



IZA



Conference Program

Fourth IZA/World Bank Conference
Employment and Development

Bonn | May 4 – 5, 2009 | Deutsche Post DHL

ORGANIZING COMMITTEE

Randall K.Q. Akee (IZA)
Rita K. Almeida (The World Bank and IZA)
Jean Fares (The World Bank)
Markus Frölich (University of Mannheim and IZA)
Robert Holzmann (The World Bank and IZA)
Stefano Scarpetta (OECD and IZA)
Klaus F. Zimmermann (IZA, University of Bonn and DIW Berlin)

SCIENTIFIC COMMITTEE

Randall K.Q. Akee (IZA)
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Carmen Pages (IADB and IZA)
Stefano Scarpetta (OECD and IZA)

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1. About the Conference

Recent economic and social transformations have put developing countries on higher and more sustainable growth paths. In too many cases, however, poor labor market conditions still lead to high unemployment, poor working conditions, low wages and increased inequality and exclusion. Labor is often the only asset of the poor and a growth process that is not associated with job creation may therefore fail to reduce poverty. A well functioning labor market can be key for an environment where new firms are created and private agents find the proper incentives to invest and innovate. Sound labor policies that promote the creation of more and better jobs are needed to guarantee the success of structural reforms, to maintain the social support for those reforms, and to ensure that the benefits are widely distributed. Achieving these targets is crucial to an effective implementation of poverty-reduction strategies and, hence, progress towards the Millennium Development Goals.

Against this background, the World Bank has developed a proposal for operationally-oriented research program on “Labor Market, Job Creation and Growth”. The proposal has been advanced in discussions with the research community, other international organizations (such as ILO) and bilateral aid organizations in Europe, America and Asia. To move the proposed research agenda forward, IZA and the World Bank have launched a new IZA research area on Employment and Development in 2006. This program aims to assist the international research community in addressing research priorities related to employment and development, including those identified by the World Bank:

- I) Diagnosis of labor market conditions and vulnerability in middle and low income countries;
- II) Links between the business environment, labor demand and poverty reduction;
- III) Benefits/costs of structural reforms and globalization for workers;
- IV) Causes and consequences of formality and informality;
- V) Effects of labor market policy and institutions;
- VI) Best practices in skills development and skills upgrading;
- VII) International migration and labor markets in origin and host countries.

The Fourth IZA / World Bank Employment and Development Conference in Bonn follows up on three previous conferences held in Berlin, Bonn and Skhirat, Morocco. Our intent is to provide an opportunity for development economists and policymakers to interact and comment on important development issues. We strive to bridge these two communities in hopes of improving both research and policymaking for labor markets in developing countries. We are very pleased to welcome you all to Bonn and look forward to an exciting and lively conference.



2. Program

Monday, May 4

09:00 – 09:30

Opening Remarks

Robert Holzmann

(Director, Human Development Network, The World Bank, USA and IZA)

Ingrid-Gabriela Hoven

(Head of Directorate-General 2, Federal Ministry for Economic Cooperation and Development, Germany)

Klaus F. Zimmermann

(Director IZA, University of Bonn and DIW Berlin, Germany)

09:30 – 10:30

Keynote Address

Introduction: Klaus F. Zimmermann

(Director IZA, University of Bonn and DIW Berlin, Germany)

Santiago Levy Algazi

(Vice President for Sectors and Knowledge, Inter-American Development Bank, USA)

10:45 – 12:15

Parallel Sessions I

Session I.1

Gender Differences and Discrimination

10:45 – 11:15

“Decomposing Gender and Ethnic Earnings Gaps in Seven West African Cities”

Anne-Sophie Robilliard (IRD, DIAL, Dakar, Senegal)

Christophe Nordman (IRD, DIAL, Paris, France)

Francois Roubaud (IRD, DIAL, Hanoi, Vietnam)

11:15 – 11:45 *“Female Participation in the Labour Market and Government Policy in Kenya: Implications for Poverty Reduction”*
Rosemary Atieno (University of Nairobi, Kenya)

11:45 – 12:15 *“Caste Based Discrimination: Evidence and Policy”*
Zahra Siddique (IZA, Germany)

Session I.2 **Trade and Development**

10:45 – 11:05 *“Firm Dynamics, Job Turnover, and Wage Distributions in an Open Economy”*
A. Kerem Cosar (Pennsylvania State University, USA)
Nezih Guner (Universidad Carlos III de Madrid, Spain)
James Tybout (Pennsylvania State University, USA)

11:05 – 11:25 *“Trade and Technology: Decomposing the Rise of the Skill Premium in the Colombian Manufacturing Sector”*
Catalina Gutierrez (The World Bank, USA)

11:25 – 11:45 *“Trade Openness and the Demand for Skills: Evidence from Turkish Microdata”*
Elena Meschi (University of London, UK)
Erol Taymaz (Middle East Technical University, Ankara, Turkey)
Marco Vivarelli (Università Cattolica del Sacro Cuore, Italy and IZA)

11:45 – 12:05 *“Trade Reforms and Market Selection: Evidence from Manufacturing Plants in Colombia”*
Adriana Kugler (University of Houston, USA and IZA)
Marcela Eslava (Universidad de Los Andes, Colombia)
John Haltiwanger (University of Maryland, USA and IZA)
Maurice Kugler (Wilfrid Laurier University, Canada)

Session I.3 **Job Training and Segregation**

10:45 – 11:15 *“Gender Segregation in the Workplace and Wage Gaps: Evidence from Urban Mexico 1994-2004”*
Sebastian Calonico (University of Michigan, USA)
Hugo Nopo (Inter-American Development Bank, USA and IZA)

11:15 – 11:45 *“Is it Worthwhile to Finish?: Job-Training Programs and Low Completion Rate: the Case of Projoven-Peru”*
Henry Espinoza (Maastricht University, The Netherlands)
Hans Heijke (Maastricht University, The Netherlands)
Denis de Crombrughe (Maastricht University, The Netherlands)

11:45 – 12:15 *“The Labor Market Effects of Vocational Education in Indonesia”*
David Newhouse (The World Bank, USA)
Daniel Suryadarma (Australian National University, Australia)
Daan Pattinasarany (The World Bank, USA)

Session I.4 Occupation Choice and Labor Market Effect's of Migration

10:45 – 11:15 *“The Impact of International Migration and Remittances on Domestic Labor Markets: Evidence from Egypt”*
Christine Binzel (DIW Berlin, Germany)
 Ragui Assaad (University of Minnesota, USA)

11:15 – 11:45 *“Moving Up the Ladder? The Impact of Migration Experience on Occupational Mobility in Albania”*
Talip Kilic (The World Bank, USA)
 Calogero Carletto (The World Bank, USA)

11:45 – 12:15 *“Occupational Choice of Return Migrants in Albania”*
Matloob Piracha (University of Kent, UK and IZA)
 Florin Vadean (University of Kent, UK)

Session I.5 Fertility, Gender and Labor Supply

10:45 – 11:30 *“Time Allocation, Gender and Norms: Evidence from Post-Genocide Rwanda”*
Kati Schindler (DIW Berlin, Germany)

11:30 – 12:15 *“Gender and Ethnicity in Post-Conflict Kosovo”*
Myeong-Su Yun (Tulane University, USA and IZA)
 Sumon Kumar Bhaumik (Brunel University, UK and IZA)
 Ira N. Gang (Rutgers University, USA and IZA)

12:30 – 13:30 Lunch

13:30 – 15:00 Parallel Sessions II

Session II.1 Entrepreneurship and Training in Developing Countries

13:30 – 14:15 *“Investment Climate and Firms-Employment and Training Decisions: Evidence from Matched Employer-Employee Data”*
Joana Silva (The World Bank, USA)
 Jean Fares (The World Bank, USA and IZA)

14:15 – 15:00 *“Building for the Seventh Generation: Using Entrepreneurship Education to Reduce Poverty and Improve Economic Opportunities for American Indian Youth”*
Kristen Wagner (Washington University in St. Louis, USA)

Session II.2

Labor Supply and Marriage

- 13:30 – 14:00 *“Estimating the Impact of China’s Segregation Policy on Marriage Mixing: Identification Based upon Differences-in-Differences”*
Li Han (Stanford University, USA)
Tao Li (Peking University, People’s Republic of China)
Yaohui Zhao (Peking University, People’s Republic of China)
- 14:00 – 14:30 *“Testing the Inverseness of Fertility and Labor Supply: The Case of Ethiopia”*
Jean Kimmel (Western Michigan University, USA and IZA)
Blen Solomon (Grand Valley State University, USA)
- 14:30 – 15:00 *“Pathways to Marriage in Egypt: How the Timing of Marriage for Young Men is Affected by their Labor Market Trajectory”*
Christine Binzel (DIW Berlin, Germany)
Ragui Assaad (University of Minnesota, USA)

Session II.3

Informal Sector in Developing Countries I

- 13:30 – 14:00 *“The Informal Sector, Minimum Wages, and Enforcement: New Evidence for Brazil”*
Katherine Terrell (University of Michigan, USA and IZA)
Brooke Helppie (University of Michigan, USA)
- 14:00 – 14:30 *“Distress Work Amongst Women? Evidence from 66 Developing Countries on Women’s Work as Insurance”*
Sonia Bhalotra (University of Bristol, UK)
Marcela Umana-Aponte (University of Bristol, UK)
- 14:30 – 15:00 *“Is Informality a Good Measure of Job Quality? Evidence from Job Satisfaction Data”*
Carmen Pages (Inter-American Development Bank, USA and IZA)
Lucia Madrigal (Inter-American Development Bank, USA)

Session II.4

Transition Economies and Labor Mobility

- 13:30 – 14:15 *“Regulation, Allocative Efficiency and Productivity in OECD Countries: Industry and Firm Level Evidence”*
Stefano Scarpetta (OECD, France and IZA)
Jens Arnold (OECD, France)
Giuseppe Nicoletti (OECD, France)
- 14:15 – 15:00 *“Understanding Unemployment Duration and Labor Mobility in Argentina: A Socioeconomic-Based Pre- and Post-Crisis Analysis”*
Gustavo J. Canavire-Bacarreza (Georgia State University, USA and IZA)
Luis Fernando Lima Soria (CEDLAS-Universidad de la Plata, Argentina)

Session II.5

Seasonal and Domestic Migration

13:30 – 14:15

“Internal Migration, Selection Bias and Regional Returns to Schooling in Brazil”

Viviane M. Bastos (Universidad de Santiago de Chile, Chile)

Eduardo P. Ribeiro (Universidade Federal do Rio de Janeiro, Brazil)

14:15 – 15:00

“Seasonal Migration and Effectiveness of Micro-Credit in Lean Period: Evidence from Bangladesh”

Abu Shonchoy (University of New South Wales, Australia)

15:00 – 15:30

Coffee Break

15:30 – 17:00

Parallel Sessions III

Session III.1

Health and Development

15:30 – 16:00

“Health Outcomes of Children in Northern Uganda: Does Current IDP Status Matter?”

Carlos Bozzoli (DIW Berlin, Germany)

Tilman Brück (DIW Berlin, Germany and IZA)

16:00 – 16:30

“Disability Screening and Labor Supply: Evidence from South Africa”

Sophie Mitra (Fordham University, USA)

16:30 – 17:00

“Public Service and Selection:

Unravelling the Role of Health Worker Motivation”

Pieter Serneels (University of East Anglia, UK)

Jose Montalvo (University Pompeu Fabra, Barcelona, Spain)

Magnus Lindelow (The World Bank, USA)

Session III.2

Inequality and Networks in Developing Countries

15:30 – 16:00

“Ethnic Networks, Wages and Productivity in African Firms: Evidence from Ghana”

Mario Piacentini (University of Geneva, Switzerland)

Cağlar Ozden (The World Bank, USA)

16:00 – 16:30

“Unemployment in South Africa: Descriptors and Determinants”

Haroon Borat (University of Cape Town, South Africa)

16:30 – 17:00

“Understanding Earnings in Low and Middle Income Countries: Re-Assessing Inequality and Low Earnings”

Paul Cichello (The World Bank, USA)

Session III.3

OECD Special Invited Session Informal Employment and the Crisis

Chair: Johannes Jütting (OECD Development Center, France)

15:30 – 17:00

Discussion:

“Is Informal Normal?”

Towards More and Better Jobs in Developing Countries”

Juan R. de Laiglesia (OECD, France)

“Enhancing Competitiveness or Easing Regulations?”

Priorities in Dealing with Informality”

Markus Loewe (German Development Institut)

“Labour Market Regulation and/or Social Protection in Times of Crisis”

Carmen Pages (Inter-American Development Bank, USA and IZA)

Session III.4

Unemployment Insurance in Developing Countries

15:30 – 16:15

“Individual Risk Factors and Unemployment Insurance: the Case of Chile”

Claudia Sanhueza (ILADES-Universidad Alberto Hurtado, Chile)

Jose Luis Castillo (ILADES-Universidad Alberto Hurtado, Chile)

16:15 – 17:00

“How Viable Are Unemployment Insurance Savings Accounts:

Simulation Results for Slovenia”

Milan Vodopivec (The World Bank, USA and IZA)

Session III.5

Conflict, Violence and Labor Markets

15:30 – 16:00

“Risk and Trust Attitudes, Locus of Control and WWII Destruction”

Mutlu Yuksel (IZA, Germany)

Mevlude Akbulut-Yuksel (University of Houston, USA and IZA)

Zhong Zhao (IZA, Germany)

16:00 – 16:30

*“Revisiting Chernobyl: The Long-Run Impact of the Nuclear Accident
on Labor Market Outcomes”*

Tetyana Zelenska (Georgia State University, USA)

Gustavo Javier Canavire-Bacarreza (Georgia State University,
USA and IZA)

16:30 – 17:00

“Inequality and Violent Conflict”

Marc Vothknecht (DIW Berlin, Germany)

Cagatay Bircan (University of Michigan, USA)

Tilman Brück (DIW Berlin, Germany and IZA)

18:00

Conference Dinner at Hotel Hilton

Tuesday, May 5

09:00 – 10:00

Keynote Address

Introduction: Markus Frölich (University of Mannheim, Germany and IZA)

Gary Fields (Cornell University, USA and IZA)

10:15 – 11:45

Parallel Sessions IV

Session IV.1

Informal Sector in Developing Countries II

10:15 – 10:45

“The Effect of Unemployment Insurance on Formal and Informal Sector Employment in Brazil”

David Margolis (Paris School of Economics, France and IZA)

10:45 – 11:15

“Formal Credit and Informal Jobs: Micro Evidence from Brazil”

Carmen Pages (Inter-American Development Bank, USA and IZA)

Luis Catao (Inter-American Development Bank, USA)

Maria Fernandes Rosales (University of Chicago, USA)

11:15 – 11:45

“The Formal Sector Wage Premium and Firm Size”

Frank Walsh (University College Dublin, Ireland)

Eliane Badaoui (THEMA - Université de Cergy-Pontoise, France)

Eric Strobl (Ecole Polytechnique, France and IZA)

Session IV.2

Training and the Returns to Education I

10:15 – 10:45

“Towards Comprehensive Training”

Olga Susana Puerto (Youth Employment Network (UN, ILO and The World Bank), USA)

Jean Fares (The World Bank, USA)

10:45 – 11:15

“Labour Market Outcomes and Human Capital Accumulation of Urban Migrants in Ethiopia”

Lorenzo Guarcello (University of Rome Tor Vergata, Italy)

Furio C. Rosati (University of Rome Tor Vergata, Italy and IZA)

Caterina Ruggeri Laderchi (The World Bank, USA)

11:15 – 11:45

“Return to Education and Education-Occupation Matching Within a Transition Economy”

Natalia Kyui (University Paris 1 - Pantheon Sorbonne, France)

Session IV.3

Child Labor and Household Economics

10:15 – 10:45

“Poverty Alleviation and Child Labor”

Eric V. Edmonds (Dartmouth College, USA and IZA)
Norbert Schady (The World Bank, USA)

10:45 – 11:15

*“The Effect of Access on the Demand for Girls Education:
Evidence from a Experiment in Afghanistan”*

Leigh Linden (Columbia University, USA and IZA)
Dana Burde (New York University, USA)

11:15 – 11:45

*“Doing Lots of Polychronic Nothing? Home Production, Overlapping
Occupations and Labour Market Participation in Tanzania”*

Sandu Cojocaru (University of Maryland, USA)
Caterina Ruggeri Laderchi (The World Bank, USA)

Session IV.4

Labor Market Participation and Wage Gaps in Informal Labor Markets

10:15 – 11:00

*“Risk Attitudes, Time Preferences and the Incidence of Informality
Among Ukrainian Workers”*

Melanie Khamis (IZA, Germany)
Thomas Dohmen (Maastricht University, The Netherlands and IZA)
Hartmut Lehmann (University of Bologna, Italy and IZA)

11:00 – 11:45

“The Informal Wage Gap: New Evidence Using Panel Data”

Olivier Bargain (University College Dublin, Ireland and IZA)
Prudence Kwenda (University College Dublin, Ireland)

Session IV.5

International Migration and Gender Differences

10:15 – 11:00

*“Brain Drain, Return Migration and South-South Migration:
Impact on Labor Market and Human Capital”*

Frederic Docquier (Catholic University of Louvain, Belgium)
Karin Mayr (University of Linz, Austria)
Mariapia Mendola (University of Milan Bicocca, Italy)

11:00 – 11:45

*“International Migration and Gender Differentials in the Home Labor
Market: Evidence from Albania”*

Mariapia Mendola (University of Milan Bicocca, Italy)
Gero Carletto (The World Bank, USA)

12:00 – 13:00

Lunch

13:00 – 14:30 Parallel Sessions V

Session V.1 Labor Market Policy and Institutions

13:00 – 13:30 *“Personal Opinions on the Social Security System and Informal Sector Participation: Evidence from Bulgaria”*
Valeria Perotti (University of Rome Tor Vergata, Italy)
 Maria Laura Sanchez Puerta (The World Bank, USA and IZA)

13:30 – 14:00 *“Transition Fatigue? Cross-Country Evidence from Micro Data”*
Anzelika Zaiceva (University of Bologna, Italy and IZA)
 Riccardo Rovelli (University of Bologna, Italy and IZA)

14:00 – 14:30 *“Institutions and Labor Market Outcomes in Sub-Saharan Africa”*
Louise Fox (The World Bank, USA)
 Ana Maria Oviedo (The World Bank, USA)

Session V.2 Employment Opportunities and Labor Contracts

13:00 – 13:30 *“Mind the Gap? A Rural-Urban Comparison of Manufacturing Firms”*
Bob Rijkers (The World Bank, USA)
 Josef Loening (The World Bank, USA)
 Mans Söderbom (University of Gothenburg, Sweden)

13:30 – 14:00 *“Employment and Wage Effects of Privatization: Evidence from Hungary, Romania, Russia, and Ukraine”*
John S. Earle (Upjohn Institute for Employment Research, USA and IZA)
 J. David Brown (Heriot-Watt University, Edinburgh, UK and IZA)
 Almos Telegdy (Central European University, Hungary)

14:00 – 14:30 *“Undocumented Worker Employment and Firm Survival”*
J. David Brown (Heriot-Watt University, Edinburgh, UK and IZA)
 Julie L. Hotchkiss (Federal Reserve Bank of Atlanta, USA)
 Myriam Quispe-Agnoli (Federal Reserve Bank of Atlanta, USA)

Session V.3 Poverty Reduction and the Demand for Skills

13:00 – 13:45 *“Poverty Impacts of Rural Electrification Programs: Evidence from Rural Rwanda”*
Jochen Kluge (RWI Essen, Germany and IZA)
 Gunther Bensch (RWI Essen, Germany)
 Jörg Peters (RWI Essen, Germany)

13:45 – 14:30 *“Labor Markets and Conditional Cash Transfers: Implications for Poverty Reduction”*
Pablo Ibarraran (Inter-American Development Bank, USA)

14:30 – 15:00 Coffee Break

15:00 – 16:30 Parallel Sessions VI

Session VI.1 Human Capital Decisions and Self-Reporting

15:00 – 15:45 *“How do Crises Affect Schooling Decisions? Evidence from Argentina”*
Florencia Lopez Boo (Inter-American Development Bank, USA)

15:45 – 16:30 *“Do Labor Statistics Depend on Who and How the Question was Asked? Results from a Randomized Survey Experiment in Tanzania”*
Andrew Dillon (International Food Policy Research Institute, USA)
Elena Bardasi (The World Bank, USA)
Kathleen Beegle (The World Bank, USA and IZA)
Pieter Serneels (University of East Anglia, UK)

Session VI.2 Training and the Returns to Education II

15:00 – 15:30 *“Understanding Low Average Returns to Education in Africa: The Role of Heterogeneity Across Education Levels and the Importance of Economic Reform.”*
Ruth Uwaifo Oyelere (Georgia Institute of Technology, USA and IZA)

15:30 – 16:00 *“Does the Workforce in East Asia Have the Right Skills? Evidence from Firm Level Surveys”*
Rita K. Almeida (The World Bank, USA and IZA)

16:00 – 16:30 *“Using Child Development Accounts to Divert Exploitive Child Labor Participation and Increase School Attendance in Developing Countries: A Case Study in Uganda”*
Jami Curley (Saint Louis University, USA)
Fred M. Ssewamala (Columbia University, USA)
Han Chang Keun (National University of Singapore, Singapore)

Session VI.3 Institutions in Developing Countries

15:00 – 15:30 *“Indonesia and Informality”*
Günther Schulze (University of Freiburg, Germany)
Neil McCulloch (University of Sussex, UK)
Janina Voss (University of Freiburg, Germany)

15:30 – 16:00 *“The Role of Institutions in Determining Formal-Informal Earnings Differentials: Panel Data Evidence from South Africa”*
Andrew Kerr (University of Oxford, UK)
Francis J. Teal (University of Oxford, UK and IZA)

16:00 – 16:30 *“Employment Vulnerability and Earnings in Urban West Africa”*
Christophe Nordman (IRD, DIAL, Paris, France)
Philippe Bocquier (University of the Witwatersrand, South Africa)
Aude Vescovo (AFRISTAT, Mali)

Session VI.4

Entrepreneurship and Firm Performance

15:00 – 15:30

“How do Female Entrepreneurs Perform?”

Shwetlena Sabarwal (The World Bank, USA)

Katherine Terrell (University of Michigan, USA and IZA)

15:30 – 16:00

“License to Sell: The Effect of Business Registration Reform on Entrepreneurial Activity in Mexico”

Miriam Bruhn (The World Bank, USA)

16:00 – 16:30

“Labour Contract and Performance of Cameroonian Firms”

Benjamin Fomba Kamga (University of Yaounde II-Soa, Cameroon and IZA)

16:45 – 18:00

Policy Panel

Effects of Financial and Economic Downturn in Labor Markets in Developing Countries

Chair: Stefano Scarpetta (OECD, France and IZA)

Invited Panelists:

Robert Holzmann (The World Bank, USA and IZA)

Santiago Levy Algazi (Inter-American Development Bank, USA)

Jan Svejnar (University of Michigan, USA and IZA)

End of Conference