

Pathways Out of Poverty

Private Firms and Economic Mobility in Developing Countries

Edited by
Gary S. Fields and Guy Pfeffermann



KLUWER ACADEMIC PUBLISHERS
Boston / Dordrecht / London

INTERNATIONAL FINANCE CORPORATION
World Bank Group

Contents

List of Contributors	I	ix
Preface: Peter Woicke		xv
Foreword: Nicholas Stern		xvii

PART I. THE ROLE OF THE PRIVATE SECTOR: STUDIES AND EVIDENCE

1. Reducing Poverty: The Overall Framework 3
CUY PFEFFERMANN AND GARY S. FIELDS
2. Escaping from Poverty: Household Income Dynamics in
Indonesia, South Africa, Spain, and Venezuela 13
GARY S. FIELDS, PAUL L. CICHELO, SAMUEL FREIJE, MARTA MENENDEZ,
AND DAVID NEWHOUSE
3. Long-term Economic Mobility and the Private Sector in
Developing Countries: New Evidence 35
GARY S. FIELDS AND WALTER S. BAGG
4. Informal Self-Employment: Poverty Trap or Decent Alternative? 65
WILLIAM F. MALONEY

PART II. THE PRIVATE SECTOR AT WORK: CASES FROM AROUND THE WORLD

5. Generating Upward Mobility: The Case of Korea and
Private Sector Development 85
SE-IL PARK
6. The Central Role of Entrepreneurs in Transition Economies 105
JOHN MCMILLAN AND CHRISTOPHER WOODRUFF
7. Opportunities off the Farm as a Springboard Out of Rural Poverty:
Five Decades of Development in an Indian Village 123
PETER LANJOUW AND NICHOLAS STERN
8. The Problem of African Entrepreneurial Development 155
TYLER BIGGS AND MANJU SHAH

PART III. THE BUSINESS ENVIRONMENT

9. The Firms Speak: What the World Business Environment Survey Tells Us about Constraints on Private Sector Development 193

GEETA BATRA, DANIEL KAUFMANN, AND ANDREW H.W. STONE

10. Obstacles Facing Smaller Business in Developing Countries 215

BEATRICE WEDER

PART IV. PUBLIC POLICY AND PUBLIC ATTITUDES

11. Bringing SMEs into Global Markets 229

KRIS HALLBERG AND YASUO KONISHI

12. The Role of Government in Enhancing Opportunity for the Poor: Economic Mobility, Public Attitudes, and Public Policy 247

CAROL GRAHAM

| '

- Index 283