	Small island nations	203

Countries with high youth unemployment	206
Formalizing economies	210
Aging societies	213
Question 6 A targeted investment climate?	217
Notes	223
References	225
7 Connected jobs agendas	232
Migration of workers	232
Migration of jobs	237
Question 7 Competing for jobs?	243
Notes	249
References	250
Part 3 Policies through the jobs lens	256
8 Labor policies revisited	258
Labor regulations: A “plateau” effect	260
Collective representation: New forms of voice	263
Active labor market programs: Effective within limits	267
Social insurance: The challenge of expanding coverage	272
Question 8 Protecting workers or protecting jobs?	277
Notes	281
References	284
9 Beyond labor policies	292
Establishing the fundamentals	293
Setting policy priorities for jobs	298
Diverse jobs agendas, diverse policy priorities	301
Connected jobs agendas: Global partnerships for jobs	305
Jobs are center stage, but where are the numbers?	311
Question 9 How to accelerate labor reallocation?	313
Notes	319
References	321
Appendixes	328
Glossary	329
Bibliographical note	332
Background papers and notes	334
Selected indicators	337
Index	381

Boxes

- | | | |
|------|---|-----|
| 1 | How does women's labor force participation increase? | 30 |
| 1.1 | The nature of work and leisure change as cities develop | 53 |
| 1.2 | Jobs bring earnings opportunities to women, but also new difficulties | 54 |
| 1.3 | The temporary staffing industry is growing in developing countries | 57 |
| 1.4 | Responses to the crisis went beyond income support for the unemployed | 62 |
| 1.5 | Few countries produce statistics on informality | 64 |
| 1.6 | Not all child work is child labor | 66 |
| 2.1 | There many dimensions of living standards and many ways to measure them | 77 |
| 2.2 | Most poor people work | 80 |
| 2.3 | The value of job attributes can be quantified through hedonic pricing | 83 |
| 2.4 | Work can pose risks to health and safety | 84 |
| 2.5 | The relationship between growth and employment is not mechanical | 88 |
| 2.6 | Korea went from a growth to a jobs strategy, and Singapore the other way around | 90 |
| 3.1 | What drives economic growth? | 99 |
| 3.2 | Microenterprises account for most job creation and destruction | 106 |
| 3.3 | Most microenterprises are in rural areas and engage in commerce | 110 |
| 3.4 | What explains the boom in the garment industry in Bangladesh? | 117 |
| 4.1 | What is social cohesion? | 128 |
| 4.2 | Do jobs cause trust? Analysis of Eurobarometer and Latinobarómetro Surveys | 132 |
| 4.3 | Displacement and unemployment can lead to the erosion of trust and ties | 133 |
| 4.4 | Jobs, motivation, and identity in Risaralda, Colombia | 134 |
| 4.5 | Voice can be extended to the self-employed: The case of SEWA | 135 |
| 4.6 | Some jobs connect people across ethnic boundaries | 136 |
| 4.7 | Measuring inequality of opportunities in access to jobs | 138 |
| 4.8 | Domestic workers: The journey to an ILO convention | 141 |
| 4.9 | From laws on the books to laws in action in Cambodia's garment sector | 142 |
| 4.10 | In post-conflict settings, well-designed programs reduce social tensions | 143 |
| 5.1 | Children do perilous work in artisanal gold mines in Mali | 155 |
| 5.2 | Compliance with core labor standards is partial | 157 |
| 5.3 | The concept of Decent Work and the Decent Work Agenda | 158 |
| 5.4 | Economics and the social sciences deal with spillovers from jobs, under different names | 160 |
| 5.5 | Several data sources can be used to quantify the development payoffs from jobs | 163 |
| 5.6 | International definitions of green jobs can be too narrow for developing countries | 170 |
| 5.7 | How skills are formed, and how they can be measured | 175 |
| 5.8 | Manpower planning has given way to dynamic skills development | 177 |
| 6.1 | Can agrarian Ethiopia compete in manufacturing? | 194 |
| 6.2 | Conflict can increase labor force participation among women | 194 |
| 6.3 | Solving jobs challenges is urgent in South Sudan | 195 |
| 6.4 | Development pessimism about Bangladesh was understandable, but has been proven wrong | 197 |
| 6.5 | The entrepreneurs of Bangladesh are local | 198 |
| 6.6 | Landowner companies can build capacity while spreading the wealth | 203 |
| 6.7 | The debate on how to reduce informality is intense in Mexico | 212 |
| 6.8 | In Ukraine, the impact of aging is compounded by migration and declining fertility | 216 |
| 6.9 | Once again, the debate rages over industrial policy | 218 |
| 6.10 | Caution is needed when interpreting results from enterprise surveys | 219 |
| 6.11 | Special economic zones have a mixed record | 221 |
| 7.1 | Why do multinationals locate where they do? | 240 |
| 7.2 | E-links create job opportunities in developing countries, but the scale is still modest | 240 |
| 7.3 | Globalization is often viewed as jobs migrating abroad | 244 |
| 8.1 | Employment protection legislation covers more than firing rules | 260 |
| 8.2 | Are bargaining councils the cause of unemployment in South Africa? | 265 |
| 8.3 | New forms of collective bargaining are emerging in China | 266 |
| 8.4 | <i>Recicladores</i> forced changes in Bogotá's solid waste management policies | 267 |
| 8.5 | E-links to jobs: New technologies open new frontiers | 268 |
| 8.6 | The Mahatma Gandhi National Rural Employment Guarantee Act launched the biggest public works program in the world | 271 |
| 8.7 | Modern technology can reduce social protection costs, leakage, and corruption | 276 |

- 8.8 *Kurzarbeit* has become a new word in labor market policies 280
- 9.1 How does women's labor force participation increase? 300
- 9.2 There have been successes in tackling jobs challenges around the world 302
- 9.3 Improving business practices facilitates compliance with labor standards 307
- 9.4 Knowledge gaps on jobs and development chart the research agenda 312
- 9.5 China's *hukou* system has been partially liberalized 315

Figures

- 1 A job does not always come with a wage 5
- 2 Among youth, unemployment is not always the issue 6
- 3 In China, employment growth is led by the private sector 8
- 4 Jobs are transformational 8
- 5 Jobs provide higher earnings and benefits as countries grow 9
- 6 Jobs account for much of the decline in extreme poverty 10
- 7 Simultaneous job creation and destruction characterize all economies 11
- 8 Larger firms pay higher wages 12
- 9 The employment share of microenterprises is greater in developing countries 13
- 10 People who are unemployed, or do not have motivating jobs, participate less in society 14
- 11 Views on preferred jobs and most important jobs differ 16
- 12 Some jobs do more for development 17
- 13 The individual and social values of jobs can differ 17
- 14 Good jobs for development are not the same everywhere 20
- 15 Manufacturing jobs have migrated away from high-income countries 22
- 16 Three distinct layers of policies are needed 23
- 17 Finance and electricity are among the top constraints faced by formal private enterprises 24
- 18 Combining work and training increases the success rates of programs 27
- 19 A decision tree can help set policy priorities 28
- 20 Which countries succeeded at addressing their jobs challenges and how? 32
- 1.1 A job does not always come with a wage 50
- 1.2 Among youth, unemployment is not always the issue 51
- 1.3 Employment growth is needed to cope with population growth 52
- 1.4 Moving from farms to cities does not always bring economic growth 53
- 1.5 Labor productivity remains low in developing countries 55
- 1.6 The skills mix changes with economic development 56
- 1.7 Jobs provide higher earnings and benefits as countries grow 57
- 1.8 Wages in developing countries are catching up 59
- 1.9 Returns to education are higher in poorer countries 60
- 1.10 In China, employment growth is led by the private sector 60
- 1.11 In developing countries, the crisis affected earnings more than employment 61
- 1.12 A majority of countries have ratified the core labor standards 65
- 2.1 Working hours vary across ages 78
- 2.2 Women spend more time in activities not directly generating income 79
- 2.3 Jobs are the most important source of household income 80
- 2.4 Jobs take households out of poverty, especially in developing countries 81
- 2.5 Jobs account for much of the decline in extreme poverty 82
- 2.6 Workers often care more about job security than about income 85
- 2.7 Life satisfaction is lower among farmers and the unemployed 86
- 3.1 Economic growth does not occur at the expense of jobs in the medium term 99
- 3.2 Simultaneous job creation and destruction characterize all economies 100
- 3.3 Labor reallocation across sectors was a driver of productivity growth in East Asia 101
- 3.4 Efficiency gains at the firm level are the main driver of productivity growth 102
- 3.5 Efficiency gains and employment growth can go together 103
- 3.6 Smallholder farming is dominant outside Latin America 104
- 3.7 The employment share of microenterprises is greater in developing countries 105
- 3.8 Crop yields have diverged vastly across regions 107
- 3.9 The dispersion of productivity in manufacturing is greater in developing countries 108

3.10	Large firms tend to perform better and to pay better than small ones	109	6.4	Migration matters for small island nations, even more so in the Pacific	205
3.11	Young firms are more likely than old ones to engage in innovative activities	109	6.5	Youth unemployment rates are extremely high in some countries	207
3.12	Surviving firms were born larger and grew less in Ghana than in Portugal	111	6.6	Having higher education does not bring better employment chances in Tunisia	208
3.13	The majority of firms grew little in India and Mexico	112	6.7	Labor regulation may not be the biggest obstacle to formalization	211
3.14	Some among the self-employed have the potential to become successful entrepreneurs	115	6.8	The labor force will shrink if age-specific participation rates remain constant	214
3.15	Management scores vary widely across small enterprises in Sub-Saharan Africa	116	6.9	Labor productivity has to increase to avoid declines in living standards	215
4.1	Trust and civic engagement go together with peaceful collective decision making	129	6.10	The assessment of constraints to business varies across enterprises	220
4.2	People who are unemployed trust and participate less	130	7.1	Manufacturing jobs have migrated away from high-income countries	238
4.3	People with motivating jobs trust and participate more	131	7.2	The global number of manufacturing jobs has not varied much	239
4.4	Having a job means more community participation in Indonesia	132	7.3	Policies for jobs may or may not harm other countries	247
4.5	Inequality of job opportunities varies across countries	139	8.1	The mix of labor policies and institutions varies across countries	259
5.1	Views on preferred jobs and most important jobs differ	159	8.2	The coverage of collective bargaining is low in developing countries	264
5.2	Some jobs do more for development	160	8.3	Combining work and training increases the success rates of programs	269
5.3	The individual and social values of jobs can differ	162	8.4	In Romania, public works programs have the lowest placement rate and highest placement costs	272
5.4	Some earnings gaps decrease with the level of development; some do not	165	8.5	Labor taxes and social contributions vary across different countries facing different job challenges	275
5.5	A higher women's share of household income raises food expenditures in the Republic of Congo	166	8.6	Workers are willing to give up earnings for access to health insurance and pensions	275
5.6	Who gets the jobs matters for poverty reduction in Bulgaria and Latvia	166	8.7	Decoupling between job creation and job destruction was massive in the United States during recessions	278
5.7	Agglomeration effects vary across industrial sectors in Taiwan, China	167	9.1	Three distinct layers of policies are needed	293
5.8	Knowledge spillovers from foreign direct investment increase domestic productivity	168	9.2	Finance and electricity are among the top constraints faced by formal private enterprises	295
5.9	High emissions per worker can go hand in hand with low emissions per unit of output	169	9.3	The rule of law is associated with development	297
5.10	Proximity of garment factories stimulates schooling among young girls in Bangladesh	171	9.4	A decision tree can help set policy priorities	299
5.11	Not all jobs provide social identity, networks, or a sense of fairness	172	9.5	Chile reduced its dependence on mineral exports	304
5.12	Gender and father's education account for a large share of inequality of opportunity in access to jobs	173	9.6	Unemployment rates for youth have fallen in Slovenia	305
5.13	Relative to other obstacles, skills have become more severe constraint to business	175	9.7	Offers to liberalize services are generally modest	309
6.1	In the absence of a Green Revolution, poverty remains high in agrarian economies	192	9.8	Is there a "missing middle" in the distribution of manufacturing firms in India?	314
6.2	Instability and poor infrastructure are severe constraints on business in conflict-affected countries	196	9.9	Export processing zones were a driver of foreign direct investment in Sri Lanka	316
6.3	Small island nations are located far away from economic centers	204	9.10	Restrictions to <i>hukou</i> conversion increase with city size and income	317

Maps

- 1 Only in some countries are migrants a substantial share of the population 21
- 3.1 Manufacturing activities are sprawling out of the main urban centers in the Republic of Korea 102
- 7.1 Only in some countries are migrants a substantial share of the population 233
- 7.2 Many migrants are highly skilled 235
- 8.1 Coverage of social insurance remains low in many countries 274

Tables

- 3.1 Few small firms grew in Mexico 113
- 6.1 Projects in extractive industries are capital intensive and create few jobs 200
- 6.2 Cities in resource-rich developing countries are among the most expensive in the world 201
- 8.1 There is a wave of new empirical evidence on the impacts of EPL 261
- 8.2 The impacts of minimum wages are a favorite research topic in labor economics 262

Foreword

Today, jobs are a critical concern across the globe—for policy makers, the business community, and the billions of men and women striving to provide for their families.

As the world struggles to emerge from the global crisis, some 200 million people—including 75 million under the age of 25—are unemployed. Many millions more, most of them women, find themselves shut out of the labor force altogether. Looking forward, over the next 15 years an additional 600 million new jobs will be needed to absorb burgeoning working-age populations, mainly in Asia and Sub-Saharan Africa.

Meanwhile, almost half of all workers in developing countries are engaged in small-scale farming or self-employment, jobs that typically do not come with a steady paycheck and benefits. The problem for most poor people in these countries is not the lack of a job or too few hours of work; many hold more than one job and work long hours. Yet, too often, they are not earning enough to secure a better future for themselves and their children, and at times they are working in unsafe conditions and without the protection of their basic rights.

Jobs are instrumental to achieving economic and social development. Beyond their critical importance for individual well-being, they lie at the heart of many broader societal objectives, such as poverty reduction, economy-wide productivity growth, and social cohesion. The development payoffs from jobs include acquiring skills, empowering women, and stabilizing post-conflict societies. Jobs that contribute to these broader goals are valuable not only for those who hold them but for society as a whole: they are good jobs for development.

The *World Development Report 2013* takes the centrality of jobs in the development process as its starting point and challenges and reframes how we think about work. Adopting a cross-sectoral and multidisciplinary approach, the Report looks at why some jobs do more for development than others. The Report finds that the jobs with the greatest development payoffs are those that make cities function better, connect the economy to global markets, protect the environment, foster trust and civic engagement, or reduce poverty. Critically, these jobs are not only found in the formal sector; depending on the country context, informal jobs can also be transformational.

Building on this framework, the Report tackles some of the most pressing questions policy makers are asking right now: Should countries design their development strategies around growth or focus on jobs? Are there situations where the focus should be on protecting jobs as opposed to protecting workers? Which needs to come first in the development process—creating jobs or building skills?

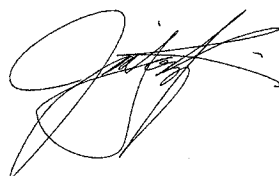
The private sector is the key engine of job creation, accounting for 90 percent of all jobs in the developing world. But governments play a vital role by ensuring that the conditions are in place for strong private sector-led growth and by alleviating the constraints that hinder the private sector from creating good jobs for development.

The Report advances a three-stage approach to help governments meet these objectives. First, policy fundamentals—including macroeconomic stability, an enabling business environment, investments in human capital, and the rule of law—are essential for both growth and job creation. Second, well-designed labor policies can help ensure that growth translates into employment opportunities, but they need to be complemented by a broader approach to job creation that looks beyond the labor market. Third, governments should strategically identify

which jobs would do the most for development given their specific country context, and remove or offset the obstacles that prevent the private sector from creating more of those jobs.

In today's global economy, the world of work is rapidly evolving. Demographic shifts, technological progress, and the lasting effects of the international financial crisis are reshaping the employment landscape in countries around the world. Countries that successfully adapt to these changes and meet their jobs challenges can achieve dramatic gains in living standards, productivity growth, and more cohesive societies. Those that do not will miss out on the transformational effects of economic and social development.

The *World Development Report 2013* is an important contribution to our collective understanding of the role of jobs in development. Its insights will provide valuable guidance for the World Bank Group as we collaborate with partners and clients to advance their jobs agendas. Working together, we can foster job creation and maximize the development impact of jobs.

A handwritten signature in black ink, appearing to read 'Jim Yong Kim', with a large, stylized flourish at the end.

Jim Yong Kim
President
The World Bank Group

Acknowledgments

This Report was prepared by a team led by Martín Rama, together with Kathleen Beegle and Jesko Hentschel. The other members of the core team were Gordon Betcherman, Samuel Freije-Rodriguez, Yue Li, Claudio E. Montenegro, Keiji Otsuka, and Dena Ringold. Research analysts Thomas Bowen, Virgilio Galdo, Jimena Luna, Cathrine Machingauta, Daniel Palazov, Anca Bogdana Rusu, Junko Sekine, and Alexander Skinner completed the team. Additional research support was provided by Mehtabul Azam, Nadia Selim, and Faiyaz Talukdar. The team benefited from continuous engagement with Mary Hallward-Driemeier, Roland Michelitsch, and Patti Petesch.

The Report was cosponsored by the Development Economics Vice Presidency (DEC) and the Human Development Network (HDN). Overall guidance for the preparation of the Report was provided by Justin Lin, former Senior Vice President and Chief Economist, Development Economics; Martin Ravallion, acting Senior Vice President and Chief Economist, Development Economics; and Tamar Manuelyan-Atinc, Vice President and Head of the Human Development Network. Asli Demirgüç-Kunt, Director for Development Policy, oversaw the preparation process, together with Arup Banerji, Director for Social Protection and Labor.

Former World Bank President Robert B. Zoellick, President Jim Yong Kim, and Managing Directors Caroline Anstey and Mahmoud Mohieldin provided invaluable insights during the preparation process. Executive Directors and their offices also engaged constructively through various meetings and workshops.

An advisory panel, comprising George Akerlof, Ernest Aryeetey, Ragui Assaad, Ela Bhatt, Cai Fang, John Haltiwanger, Ravi Kanbur, Gordana Matković, and Ricardo Paes de Barros, contributed rich analytical inputs and feedback throughout the process.

Seven country case studies informed the preparation of the Report. The case study for Bangladesh was led by Binayak Sen and Mahabub Hossain, with Yasuyuki Sawada. Nelly Aguilera, Angel Calderón Madrid, Mercedes González de la Rocha, Gabriel Martínez, Eduardo Rodríguez-Oreggia, and Héctor Villarreal participated in Mexico's case study. The study for Mozambique was led by Finn Tarp, with Channing Arndt, Antonio Cruz, Sam Jones, and Fausto Mafambisse. For Papua New Guinea, Colin Filer and Marjorie Andrew coordinated the research. The South Sudan study was led by Lual Deng, together with Nada Eissa. AbdelRahmen El Lahga coordinated the Tunisian work, with the participation of Ines Bouassida, Mohamed Ali Marouani, Ben Ayed Mouelhi Rim, Abdelwahab Ben Hafaiedh, and Fathi Elachhab. Finally, Olga Kupets, Svitlana Babenko, and Volodymyr Vakhitov conducted the study for Ukraine.

The team would like to acknowledge the generous support for the preparation of the Report by the Government of Norway through its Ministry of Foreign Affairs, the multi-donor Knowledge for Change Program (KCP II), the Nordic Trust Fund, the Government of Denmark through its Royal Ministry of Foreign Affairs, the Swiss State Secretariat for Economic Affairs (SECO), the Canadian International Development Agency (CIDA), the Government of Sweden through its Ministry for Foreign Affairs, and the Government of Japan

through its Policy and Human Resource Development program. The German Ministry for Economic Cooperation and Development Cooperation (BMZ) through the German Agency for International Cooperation (GIZ) organized a development forum that brought together leading researchers from around the world in Berlin.

Generous support was also received for the country case studies by the Australian Agency for International Development (AusAID), Canada's International Development Research Centre (IDRC), the Government of Denmark through its Royal Ministry of Foreign Affairs, the Japan International Cooperation Agency (JICA) through the JICA Institute, and the United Nations University World Institute for Development Economics Research (UNU-WIDER). The United Kingdom's Overseas Development Institute (ODI) assisted the team through the organization of seminars and workshops.

A special recognition goes to the International Labour Organization (ILO) for its continued engagement with the team. José Manuel Salazar-Xiriñachs and Duncan Campbell coordinated this process, with the participation of numerous colleagues from the ILO. Interagency consultations were held with the International Monetary Fund (IMF), the Organisation for Economic Co-operation and Development (OECD), and the United Nations Economic and Social Council (ECOSOC). The team also benefited from an ongoing dialogue with the International Trade Union Confederation (ITUC).

Country consultations were conducted in Bangladesh, Canada, China, Denmark, Finland, France, Germany, India, Japan, the Republic of Korea, Mexico, Mozambique, Norway, Papua New Guinea, Singapore, Sweden, Switzerland, Tunisia, Turkey, Ukraine, and the United Kingdom. All consultations involved senior government officials. Most included academics, business representatives, trade union leaders, and members of civil society. In addition, bilateral meetings were held with senior government officials from Australia, the Netherlands, South Africa, and Spain.

Consultations with researchers and academics were arranged with the help of the African Economic Research Consortium (AERC) in Kenya, the Economic Research Forum (ERF) in the Arab Republic of Egypt, and the Latin American and Caribbean Economic Association (LACEA) in Chile. The Institute for the Study of Labor (IZA) organized special workshops with its research network in Germany and Turkey, coordinated by Klaus Zimmermann. Forskningsstiftelsen Fafo in Norway undertook a household survey in four countries, which this Report draws on.

The production of the Report and the logistics supporting it were assured by Brónagh Murphy, Mihaela Stangu, Jason Victor, and Cécile Wodon, with a contribution by Quỳn Thúy Đình. Ivar Cederholm coordinated resource mobilization. Irina Sergeeva and Sonia Joseph were in charge of resource management. Martha Gottron, Bruce Ross-Larson, Gerry Quinn, and Robert Zimmermann participated in the editing of the Report. The Development Data Group, coordinated by Johan Mistiaen, contributed to the preparation of its statistical annex.

The Office of the Publisher coordinated the design, typesetting, printing, and dissemination of both the hard and soft versions of the Report. Special thanks go to Mary Fisk, Stephen McGroarty, Santiago Pombo-Bejarano, Nancy Lammers, Stephen Pazdan, Denise Bergeron, Andres Meneses, Theresa Cooke, Shana Wagger, Jose De Buerba, and Mario Trubiano, as well as to the Translations and Interpretation Unit's Cecile Jannotin and Bouchra Belfqih.

The team also thanks Vivian Hon, as well as Claudia Sepúlveda, for their coordinating role; Merrell Tuck-Primdahl for her guidance on communication; Vamsee Krishna Kanchi and Swati P. Mishra for their support with the website; Gerry Herman for his help with the preparation of the movie series associated with the Report; and Gytis Kanchas, Nacer Mohamed Megherbi, and Jean-Pierre S. Djomalieu for information technology support.

Many others inside and outside the World Bank contributed with comments and inputs. Their names are listed in the Bibliographical Note.

Abbreviations and data notes

ABBREVIATIONS

ADB	Asian Development Bank
ALMP	active labor market program
ARB	Asociación de Recicladores de Bogotá (Bogotá Association of Recyclers)
BPO	business process outsourcing
CAFTA	Central America Free Trade Agreement
CASEN	La Encuesta de Caracterización Socioeconómica Nacional (Chile National Socioeconomic Characterization)
CIRAD	Centre de coopération internationale en recherche agronomique pour le développement (Center for International Cooperation in Agronomic Research for Development)
CFA	Committee on Freedom of Association
COSATU	Confederation of South African Trade Unions
CSR	corporate social responsibility
ECLAC	Economic Commission for Latin America and the Caribbean
ECOSOC	United Nations Economic and Social Council
EMBRAPA	Empresa Brasileira de Pesquisa Agropecuária (Brazilian Enterprise for Agricultural Research)
EPL	employment protection legislation
EPZ	export processing zone
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FAFO	Forskningsstiftelsen Fafo (Fafo Research Foundation)
FDI	foreign direct investment
FACB	freedom of association and collective bargaining
GATT	General Agreement on Tariffs and Trade
GATS	General Agreement on Trade in Services
GDP	gross domestic product
GNP	gross national product
HOI	Human Opportunity Index
I2D2	International Income Distribution Database
IC	Industrial Council
ICLS	International Conference of Labour Statisticians
ICTWSS	Institutional Characteristics of Trade Unions, Wage Setting, State Intervention and Social Pacts
IDA	Industrial Disputes Act (India)
IDRC	International Development Research Center
IEA	International Energy Agency
IFC	International Finance Corporation

IFPRI	International Food Policy Research Institute
ILO	International Labour Organization
IMF	International Monetary Fund
IPCC	International Panel on Climate Change
ISSP	International Social Survey Programme
IT	information technology
IZA	Forschungsinstitut zur Zukunft der Arbeit (Institute for the Study of Labor)
KILM	Key Indicators of the Labor Market
KUT	Korea University of Technology and Education
MDG	Millennium Development Goal
MERCOSUR	Mercado Común del Sur (Southern Cone Common Market)
MFA	Multi-Fiber Arrangement
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MIS	Management Information System
NASSCOM	National Association of Software and Service Companies
NEET	not in education, employment, or training
NGO	nongovernmental organization
ODI	Overseas Development Institute
OECD	Organisation for Economic Co-operation and Development
PISA	Programme for International Student Assessment
PPP	purchasing power parity
R&D	research and development
SEWA	Self Employed Women's Association
SEZ	special economic zone
SME	small and medium enterprise
SNA	System of National Accounts
SOE	state-owned enterprise
TEWA	Termination of Employment of Workmen Act
TFP	total factor productivity
TVE	technical and vocational education
UN	United Nations
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission of Europe
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
WDR	World Development Report
WTO	World Trade Organization
WIEGO	Women in Informal Employment: Globalizing and Organizing

DATA NOTES

The use of the word *countries* to refer to economies implies no judgment by the World Bank about the legal or other status of territory. The term *developing countries* includes low- and middle-income economies and thus may include economies in transition from central planning, as a matter of convenience. Dollar figures are current U.S. dollars, unless otherwise specified. *Billion* means 1,000 million; *trillion* means 1,000 billion.

