

Books and Reports (2003 – Present)

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(As of March 11, 2020).

2020

[Coping with Climate Change in the Sundarbans: Lessons from Multidisciplinary Studies](#)

Susmita Dasgupta, David Wheeler, Md. Istiak Sobhan, Sunando Bandyopadhyay, Ainun Nishat, and Tapas Paul, Washington, DC: World Bank, November 2020

Climate change poses serious threats to inclusive economic progress and poverty reduction. Strong countermeasures are required to increase the capacity of low-income people to mitigate their risk exposure to the impacts of climate change. Central pillars in planning for sustainable development and poverty alleviation must include vulnerability assessments, appropriate adaptation measures, and resilience-smart investments. This means placing climate change adaptation and resilience at the center of overall development policy. *Coping with Climate Change in the Sundarbans* contributes to this effort by synthesizing multiyear, multidisciplinary climate change studies on the Sundarbans, the world's largest remaining contiguous mangrove forest and wetland of international importance, as well as home to some of South Asia's poorest and most vulnerable communities. The studies' findings indicate that, in a changing climate, sea-level rise, storm-surge intensification, and water salinization will alter the Sundarbans ecosystem significantly. The ripple effect of these changes will have multifaceted adverse impacts on the nature-dependent livelihoods, health, and nutrition of nearby communities. Elevated health risks, reduced land and labor productivity, and increased exposure to storms, floods, droughts, and other extreme events will make escape from poverty more difficult. Families in the Sundarbans are on the front line of these changes. Their experience and adaptation signal future decisions by hundreds of millions of families worldwide who will face similar threats from progressive sea-level rise. This research lays the technical foundation for developing a better understanding of the changes the Sundarbans currently faces, including responses of the ecosystem and human communities. Based on field research, location-specific, resilience-smart adaptation measures are recommended for reducing climate change vulnerability. Beyond the Sundarbans, the studies' methods and findings will be of interest to development practitioners, policy makers, and researchers focused on island nations and countries worldwide that feature high-density populations and economic activity in low-lying coastal regions vulnerable to sea-level rise.

[Going Viral: COVID-19 and the Accelerated Transformation of Jobs in Latin America and the Caribbean](#)

Guillermo Beylis, **Roberto Fattal Jaef**, Michael Morris, Ashwini Rekha Sebastian, and **Rishabh Sinha**, Washington, DC: World Bank, September 2020

The economic impact of COVID-19 is unprecedented in size and scope. It has quickly evolved from a health emergency into an employment crisis. It also has far-reaching implications for workers beyond the immediate employment effects, as it most likely has accelerated the transformation process of jobs that had already started in the region and the world. This book focuses on three important pre-pandemic trends observed in the region, namely, premature deindustrialization, servicification of the economy, and task automation, that were significantly changing the labor market landscape in the region and that have been accelerated by the crisis. While there is still uncertainty about the economic impacts of Covid-19, policymakers need to start planning for a rapidly evolving future that will come sooner than expected. A strong focus on productivity, technology development and adoption, and training in relevant skills will be key to adapting and taking advantage of the new opportunities in the post-pandemic world. Importantly, the accelerated transformation of jobs calls for a rethinking of labor regulations and social protection policies geared

towards wage earners employed in the formal sector of the economy. The three trends identified in *Going Viral*, the effects of the pandemic itself, and the growing reliance on electronic platforms raise doubts that wage employment will increase substantially in the coming years. At the same time, earnings and transactions processed through electronic platforms are more visible to the authorities, bringing an opportunity to increase tax revenue and social security contributions. The flexible regulation of the emerging forms of work in a way that encourages employment, supports formalization, and expands the coverage of social protection to larger segments of the population will be of utmost importance for policymakers preparing for a new and changed world.

[Poverty and Shared Prosperity 2020: Reversals of Fortune](#)

Samuel Freije-Rodríguez and **Michael Woolcock**, R. Andrés Castañeda, Alexandru Cojocaru, Elizabeth Howton, Christoph Lakner, Minh Cong Nguyen, Marta Schoch, Judy Yang, and Nishant Yonzan. Washington, DC: World Bank, October 2020

The report presents new estimates of COVID-19's impacts on global poverty and inequality. Harnessing fresh data from frontline surveys and economic simulations, it shows that pandemic-related job losses and deprivation worldwide are hitting already-poor and vulnerable people hard, while also partly changing the profile of global poverty by creating millions of "new poor." Furthermore, the report breaks ground by jointly analyzing three factors whose convergence is driving the current crisis and will extend its impact into the future: the COVID-19 pandemic, armed conflict, and climate change.

[Violence without Borders: The Internationalization of Crime and Conflict](#)

Faisal Ali Baig, **Quy-Toan Do**, Daniel Garrote-Sanchez, Lakshmi Iyer, Chau Le, and Andrei Levchenko, June 2020 | [Policy Research Report](#) | [Video](#) | [Blog](#) |

Just like nearly every aspect of human experience, crime, civil conflict, and violence have become increasingly global. Around the world, civil wars, of which there are more today than at any time since the end of World War II, displace greater numbers of people ever further from their countries of origin. Transnational terrorism has reached a 50-year high, in terms of both its incidence and the number of reported fatalities. Cross-border criminal markets—illicit drugs, human trafficking, wildlife trade, and so forth—take a heavy toll on the many societies they affect. This Policy Research Report, *The Internationalization of Crime, Conflict, and Violence*, offers a unified framework to take stock of the theoretical and empirical literature on crime, conflict, and violence and to discuss how the international community organizes itself to address security as a regional and global public good. The increasingly global effects of crime and conflict require an equally global response to violence.

2019

[Bhutan's Integration with the Global Economy: International Investment Treaties and Conventions](#)

Ali Zafar, Robert Echandi, **Aaditya Mattoo**, Washington, DC: World Bank, June 2019.

In this context, Bhutan can become wealthier through accelerating both domestic and foreign investment, as well as signing investment treaties. These investments could provide not just capital but also bring necessary skills, knowledge and ideas, and help the country move beyond hydropower. Today FDI inflows are small and constrained, on the one hand, by regulatory barriers and insufficient investment promotion, and, on the other, by inadequacies in skills and infrastructure. Bhutan can benefit from the experience of East Asia and other countries on how to break out of this low investment trap. FDI can help the macroeconomic balance by increasing exports and reducing the current account deficit, although it is not clear the future impact on growth, since it will depend on the quality and type of FDI inflows.

FDI can also help create trade. Theoretically, firms invest abroad to expand their sales markets when trade costs are too high, therefore FDI is a substitute for trade. FDI in non-tradable sectors (services, etc) has this feature. However, in practice, FDI goes to export-oriented sectors including extractives but also manufacturing. Given the landlocked nature of geographic setting of Bhutan (with higher trade cost than countries such as India or Bangladesh), FDI could go primarily to non-tradable (at least as shown in the recent trend in the greenfield FDI). In this context, it will be important to use FDI to tap into regional value chains.

[Exports to Jobs: Boosting the Gains from Trade in South Asia](#)

Erhan Artuc, Gladys Lopez-Acevedo, Raymond Robertson, and Daniel Samaan. Washington, DC: World Bank, February 2019.

South Asia's economy has grown rapidly, and the region has made a significant reduction in poverty. However, the available jobs for the growing working population remain limited. Policy makers are contending with lingering concerns about jobless growth and poor job quality. Exports to Jobs: Boosting the Gains from Trade in South Asia posits that exports, could bring higher wages and better jobs to South Asia. The report uses a new methodology to estimate the potential impact from higher South Asian exports per worker on wages and employment. The report finds that increasing exports per worker would result in higher wages, mostly for the better-off groups—like the better-educated workers, men, and the more-experienced workers—although the less-skilled and rural workers would benefit from new job opportunities outside of the informal sector. Report findings show that to spread the benefits from higher exports widely, policies are needed to raise skills and get certain groups, such as women and youth, into more and better jobs. Complementary measures include removing trade barriers and investing in infrastructure and increasing the ability of workers to find higher-paying jobs. Together, these actions would help South Asian countries spread the gains from being closely integrated into the global economy through exporting. This book, which is the product of a partnership between the International Labour Organization and the World Bank, contributes to our understanding of the impact that growing exports can have on increasing well-being, and it bridges the gap between academic research and policy making.

[Global Financial Development Report 2019 / 2020: Bank Regulation and Supervision a Decade after the Global Financial Crisis](#)

Asli Demirgüç-Kunt, Ata Can Bertay, Davide S. Mare with Deniz Anginer, Robert J. Cull, Miriam Bruhn, Claudia Ruiz Ortega, Nan Zhou, Jinjing Liu, November 2019 | [Report](#) | [Video](#) | [Dataset](#) | [Blog](#) | [Previous Reports](#)

Over a decade has passed since the collapse of the U.S. investment bank Lehman Brothers marked the onset of the largest global economic crisis since the Great Depression. The crisis revealed major shortcomings in market discipline, regulation, and supervision, and reopened important policy debates on financial regulation. Since the onset of the crisis, emphasis has been placed on better regulation of banking systems and on enhancing the tools available to supervisory agencies to oversee banks and intervene speedily in case of distress. Drawing on 10 years of data and analysis, the Global Financial Development Report 2019/2020 uncovers new evidence on the regulatory remedies adopted to prevent future financial troubles, and particularly the impact of reforms on market discipline and bank capital. Countries should design and enforce regulations that are appropriate for the institutional environment, strength of market discipline, supervisory capacity, and business models of banks in a given country. Regulations also need to be compatible with incentives, but designing and enforcing such regulations are complex tasks, particularly where sophisticated markets do not exist and institutions are underdeveloped. Globalization and technological change are important trends that make it even more challenging to provide effective oversight of banks. The Global Financial Development Report 2019/2020 is the fifth in a World Bank series.

[Global Trade Watch 2018: Trade Amid Tensions](#)

Cristina Constantinescu, **Aaditya Mattoo**, Michele Ruta, Maryla Maliszewska, Israel Osorio-Rodarte. Washington, DC: World Bank, May 2019.

Global trade growth slowed in 2018 amid a weakening of economic growth in China and the Euro Area and rising trade protectionism. The volume of trade grew by 3.8 percent, down from 5.4 percent in 2017, but has shown signs of reviving in the first quarter of 2019. However, the U.S. tariff increases implemented in early May and China's response might change the outlook. Trade policy developments are mixed. Restrictive trade measures imposed during 2018 affected 3.8 percent of world merchandise trade, nearly three times the share affected in any of the years since the global financial crisis of 2009. Tit-for-tat tariffs between the United States and China alone affected 2.0 percent of world merchandise trade in 2018. Ongoing trade tensions affected importers in United States and China significantly. While trade fell in targeted products, prices at the border did not change as compared with non-targeted products. Even though trade in stickier inputs tends to be relatively resilient in the short term, if trade tensions are not resolved, existing global value chains are likely to be disrupted in the longer term. It is in the long-term interest of industrial and developing countries for trade tensions to be resolved through a multilateral approach and World Trade Organization reforms.

[Impact Evaluation of Nigeria State Health Investment Project](#)

Eeshani Kandpal, Benjamin Loevinsohn, Christel Vermeersch, Elina Pradhan, Madhulika Khanna, Mark Conlon, and Wu Zeng. Endline Report for the Impact Evaluation of Nigeria State Health Investment Project Number 135384. Washington, DC: World Bank, March 2019.

In response to slow progress in improving health service delivery, the Government of Nigeria requested World Bank support in testing performance-based financing (PBF) and decentralized facility financing (DFF) as part of the Nigeria State Health Investment Project (NSHIP). PBF provides funding directly to health facilities based on the quantity and quality of services they deliver. Funds are transferred electronically to each facility's bank account and they have substantial autonomy in how they use the funds. Up to half the funds can be used to pay performance bonuses to staff. Supervision was substantially strengthened. DFF was similar to PBF except that facility earnings were NOT based on the quantity and quality of services they delivered, they could not pay performance bonuses to health workers and the amount they received was, by design, half the amount earned by PBF facilities. This paper reports an impact evaluation (IE) of the PBF-DFF pilot.

[The Rise of Domestic Capital Markets for Corporate Financing](#)

Facundo Abraham, Juan J. Cortina, and **Sergio L. Schmukler**, Washington, DC: World Bank, June 2019.

The case of East Asia shows that domestic markets have been a key driver of the observed trends in capital market financing since the early 2000s. As domestic markets developed, more and smaller firms gained access to equity and corporate bond financing. Domestic markets also helped some corporations to diversify funding sources and obtain domestic currency financing. Policy reforms following the Asian Financial Crisis accompanied the growth of domestic markets. Part of the reforms were aimed at developing domestic capital markets for small and medium-size enterprises. Although these markets have developed significantly, they still serve relatively few corporations, albeit from new sectors.

[World Development Report 2020: Trading for Development in the Age of Global Value Chains](#)

Caroline Freund, Aaditya Mattoo, Pol Antràs, Daria Taglioni, Washington, DC: World Bank, October 2019.

Global value chains (GVCs) powered the surge of international trade after 1990 and now account for almost half of all trade. This shift enabled an unprecedented economic convergence: poor countries grew rapidly and began to catch up with richer countries. Since the 2008 global financial crisis, however, the growth of trade has been sluggish and the expansion of GVCs has stalled. Meanwhile, serious threats have emerged to the model of trade-led growth. New technologies could draw production closer to the consumer and reduce the demand for labor. And conflicts among large countries could lead to a retrenchment or a segmentation of GVCs. This book examines whether there is still a path to development through GVCs and trade. It concludes that technological change is, at this stage, more a boon than a curse. GVCs can continue to boost growth, create better jobs, and reduce poverty provided that developing countries implement deeper reforms to promote GVC participation; industrial countries pursue open, predictable policies; and all countries revive multilateral cooperation.

2018

[Asylum Seekers in the European Union: Building the Evidence](#)

Mohamed Abdel Jelil, Paul Andres Corral Rodas, Anais Dahmani Scuitti, María E. Dávalos, Giorgia Demarchi, Neslihan Demirel, **Quy-Toan Do**, Rema Hanna, Deivy Houeix, Sara Lenehan, and Harriet Mugerá. Washington, Policy Research Report. Washington, DC: World Bank, June 2018.

In 2015 and 2016, migrant flows into the European Union (EU) surged, with Greece and Italy the main entry points. Many of the migrants applied for international protection in Europe, becoming asylum seekers. This spike in EU asylum seekers, as well as the increasing numbers of those granted refugee status, brought a need for information on who they are their sociodemographic characteristics; their education and work experience; their experience on the journey to Italy and Greece; and what it cost them not only financially but also physically and emotionally to get there. This study took a rigorous approach to ensure that it produced hard data to support policy decisions, decisions made not only in receiving countries but also in countries of origin and transit. This report then, contributes to knowledge of aspects of migration and forced displacement, but much more has yet to be learned.

[The Challenges of Urbanization in West Africa](#)

López-Calix, J., M. Rogy, M. Mukim, Y. Batana, L. Razafimandimby, A. Sanoh, O. Bégué, J. Hoogeveen, A. Zafar, M. Kitzmuller, E. Sergenti, A. Mijiyawa, M. Nshimiyimana, O. Kassim, A.-M. Taptué, I. Touqeer, S. Sánchez, E. Skrok, P. Avner, Christian Van Eghoff, A. ChUNET, M. Winter, H. Selod, C. Plançon, O. D'aoust, S. Beddies, Z. Coulibaly, A. Anand and F. Taillandier. Washington DC: World Bank Group, June 2018.

The Sahel is experiencing rapid and disorderly urbanization. The capital cities of Bamako, Conakry, and Niamey dominate the urban landscape in their respective countries. In each of these three countries, the economic importance of the capital city is enormous. For instance, Bamako represents about 34 percent of gross domestic product (GDP), whereas Conakry and Niamey each represent about 27 percent of GDP in their respective countries. Furthermore, as their populations are increasing at a faster rate than anywhere else in the world, the attendant youth bulge could turn into either a demographic dividend, whereby cities take advantage of a temporary boom in the working age population to productively employ young people, or a demographic disaster, accompanied by urban instability if cities do not meet these aspirations.

Enhancing Potential

Ha Nguyen, Martin Sanchez, Eduardo Miguel. East Asia and Pacific Economic Update. Washington, DC: World Bank, April 2018.

The global economy grew faster than expected in 2017, with a broad-based upturn. Growth in developing East Asia and Pacific (EAP) accelerated slightly in 2017, reflecting the favorable global environment. The growth outlook for the region remains favorable. Following stronger than anticipated growth in 2017, China is expected to slow moderately in 2018 as its economy continues to rebalance. Growth in the large ASEAN economies is expected to be robust and relatively stable in 2018. The prospects for the region's smaller economies are generally favorable, reflecting stronger commodity prices and higher investment. Robust growth has underpinned and will continue to contribute to the region's success in reducing poverty and economic insecurity. This positive outlook for the region's economies is subject to two sets of risks. First, a more rapid pace of U.S. monetary policy tightening than is currently anticipated could increase volatility and exacerbate vulnerabilities. Second, heightened policy uncertainty could dim the prospects for global growth. Developing EAP countries will need to be prepared to address the risks associated with monetary tightening in advanced economies and their possible interactions with domestic financial vulnerabilities. In tandem, the prospects of moderating growth across the region in the medium term mean that countries will need to find ways of raising their long-term potential growth. With the threats to the continued openness of the global trading system, it is advisable for developing EAP to continue enhancing trade facilitation and integration. Improving competitiveness will also be important as developing EAP countries adjust to the ongoing changes in the manufacturing landscape. Increasing the contribution of education to economic growth will require increasing the effectiveness of schools and education systems. This will require action in the following five main domains so as to raise learning outcomes and the quality of human capital: (a) aligning institutions and creating sound administrative systems to ensure basic conditions for learning; (b) concentrating equitable public spending on primary education; (c) increasing teaching accountability, raising selectivity in recruitment, and providing adequate pay and career prospects; (d) providing a key package of services (for example, health coverage for children of preschool age) that can help ensure children's physical and cognitive development, thus raising readiness to learn; and (e) adopting a systemic approach to assessment and using feedback to inform instruction. As technologies continue to evolve, including with greater automation, more emphasis will be needed on upgrading capabilities and ensuring that workers and managers have the necessary skills. To provide economic security, more focus will be needed on strengthening social assistance and insurance programs and on increasing resilience to systemic shocks. Pacific Island Countries (PICs) need to focus on maintaining fiscal sustainability and enhancing their economic resilience.

Fair Progress? Economic Mobility Across Generations Around the World

Narayan Ambar, **Roy van der Weide**, Alexandru Cojocaru, **Christoph Lakner**, Silvia Redaelli, **Daniel Gerszon Mahler**, Rakesh Gupta N. Ramasubbaiah and Stefan Hubert Thewissen. World Bank, May 2008.

Fair Progress? Economic Mobility across Generations around the World looks at an issue that has gotten much attention in the developed world, but with, for the first time, new data and analysis covering most of the world, including developing economies. The analysis examines whether those born in poverty or in prosperity are destined to remain in the same economic circumstances into which they were born and looks back over a half a century at whether children's lives are better or worse than their parents' in different parts of the world. It suggests local, national, and global actions and policies that can help break the cycle of poverty, paving the way for the next generation to realize their potential and improve their lives.

[Moving for Prosperity: Global Migration and Labor Markets](#)

Çağlar Özden, Mathis Christoph Wagner, Michael Minh Tam Packard, Policy Research Report, Washington, DC: World Bank, June 2018 | [Presentation](#) | [Video](#)

This Policy Research Report (PRR), *Moving for Prosperity: Global Migration and Labor Markets*, is an attempt to address this tension between the academic research and the public discourse by focusing on the economic evidence. The authors suggested a labor market-oriented, economically motivated rationale to the political opposition to migration. Global migration patterns lead to high concentrations of immigrants in certain places, industries, and occupations. For example, the top 10 destination countries account for 60 percent of global immigration. Four states host half of all immigrants in the United States, and 10 counties host half of the immigrants in these four states. Immigrants are further concentrated in a narrow set of industries and occupations in specific geographic regions. The same pattern repeats itself in almost every major destination country. It is these geographic and labor market concentrations of immigrants that lead to increased anxiety, insecurity, and potentially significant short-term disruptions among native-born workers. Furthermore, the positive effects and benefits in the destination labor markets tend to be more diffuse whereas the costs are more concentrated and easily attributable to immigration. This PRR aims to inform and stimulate debate, contribute to better policies, facilitate further research, and identify prominent knowledge and data gaps. It presents key facts and findings, research methods and data sources on economic migration and refugees, the determinants of their decisions, and their impact on labor markets in both source and destination countries. The labor market focus of the PRR is motivated not only by the fact that important development and poverty implications of migration—the World Bank’s operational and analytical focus—work through these labor market channels. This focus also reflects space and time constraints, and the absence of rigorous research in certain other areas, which simply do not allow an all-encompassing report that covers every dimension of migration. We believe many of the social, cultural, and political dimensions are highly important; and we are certain future analytical work within and outside the World Bank will address these shortcomings.

[Oral Democracy: Deliberation in Indian Village Assemblies](#)

Paromita Sanyal and **Vijayendra Rao**, Cambridge University Press, 2018. (Open Access)

Oral Democracy studies citizens' voices in civic and political deliberations in India's gram sabhas (village assemblies), the largest deliberative institution in human history. It analyses nearly three hundred transcripts of gram sabhas, sampled within the framework of a natural experiment, allowing the authors to study how state policy affects the quality of discourse, citizens' discursive performances and state enactments embodied by elected leaders and public officials. By drawing out the varieties of speech apparent in citizen and state interactions, their analysis shows that citizens' oral participation in development and governance can be improved by strengthening deliberative spaces through policy. Even in conditions of high inequality and illiteracy, gram sabhas can create discursive equality by developing the 'oral competence' of citizens and establishing a space in which they can articulate their interests. The authors develop the concept of 'oral democracy' to aid the understanding of deliberative systems in non-Western and developing countries. This title is also available as Open Access.

[World Development Report 2018: Learning to Realize Education’s Promise](#)

Deon P. Filmer, F. Halsey Rogers, Samer Al-Samarrai, Maria Magdalena Bendini, Tara Beteille, David Evans, Märt Kivine, Shwetlena Sabarwal, Alexandria Valerio, Malek Abu-Jawdeh, Bradley Robert Larson, Unika Shrestha, Fei Yuan, Washington, DC: World Bank, January 2018.

The World Development Report 2018 (WDR 2018)—LEARNING to Realize Education’s Promise—is the first ever devoted entirely to education. And the timing is excellent: education has long been critical to human welfare, but it is even more so in a time of rapid economic and social change. The best way to equip children and youth for the future is to place their learning at the center. The 2018 WDR explores four main themes: 1) education’s promise; 2) the need to shine a light on learning; 3) how to make schools work for learners; and 4) how to make systems work for learning.

2017

[Building State Capability: Evidence, Analysis, Action](#)

Andrews, Matt, Lant Pritchett, and **Michael Woolcock**. New York. Oxford University Press, 2017.

Governments play a major role in the development process, and constantly introduce reforms and policies to achieve developmental objectives. Many of these interventions have limited impact, however; schools get built but children don't learn, IT systems are introduced but not used, plans are written but not implemented. These achievement deficiencies reveal gaps in capabilities, and weaknesses in the process of building state capability.

This book addresses these weaknesses and gaps. It starts by providing evidence of the capability shortfalls that currently exist in many countries, showing that many governments lack basic capacities even after decades of reforms and capacity building efforts. The book then analyses this evidence, identifying capability traps that hold many governments back - particularly related to isomorphic mimicry (where governments copy best practice solutions from other countries that make them look more capable even if they are not more capable) and premature load bearing (where governments adopt new mechanisms that they cannot actually make work, given weak extant capacities). The book then describes a process that governments can use to escape these capability traps. Called PDIA (problem driven iterative adaptation), this process empowers people working in governments to find and fit solutions to the problems they face. The discussion about this process is structured in a practical manner so that readers can actually apply tools and ideas to the capability challenges they face in their own contexts. These applications will help readers devise policies and reforms that have more impact than those of the past.

[Financing for SMEs in Sustainable Global Value Chains](#)

G20 and Global Partnership for Financial Inclusion, Washington, DC: World Bank and Federal Ministry for Economic Cooperation and Development, 2017.

The Project Manager, Ghada Teima, Lead Financial Sector Specialist, Finance and Markets Global Practice, World Bank Group and the co-authors **Leora Klapper**, Lead Economist and **Jake Hess**, Research Analyst, Development Research Group (DEC).

Increasing access to financing for small and medium enterprises (SMEs) has been a long-standing G20 priority under the GPMI. Strengthening SMEs in global value chains (GVCs) was highlighted as a G20 goal at the Hangzhou Summit in 2016, where G20 leaders reaffirmed their intention to support the development of SMEs and linkages to GVCs. Under its presidency in 2017, Germany has underscored the importance of SME finance in sustainable GVCs by further aligning this agenda with the G20’s Sustainability Development Goals (SDGs), and by emphasizing the need for companies to adhere to basic labor, social and environmental standards.

This report demonstrates how governments, financial institutions and businesses can work together to support financing models that encourage SMEs to upgrade their production processes to comply with sustainability standards in GVCs.

Global Financial Development Report 2017/2018: Bankers without Borders

Washington, DC: World Bank, November 2017.

This Global Financial Development Report is a key component in the ongoing debate over the role of international banking in supporting economic development and promoting shared prosperity. This report, the fourth in its series, comes at a critical time when the global reform agenda is shaping financial globalization—in particular, banking. During the decade prior to the 2007–09 global financial crisis, banking activities across national borders increased dramatically. In many cases, the trend brought benefits, including additional capital, liquidity, and technological improvements, which resulted in greater efficiency and financial development. The global financial crisis, however, led to a reevaluation of the virtues of bank globalization, with global banks seen as culpable for transmitting the financial crisis across borders. In fact, the Financial Stability Board (FSB), the G20, and policy makers throughout the developing world voiced concerns about the effects of global banking. The Global Financial Development Report 2017/2018 offers new research and data that help fill gaps in the knowledge of international banking and contributes key insights to the policy discussion. The report provides stylized facts and examines existing and new evidence of the causes and effects of bank globalization—in particular, for economic growth, shared prosperity, and poverty reduction. The World Bank report *Bankers without Borders* is not associated with the Grameen Foundation’s Bankers without Borders program, which engages volunteer consultants to donate their expertise to serve social enterprises and nonprofits in poor countries. For more information, visit: <https://www.bankerswithoutborders.com>.

Innovative Experiences in Access to Finance: Market-Friendly Roles for the Visible Hand?

Augusto de la Torre, Juan Carlos Gozzi, and **Sergio L. Schmukler**. Latin American Development Forum, Washington, DC: World Bank, July 2017.

Interest in access to finance and awareness of its importance have increased significantly since the early 2000s. Growing evidence suggests that lack of access to credit prevents many households and firms from financing high-return investment projects, which has an adverse effect on growth and poverty alleviation. Despite the increasing awareness of the importance of access to finance among both researchers and policymakers, there are still some major gaps in our understanding of the main drivers of access, as well as about the impact of different policies in this area. This book aims to fill some of these gaps by discussing recent innovative experiences in broadening access to credit in Latin America. These experiences are consistent with an emerging new view that, while recognizing the central role of the public sector in improving the contractual and informational environment for financial markets, also contends that there might be room for well-designed, restricted interventions in collaboration with the private sector to foster the development of financial markets and broaden access to them. In particular, the book analyzes, among other things, some interesting experiences from Brazil, Chile, Colombia, and Mexico that use different instruments to broaden access to credit in a sustainable way, such as structured finance, factoring, credit guarantees, and correspondent banking. Most of these experiences have led to financial innovation by developing new financial products and coordinating different players in the financial and real sectors to overcome barriers to access to credit. The book provides a first systematic analysis of these innovative experiences, including an analytical framework to understand problems of access to finance and a discussion of the effects and optimal design of public interventions.

Finally, the book discusses some open policy questions about the role of the private and public sectors (including state-owned banks) in broadening access to finance in a sustainable and market-friendly manner.

[The Global Findex Database 2017: Measuring Financial Inclusion and the Fintech Revolution](#)

Asli Demirci-Kunt, Leora Klapper, Dorothe Singer, Saniya Ansar, Jake Richard Hess. Washington, DC: World Bank, April 2018. [Website](#) | [Video](#) | [Press Release](#)

The Global Findex Database 2017 presents key findings from the Global Findex database, with detailed insight into how adults in more than 140 economies access accounts, make payments, save, borrow, and manage risk. As the data show, each economy has its own successes, challenges, and opportunities when it comes to financial inclusion. A growing body of research demonstrates the impact of country advances on significant priorities such as reducing poverty, hunger, and gender inequality.

[Tracking Universal Health Coverage: 2017 Global Monitoring Report](#)

Adam Wagstaff, Patrick Hoang-Vu Eozenou. World Health Organization and World Bank, December 2017.

A number of the 17 Sustainable Development Goals (SDGs) adopted by the United Nations General Assembly in September 2015 have targets that relate to health. However, one goal – SDG3 – focuses specifically on ensuring healthy lives and promoting well-being for all at all ages. Target 3.8 of SDG3 – achieving universal health coverage (UHC), including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all – is the key to attaining the entire goal as well as the health-related targets of other SDGs.

2016

[Enhancing Financial Capability and Inclusion in Senegal: A Demand-Side Survey](#)

Siegfried Zottel, Bilal Zia, and Fares Khoury. Report No: ACS18885, World Bank, Washington, DC, 2016.

Financial capability, as defined by the World Bank and in this report, is the capacity to act in one's best financial interest, given socioeconomic and environmental conditions. It encompasses knowledge (literacy), attitudes, skills and behavior of consumers with respect to understanding, selecting, and using financial services, and the ability to access financial services that fit their needs (World Bank 2013d). Financial capability has become a policy priority for policy makers seeking to promote beneficial financial inclusion and to ensure financial stability and functioning financial markets. Today people are required to take increasing responsibility for managing a variety of risks over the life cycle. People who make sound financial decisions and who effectively interact with financial service providers are more likely to achieve their financial goals, hedge against financial and economic risks, improve their household's welfare, and support economic growth. Boosting financial capability has therefore emerged as a policy objective that complements governments' financial inclusion and consumer protection agendas. To this end, policy makers are increasingly using surveys as diagnostic tools to identify financial capability areas that need improvement and vulnerable segments of the population which could be targeted with specific interventions. The key findings and recommendations presented in this report cover three main areas: financial inclusion, financial capability, and financial consumer protection. The remaining chapters are structured as follows. Chapter one explores the financial inclusion landscape in Senegal. Chapter two gives an overview of Senegalese levels of financial capability, in particular about their financial knowledge, attitudes, and behaviors. Chapter three explores the relationship between financial inclusion and financial

capability. The last chapter investigates if the products which financially included individuals use are effectively meeting their needs.

[Impact Evaluation of Zambia’s Health Results-Based Financing Pilot Project](#)

Jed Friedman, Jumana Qamruddin, Collins Chansa, Ashis Kumar Das. Washington, DC: World Bank, January 2016.

In low and middle-income countries, there are various interventions that can be used to improve health system functionality and priority health outcomes. Results Based Financing (RBF) is one approach increasingly utilized in various countries across different settings and levels to facilitate these improvements. This report reviews a comprehensive impact evaluation of a RBF pilot project in Zambia. The main objective of the paper is to present and analyze the IE results. While this report touches on some of the broader policy implications of this work, a separate brief has been developed detailing the policy implications to inform strategy and operations in Zambia and other countries. And while there have been a number of impact evaluations studies over the past few years measuring the effectiveness of RBF programs, the Zambia study is one of the few with a three-arm evaluation that tests RBF against an enhanced financing arm and a pure control. As such, this study provides some new and interesting insights on what can be effective in improving health systems and health outcomes.

[Making Politics Work for Development: Harnessing Transparency and Citizen Engagement](#)

Stuti Khemani, Ernesto Dal Bó, Claudio Ferraz, Frederico Shimizu Finan, Johnson Stephenson, Louise Corinne, Adesinaola Michael Odugbemi, Dikshya Thapa, and Scott David Abrahams. Policy Research Report. Washington, DC: World Bank Publications, 2016.

Too often, government leaders fail to adopt and implement policies that they know are necessary for sustained economic development. They are encumbered by adverse political incentives, which prevent them from selecting good policies, and they run the risk of losing office should they try to do the right thing. Even when technically sound policies are selected by leaders, implementation can run into perverse behavioral norms among public officials and citizens, who seek to extract private benefits from the public sector. Such behavior might be supported by widespread beliefs that corruption is the norm. Even countries with low corruption and strong institutions experience problems of political incentives and behavior that prevent the public sector from solving shared problems. Ideological polarization among citizens and capture by special interests can lead to policy gridlock and the failure of the state to provide public goods, even in advanced economies. Even educated citizens can hold ideological beliefs about the role of public policy that lead them to deny technical evidence contrary to these beliefs.

[Middle East and North Africa Economic Monitor: Economic and Social Inclusion to Prevent Violent Extremism](#)

Shantayanan Devarajan, Lili Mottaghi, **Quy-Toan Do**, Anne Brockmeyer, **Clement Joubert**, Kartika Bhatia, and Mohamed Abdel-Jeli. Washington, DC: World Bank, October 2016.

This year appears to be one of the toughest for the Middle East and North Africa (MENA) Region as governments are facing major policy challenges. Growth is expected to slow down to an average of 2.3 percent this year, half a percentage point lower than last year. Low oil prices have dampened growth among the oil exporters, especially the GCC countries, which are forecast to grow at only 1.6 percent in 2016. Four of the developing oil exporters—Syria, Iraq, Yemen and Libya—are mired in civil war or violent conflict. MENA’s oil importers, who would normally benefit from low oil prices, are also growing slowly (2.6 percent on average) because of spillovers from wars in neighboring countries or the effects of terrorist attacks on tourism and investor confidence. Recognizing that the rise of violent

extremism has contributed to the region's poor economic performance, the report looks at the underlying determinants of this phenomenon.

Poverty and Shared Prosperity 2016: Taking on Inequality

José Cuesta and **Mario Negre**, with Timm Bönke, Soumya Chattopadhyay, **Shaohua Chen**, Will Durbin, María Eugenia Genoni, Aparajita Goyal, **Christoph Lakner**, Terra Lawson-Remer, Maura K. Leary, Renzo Massari, Jose Montes, David Newhouse, Stace Nicholson, Espen Beer Prydz, Maika Schmidt, and Ani Silwal. Washington, DC: World Bank Group, 2016.

On April 20, 2013, the Board of Executive Directors of the World Bank adopted two ambitious goals: end global extreme poverty and promote shared prosperity in every country in a sustainable way. Each goal has an intrinsic value on its own merits, but the two goals are also highly complementary. To understand more clearly the progress toward the achievement of the goals, the World Bank is launching the annual Poverty and Shared Prosperity report series, which this report inaugurates. The report series will inform a global audience comprising development practitioners, policy makers, researchers, advocates, and citizens in general with the latest and most accurate estimates on trends in global poverty and shared prosperity. Every year, it will update information on the global number of the poor, the poverty headcount ratio worldwide, the regions that have been more successful or that have been lagging in advancing toward the goals, and the enhancements in monitoring and measuring poverty. In addition, it will feature a special focal theme. This report addresses the issue of inequality by documenting trends in inequality, identifying recent country experiences in successfully reducing inequality and boosting shared prosperity, examining key lessons, and synthesizing the evidence on public policies that lessen inequality by reducing poverty and promoting shared prosperity.

World Development Report 2016: Digital Dividends

Deepak Mishra and **Uwe Deichmann** with Kenneth Chomitz, Zahid Hasnain, Emily Kayser, Tim Kelly, Märt Kivine, Bradley Larson, Sebastian Monroy-Taborda, Hania Sahnoun, Indhira Santos, David Satola, Marc Schiffbauer, Boo Kang Seol, Shawn Tan, and Desiree van Welsum. Washington, DC: World Bank, 2016.

More than 40 percent of the world's population has access to the internet, with new users coming online every day. Among the poorest 20 percent of households, nearly 7 out of 10 have a mobile phone. This report finds that traditional development challenges are preventing the digital revolution from fulfilling its transformative potential. For many people, today's increase in access to digital technologies brings more choice and greater convenience. While this is great progress, many are still left out because they do not have access to digital technologies. To deliver universal digital access, one must invest in infrastructure and pursue reforms that bring greater competition to telecommunications markets, promote public-private partnerships, and yield effective regulation. The report concludes that the full benefits of the information and communications transformation will not be realized unless countries continue to improve their business climate, invest in people's education and health, and promote good governance. The World Bank Group are already working with clients to promote competitive business environments, increase accountability, and upgrade education and skills-development systems to prepare people for the jobs of the future.

2015

[A Measured Approach to Ending Poverty and Boosting Shared Prosperity: Concepts, Data, and the Twin Goals](#)

Shaohua Chen, Dean Jolliffe, Aart Kraay, Peter Lanjouw, Christian Meyer, Mario Negre, Espen Beer, Renos Vakis, Ruth Wethli. Policy Research Report. Washington, DC: World Bank, August 2014

[China's Technological Catch-Up Strategy for Industrial Development: Impact on Energy Efficiency and CO2 Emissions](#)

Michael Toman and Michael T. Rock. Oxford University Press, January 2015.

[Global Financial Development Report 2015/2016: Long Term Finance](#)

Aslı Demirgüç-Kunt and others. Washington, DC: World Bank, September 2015.

[Latin America and the Rising South: Changing World, Changing Priorities](#)

Augusto de la Torre, Tatiana Didier, Alain Ize, Daniel Lederman, and Sergio L. Schmukler. Latin America and Caribbean Studies. Washington, DC: World Bank, May 2015.

[Land Delivery Systems in West African Cities: The Example of Bamako, Mali](#)

Alain Durand-Lasserve, Maïlis Durand-Lasserve, and Harris Selod. Washington, DC: World Bank, March 2015.

[Operationalizing the Science of Delivery Agenda to Enhance Development Results](#)

Maria Gonzalez Asis, Michael Woolcock, Washington, DC: World Bank, October 2015.

The clear development gains achieved in recent decades should not deflect attention from the scale and type of challenges that remain. The strategies largely responsible for these initial gains have been technical reforms promoting economic growth and logistical systems supplying basic inputs. Today, strategies are needed that focus on enhancing the quality of implementation, for example, ensuring learning and not just building schools and enrolling students. This concern now spans numerous domains of professional practice (especially health) and has entered World Bank discussions framed as the 'science of delivery.' At the World Bank, the Global Delivery Initiative (GDI) is an operational manifestation and extension of these ideas. To date, the GDI has prepared a number of different case studies across numerous sectors on ways in which innovative teams solve particular problems during project implementation. On the basis of the initial case studies, the authors outline five key principles of how high-quality implementation occurs and invite others to add to this growing storehouse of knowledge. Specifically, task teams are encouraged to develop 'live' case studies by and for their staff, documenting how, in real time, implementation challenges are being met. Projects must 'learn' more rapidly and systematically how to solve the myriad range of complex implementation challenges they inevitably encounter, since most of these (by definition) cannot be anticipated ex ante. Delivery challenges of this kind will only intensify in the coming years as citizens demand effective responses to ever-more complex, and contentious, policy domains, such as justice, regulation, and taxation.

[Trade in Zimbabwe: Changing Incentives to Enhance Competitiveness](#)

Martha Denisse Pierola Castro and Richard Newfarmer. World Bank Development Studies, Washington, DC: World Bank, 2015.

In Zimbabwe trade has been a driver of economic growth, rising incomes, and progressive empowerment of Zimbabweans through rising standards of living and the promise of better jobs. Since 1980, through good years and bad years, increases in exports have been positively associated with increases in national income. Zimbabwe's location and resource base, together with a low-cost but relatively well educated labor force, have endowed it with a naturally

high trade ratio built on a diversified base that facilitates using trade as an engine of growth. While trade volumes have rebounded smartly from the deep recession of 2007-2008, these do not offset other worrisome longer-term trends: 1) export growth during the last decade has been lackluster and failed to drive high growth; 2) agricultural exports, other than tobacco, have lost their once dominant role in the region, and are no longer a source of diversification; 3) manufacturing has withered in a continuing secular decline; and 4) Zimbabwe's export basket has become less diversified and more dependent on a narrow range of mineral and, to a lesser extent, agricultural products. In short, exports have become less diversified, less-technologically sophisticated, and less labor-intensive, and ever more dependent on a few large mining activities to provide foreign exchange and employment. This report traces the roots of this poor performance to several policy issues: poor predictability of macroeconomic policy and economic governance has created an unfavorable climate for private investment and trade; a tariff structure that dampens export profitability; industrial policies (indigenization policy in particular) that undermine investor confidence and inhibits private investment; and finally, competition-limiting policies toward services that limit connectivity of Zimbabweans and raise trade costs. The good news arising from the study is that the remedies for these policy shortcomings lie in Zimbabwean hands. If the government were to adopt reforms that reconfigure economy-wide incentives and trade and industrial policies, it could promote sustained growth, economic diversification and empowerment of poor people.

[Trust, Voice, and Incentives: Learning from Local Success Stories in Service Delivery in the Middle East and North Africa](#)

Hana Brix, Ellen Lust, and **Michael Woolcock**. Washington, DC: World Bank, June 2015.

This report examines the role of incentives, trust, and engagement as critical determinants of service delivery performance in MENA countries. Focusing on education and health, the report illustrates how the weak external and internal accountability undermines policy implementation and service delivery performance and how such a cycle of poor performance can be counteracted. Case studies of local success reveal the importance of both formal and informal accountability relationships and the role of local leadership in inspiring and institutionalizing incentives toward better service delivery performance. Enhancing services for MENA citizens requires forging a stronger social contract among public servants, citizens, and service providers while empowering communities and local leaders to find 'best fit' solutions. Learning from the variations within countries, especially the outstanding local successes, can serve as a solid basis for new ideas and inspiration for improving service delivery. Such learning may help the WorldBank Group and other donors as well as national and local leaders and civil society, in developing ways to enhance the trust, voice, and incentives for service delivery to meet citizens' needs and expectations.

[Urban Flooding of Greater Dhaka in a Changing Climate: Building Local Resilience to Disaster Risk](#)

Susmita Dasgupta, Asif Zaman, Roy Subhendu, Mainul Huq, Sarwar Jahan, and Ainun Nishat

Directions in Development, Environment and Sustainable Development. Washington, DC: World Bank, 2015.

Dhaka, the capital of Bangladesh and one of the world's rapidly growing megacities, is an urban hotspot for climate risks. Preparing for the unfolding impacts of climate-related changes – socio demographic, environmental, economic, and political - is a daunting task. It requires that Dhaka's policymakers, like those in other megacities of South Asia's low-lying deltas, understand how climate change is anticipated to affect natural hazards that lead to flooding in the cities. This study's overall aim is to provide local decision-makers an effective planning approach for minimizing the damage risk of rainfall-induced urban flooding in Dhaka in a changing climate. Specific objectives are to assess the vulnerability of the Greater Dhaka area to urban flooding and waterlogging, estimate probable economic damage due

to climate change, develop structural adaptation measures, evaluate the reduction in economic damage resulting from implementing these measures, and estimate their cost. The study comprises four main activities: (a) hydrological modeling and development of adaptation measures, (b) spatial ranking of flood vulnerability, (c) evaluating expected damage from flooding, and (d) estimating adaptation costs. This book is divided into two major parts: study methods (part 1) and results (part 2). Part one is organized into four chapters. Chapter two presents the conceptual framework for the hydrological modeling study and the method and processes used to model future scenarios. Chapter three presents the seven model setups for the detailed study area. Chapter four describes the method used to assess the modeled areas' relative vulnerability to urban flooding, while chapter five explains the method used to estimate their economic damage. Part two, also organized into four chapters. Chapter six provides the study results for each of the seven modeled areas, while chapter seven summarizes the overall study results for Dhaka city. Chapter eight turns to the secondary flood-mitigation measures that can complement the recommended conveyance-centric solutions. Chapter nine suggests a way forward.

2014

[Analyzing Food Security Using Household Survey Data: Streamlined Analysis with ADePT Software](#)

Ana Molledo, Nathalie Troubat, Michael Lokshin, Zurab Sajaia. Washington, DC: World Bank, April 2014.

Food and nutrition security has emerged as a primary development goal at the top of the global agenda. In 2012 the Food and Agriculture Organization (FAO) methodology was integrated into a user friendly software named ADePT-Food Security Module (ADePT-FSM). This book aims to provide the essential guidelines of the use of ADePT-FSM and of its background methodology. It is organized into five chapters: chapter 1 introduces the background concepts of food security and food consumption data; chapter 2 describes the methodology used to derive different food security indicators; chapter 3 discusses the analysis of the derived food security statistics; chapter 4 provides guidelines on how to prepare the input datasets; and chapter 5 explains how to install and use ADePT-FSM. Over the past years, increasing attention has been paid to national household surveys by the international community in order to collect reliable and timely information on food consumption for the purpose of food security assessment. National household surveys are in fact the only available source of information to assess the distribution of food consumption within a country. ADePT-FSM aims to derive consistent and readily available food security statistics from food consumption data collected in national household surveys.

[Right to Work? Assessing India's Employment Guarantee Scheme in Bihar](#)

Puja Dutta, Rinku Murgai, Martin Ravallion, and Dominique van de Walle. Washington, DC: World Bank, February 2014.

In 2006, India embarked on an ambitious attempt to fight poverty by attempting to introduce a wage floor in a setting in which many unskilled workers earn less than the minimum wage. The 2005 national rural employment guarantee act (NREGA) creates a justiciable "right to work" by promising 100 days of wage employment in every financial year to all rural households whose adult members volunteer to do unskilled manual work. In attempting to fight poverty in poor places with weak administrative capabilities, the idea of "rights" has often been invoked. This book aims to contribute to the understanding of the efficacy of poor states in fighting poverty using an ambitious rights-based program - the largest antipoverty public employment program in India, and possibly anywhere in the world. The program authors study is India's Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), which was launched to implement the NREGA. This book presents survey-based estimates for India as a whole as well as results for Bihar. Results for India are based on the 2009-10 national sample survey. Two surveys were carried out in

2009 and 2010 and spanned 150 villages spread across all 38 districts in Bihar. These data are supplemented by qualitative research in six districts to better understand supply-side challenges. A distinctive feature of the methodology is that the authors identify the key counterfactual outcomes of interest - that is, what Bihar Rural Employment Guarantee Scheme (BREGS) participants will have done in the absence of the program - by directly asking individual BREGS participants. The advantage of this approach is that it produces an individual-specific estimate of impact - exploiting the information available for each participant - rather than delivering only a mean impact. The authors find compelling evidence that the scheme is reaching relatively poor families. It is important that reform efforts for MGNREGS work on both of these aspects - a stronger, more capable, local administration, plus more effective participation by civil society.

[Simulating Distributional Impacts of Macro-dynamics: Theory and Practical Applications](#)

Sergio Olivieri, Sergiy Radyakin, Stainslav Kolenikov, Michael Lokshin, Ambar Narayan, Carolina Sánchez-Páramo. Washington, DC: World Bank. September 2014.

The automated DEC poverty tables (ADePT) simulation module, one of several modules in the ADePT platform, offers a useful methodological framework for analysts interested in measuring how macroeconomic projections may affect households. The module's approach falls between simple extrapolation and the most sophisticated methods such as top-down or top-down-up models based on linking household data with computable general equilibrium (CGE) models. By using simple macroeconomic projections as the macro-linkages to a micro-behavioral model built from household data, the model captures the complexities that influence how macro impacts are transmitted to households. The ADePT simulation module is an improvement over existing approaches because with minimal data and computational requirements it can evaluate in advance the distributional impacts of macroeconomic projections. By focusing on adjustments in employment and earnings, non-labor income, and price changes, it accounts for multiple transmission mechanisms and captures micro-level impacts across the entire income distribution. Using existing macroeconomic data and household surveys, the ADePT simulation module helps in identifying and profiling those groups of individuals - defined by characteristics such as occupational sector, location, and education level who are most likely to suffer income losses as a consequence of the change. This manual is organized in two parts. Part one covers the motivation, overview, and illustrations of the method. Part two describes each step the user must follow to create or obtain proper macro- and microeconomic inputs required for the simulation. It also explains how to enter these inputs into the module and the different options available for tailoring simulations.

[Surge in Solar-Powered Homes: Experience in Off-Grid Rural Bangladesh](#)

Shahidur R. Khandker, Hussain A. Samad, Zubair K.M. Sadeque, Mohammed Asaduzzaman, Mohammad Yunus, and A.K. Enamul Haque. Directions in Development Series. Washington, DC: World Bank, October 2014.

Bangladesh has made remarkable progress in raising living standards and reducing poverty, particularly in previously lagging regions. Rapid solar home system (SHS) expansion in Bangladesh to some 3 million rural households by early 2014 has drawn the attention of donors and governments of other countries. The book's broad aim is twofold: (a) to assess the welfare impact of SHS on households, and (b) to evaluate the present institutional structure and financing mechanisms in place, noting that households want cheaper systems and good quality service while suppliers require a reasonable market-based profit to stay in business. The study entailed an intensive empirical investigation based on both primary and secondary data. The primary data consisted mainly of a large-scale, nationally representative household survey with appropriate geographic spread. Conducted in 2012 by the Bangladesh Institute of Development Studies (BIDS) and assisted by the World Bank, the household survey was designed to examine SHS benefits and costs. The book addresses a number of research issues, which are grouped according to general and

gendered household impact, program delivery and monitoring of technical standards, market size and demand, and carbon emissions reduction. The book also analyzes household uses of solar-electric energy services. Typically, SHS models are used for lighting, powering fans and television sets, and charging mobile devices and other electrical equipment. Finally, the book evaluates the gender-disaggregated benefits and women's empowerment from SHS adoption. The gender analysis included two major research questions: (a) can the socioeconomic status of rural women be enhanced by increasing the opportunity to participate in alternative energy-service delivery, and (b) if SHS brings positive impacts in terms of social indicators, what additional efforts can supplement them to bring about a radical shift in gender roles and responsibilities. The book's findings show that better household lighting improves household welfare both directly and indirectly. The book has eight chapters. Chapter one is introduction. Chapter two describes the current status of Bangladesh's SHS expansion program, including salient features of system operation, as well as program delivery and financing. Chapter three reviews the role of electrification in rural development and international experience in using SHS as a complementary solution in remote off-grid areas. Based on the survey data findings, chapter four identifies the major drivers of SHS adoption and system capacity selection at the household and village level, while chapter five discusses and estimates the welfare benefits. Chapter six focuses on SHS market analysis and role of the subsidy, including consumers' willingness to pay and the potential impact of subsidy phase-out. Chapter seven turns to the quality of partner organization (PO) service and other supply-side issues, along with market constraints to meet future demand. Finally, chapter eight offers policy perspectives and a way forward.

[The Unfinished Revolution: Bringing Opportunity, Good Jobs and Greater Wealth to All Tunisians](#)

Antonio Nucifora and Bob Rijkers. Washington, DC: World Bank, May 2014.

Until 2010 Tunisia appeared to be doing well and was heralded by the World Bank and the IMF as a role model for other developing countries, and the World Economic Forum repeatedly ranked Tunisia as the most competitive economy in Africa. Yet, the Tunisian model had serious flaws. Inadequate creation of jobs, notably for university graduates, and deep regional disparities were a source of increasing frustration across the country in the run up to the January 2011 Revolution. This development policy review shows that, in contrast to the façade often presented by the former regime, Tunisia's economic environment was and remains deeply deficient. The review highlights an economy that has remained frozen in low-value added activities and where firms are stagnating in terms of productivity and jobs creation. The review argues that Tunisian prosperity has been held back by policies that have reduced the country's overall economic performance. This poor performance results from extensive barriers to entry and market restrictions coupled with a heavy business regulations and a poorly functioning financial system, have resulted in economic stagnation. Economic policies have exacerbated cronyism and rent-seeking, allowing under-performing firms to survive, regardless of their productivity. In order to fulfill its economic potential, Tunisia needs to create a level playing field by opening up the economy and removing Tunisia's three dualisms, namely the onshore-offshore division, the dichotomy between the coast and the interior, and the segmentation of the labor market. A strong social policy is also necessary, of course, and should be designed to accompany private sector-led growth. Tunisia can capitalize on a strong competitive advantage to export wage-intensive goods, expand its export of services, and unleash the potential of agriculture, to the benefit of small businesses, young graduates, and farmers in Tunisia's long-neglected interior regions. Realizing these benefits will require improving the investment climate, rationalizing regulations, and developing more equitable development policies that benefit all of Tunisia's regions. The Unfinished Revolution is a challenge for policymakers to rethink Tunisia's economic development model, to question existing assumptions, and to dare to think big about policy reforms which can accelerate growth and shared prosperity, create quality jobs and promote regional development.

[Working toward Better Pay: Earning Dynamics in Ghana and Tanzania](#)

Paolo Falco, Andrew Kerr, Pierella Paci, and Bob Rijkers. A World Bank Study. Washington, DC: Washington, DC, May 2014.

Improving access to productive employment is a key policy challenge, especially in low-income countries (LICs), where the only asset in abundance is labor. Building on ongoing research on earnings mobility, this study uses unusually rich longitudinal data from Ghana and Tanzania to identify engines of, and barriers to, earnings and earnings mobility. It examines the role of individual characteristics such as gender, age, and skills and characteristics of the job, but it also focuses on the role of job switches for example, moves into and out of self-employment. It zooms in particularly on the drivers of transitions between low-paying and high-paying jobs, and addresses questions such as whether being low paid is a transitory or permanent phenomenon, and whether it has a scarring effect on an individual's employment prospects. The extent to which earnings dynamics differ for women and young adults is also discussed in detail. The cross-country comparison of earnings dynamics and labor market transitions helps shed light on the institutional factors that promote labor market mobility and entrepreneurship. The report is organized as follows: chapter one gives introduction. Chapter two presents a brief review of related literature. Chapter three gives a descriptive overview of the labor markets in the two countries. Chapter four examines the determinants of earnings levels. Chapter five examines determinants of earnings growth. Chapter six focuses on low-pay and high-pay transitions and analyzes whether the experience of being in a low-paying job undermines an individual's future earnings prospects. Chapter seven discusses key policy implications.

[Youth Employment in Sub-Saharan Africa](#)

Deon Filmer and Louise Fox. Washington, DC: World Bank, January 2014.

This report begins by laying out the dynamics of the youth employment challenge in Sub-Saharan Africa today: the demographic transition, which created the youth bulge that is entering African labor markets and can, in the longer term, stimulate economic growth and development; the role of mineral exports, which have shaped the structure of recent economic growth but failed to sufficiently increase the number of wage jobs most desired by youth, and the prospects for reversing this trend in the future; the largely untapped reservoir of opportunities in farming, at a time of high global prices for agricultural commodities and rising local and regional demand for food; the massive expansion in access to education, which is adding many years of schooling, but much less learning, during childhood and youth; the aspirations of youth and policy makers, which focus on the wage employment sector at the expense of more immediate opportunities in family farming and household enterprises; and recognizing that it is the private sector that creates jobs, the report examines obstacles faced by households and firms in meeting the youth employment challenge. It focuses primarily on productivity, in agriculture, in nonfarm household enterprises (HEs), and in the modern wage sector, because productivity is the key to higher earnings as well as to more stable, less vulnerable, livelihoods. To respond to the policy makers' dilemma, the report identifies specific areas where government intervention can reduce those obstacles to productivity for households and firms, leading to brighter employment prospects for youth, their parents, and their own children.

2013

[A Unified Approach to Measuring Poverty and Inequality: Theory and Practice](#)

James Foster, Suman Seth, **Michael Lokshin, Zurab Sajaia**. World Bank Training Series. Washington, DC: World Bank, May 2013.

In July 1986, Warren C. Baum was interviewed on behalf of the World Bank Group Archives oral history program by Robert W. Oliver. Mr. Baum earned a PhD in economics from Harvard University, and he joined the World Bank after working on the Marshall Plan with the US Government, During his tenure at the Bank from 1959 to 1986, Mr. Baum worked in the following areas: in the Europe, Africa and Australasia department as an economist/loan officer (1959-1962); in the department of operations, Europe, as a loan officer (1962-1964); in the projects department, transportation, as an assistant director (1964-1968) and associate director (1968-1972); as vice president of projects staff (1972-1974); as chairman of the consultative group on international agricultural research (1974-1984); and in operations policy as a vice president (1982-1986). His transcript concerns his time working on projects for France, Algeria, Spain, and Portugal, as well as becoming a liaison between the projects department and the transportation division. His appreciation of the unique experience inspired him to write two books on the work of the World Bank, *Investing in Development: Lessons of World Bank Experience* and *Partners Against Hunger*.

[Enterprising Women: Expanding Economic Opportunities in Africa](#)

Mary Hallward-Driemeier. Washington, DC: World Bank, November 2011.

The book is about expanding nonfarm entrepreneurship opportunities in Sub-Saharan Africa. It examines the extent of gender differences in economic activities pursued by female and male entrepreneurs, and the returns they receive. It brings substantial new micro-evidence to examine where and why gender gaps appear in the size, formality, and sector of women's and men's enterprises, and the implications for the performance of these businesses. It analyzes the factors that help explain these outcomes, so as to provide an agenda for expanding economic opportunities for women. Key themes include the need to address continued gender gaps in access to human capital, access to and control of assets, and improving the efficacy and authority of women's voices in shaping improvements in the business environment. The book does not aim to provide a full analysis of labor markets in Africa. It puts entrepreneurship in the broader patterns of labor market participation to show the relative importance of entrepreneurship against other economic activities and to demonstrate how gender patterns across employment categories in Africa differ from those in other regions in the world. It also explores how prior work experience affects the choice of entrepreneurial activity. It does not, however, explore directly the relative benefits of wage employment against entrepreneurship and how these benefits could vary across countries; nor does it examine individuals' transitions across employment categories. The analysis uses many sources of micro data household, labor force, and enterprise surveys to examine the full spectrum of entrepreneurial activities, disaggregated by gender.

[Growing Green: The Economic Benefits of Climate Action](#)

Uwe Deichmann and Fan Zhang. Europe and Central Asia Report. Washington, DC: World Bank, April 2013.

In the first post-transition decade after the fall of communism, Europe and Central Asia (ECA) moved its economy from plan to market. In the second decade, the 2000s, it moved from social division to inclusion. The region has an opportunity to use the third decade, the 2010s, to move from brown to green growth making production and consumption more sustainable, increasing quality of life, and reducing impacts on the climate. Lowering climate change risks in ECA will involve many different actions that fall broadly into three areas: Some, like energy efficiency improvements, are often economically beneficial regardless of climate concerns. Others, like creating a good business

environment for green enterprises, are investments that create new growth opportunities. Finally, actions like expanding wind and solar energy will have net costs for some time but are essential to tackling climate change. A simple framework helps guide climate action. The priorities are to use energy more efficiently, use cleaner energy, and manage natural resources better. Although price instruments like carbon or energy taxes tend to be most effective, climate action will also require regulations and investments such as fuel efficiency standards or research and development spending. Complementary growth, social, and environmental policies promote the broader benefits of climate action while limiting its costs. This report will show that climate action in ECA will benefit from rapid progress in three main areas: (a) large improvements in energy efficiency; (b) a shift to cleaner energy systems that will also improve local health and energy security; and (c) better management of green natural resources that will make the countries more economically productive while keeping more carbon out of the atmosphere.

[Improving Gender and Development Outcomes through Agency: Policy Lessons from Three Peruvian Experiences](#)

Elizaveta Perova and **Renos Vakis**. Washington, DC: World Bank, January 2013.

Peruvian public policy is currently focused on economic growth with social inclusion. The Ministry of Development and Social Inclusion (MIDIS)-created in October 2011-leads the sector and promotes evidence-based public policy using three strategic guidelines: 1) matching criteria and mechanisms for the selection of areas and target population, 2) generation of instruments for inter-sectorial and inter-governmental result-based coordination, and 3) activation of monitoring and evaluation procedures to measure interventions' progress and results. This study is about the incredible and frequently underestimated role of agency-the ability to make choices to achieve desired outcomes-in economic development. The authors share the view that agency has inherent value for development: it is an attribute and manifestation of development, or using Sen's words, it is constituent to development. This study however, focuses on the instrumental role of agency for more tangible manifestations of development, such as, poverty reduction and economic growth. It attempts to show that expanding individual agency is a powerful catalyst for improving welfare, as measured by these concrete and widely used metrics of policy success. Moreover, it argues that in many cases, improving development outcomes through agency is highly cost-effective. This study centers on several policy initiatives in Peru, which as will be subsequently shown, have improved the agency of their beneficiaries. The purpose of this study is twofold. First, it aims at bridging this information gap, providing a review of evidence that shows how the psychological components of agency, such as aspirations and self-esteem, can effectively contribute to more traditional development objectives-ranging from higher investments in human capital to increased income. Second, the study reviews and synthesizes research on several policy interventions in Peru, which have empowered their beneficiaries. In this way, the study aims to derive practical recommendations on how to incorporate psychological elements of agency into policy interventions in order to achieve better development outcomes. The study is structured as follows: the next section discusses the concept of agency, providing examples of its broad role in achieving development objectives. The following section reviews the quantitative and qualitative research that served as the basis for this study and elaborates on the methodologies used to derive the conclusions presented in the ensuing section. The last section synthesizes the conclusions of the review of different interventions in Peru into six practical 'policy lessons'.

[Sustaining Trade Reform: Institutional Lessons from Argentina and Peru](#)

Elias A. Baracat, J. Michael Finger, Raúl León Thorne, Julio J. Nogués. Washington, DC: World Bank, August 2013.

Trade reform in Latin America in the 1980s and 1990s was in significant part a reform of policy-making institutions. The institutions that existed when the reforms began had been created in response to particular protectionist

pressures at particular times, and afterward they were controlled by the interests on whose behalf they had been created. This book was prompted by preliminary evidence suggesting that the reforms have been better sustained in Peru than in Argentina. Peru has continued its liberalization whereas Argentina has imposed a number of new trade restrictions. Moreover, decisions on many of Argentina's restrictions have not gone through the new mechanisms. The objective of this book is to draw lessons from Peruvian and Argentine experience that will be useful to governments that want to maintain an open trade regime. From a positive perspective, the authors want to identify what the Peruvian government has done that has kept its liberalization moving forward. The Peru study focuses on how reform leaders in that country have reinforced the evolution of a new management culture and how they have disseminated widely in Peruvian society a positive vision of Peru in the international economy.

The Clean Development Mechanism: An Early History of Unanticipated Outcomes

Ariel Dinar, **Donald F. Larson**, and Shaikh M. Rahman. Singapore: World Scientific, May 2013.

Following the Earth Summit in Rio de Janeiro in 1992, countries took up the difficult task of finding a common approach that would slow down the build-up of greenhouse gas emissions in the atmosphere and delay changes to the planet's climate. A widespread concern among many of the participants in the newly formed United Nations Framework Convention on Climate Change was that the emission reductions needed to significantly affect climate change would cost so much that it could jeopardize the chances of a coordinated international solution. To address this concern, several flexible mechanisms were designed, including the CDM.

While many applaud the CDM, others are concerned with its performance and achievements, and whether or not it will be continued beyond 2012. Critics argue, among other things, that it has not delivered on the sustainable development objective for which it was established and that projects are unevenly distributed, both geographically and sectorally.

Much analysis is available on CDM, but very little comprehensive analysis, addressing various aspects of CDM is available. With a major decision for its continuation, a multi-dimensional analysis would be needed. This book is about the economic assessment of certain (not certain) CDM performances, and its future sustainability and trajectory.

2012

Localizing Development: Does Participation Work?

Ghazala Mansuri and **Vijayendra Rao**. Policy Research Report. Washington, DC: World Bank, November 2012.

This new research report analyzes community development and decentralization projects, shows that such projects often fail to be sensitive to complex contexts, including social, political, historical and geographical realities, and fall short in terms of monitoring and evaluation systems, which hampers learning. Citing numerous examples, including projects and programs supported by the World Bank, the authors demonstrate that participatory projects are not a substitute for weak states, but instead require strong central support to be effective. Promoting participation through community development projects and local decentralization has become a central tenet of development policy. The World Bank alone has invested about \$85 billion over the last decade on development assistance for participation. However, some observers feel that policy making in the area is conceptually weak, that project design is informed more by slogans than careful analysis. There have also been questions about whether participatory development is

effective in reducing poverty, improving service delivery, and building the capacity for collective action. Some observers also find that participatory projects are complex to implement and deeply affected by context, and are thus unsuited for large development institutions such as the World Bank. This groundbreaking report carefully examines each of these concerns. It outlines a conceptual framework for participation that is centered on the concept of civil society failure and how it interacts with market and government failures. The authors use this framework to understand the key policy debates surrounding participatory development and to frame the key policy questions. The report conducts the most comprehensive review of the evidence on the impact of participatory projects to date, looking at more than 400 papers and books. The report argues that participatory development is most effective when it works within a 'sandwich' formed by support from an effective central state and bottom-up civic action. This report represents an important contribution. It has significant implications for how to improve participation in development interventions and for development policy more broadly.

[Does What You Export Matter? In Search of Empirical Guidance for Industrial Policies](#)

Daniel Lederman and **William Maloney**. Latin American Development Forum. Washington, DC: World Bank, 2012.

Does what economies export matter for development? If so, can industrial policies improve on the export basket generated by the market? This book approaches these questions from a variety of conceptual and policy viewpoints. Reviewing the theoretical arguments in favor of industrial policies, the authors first ask whether existing indicators allow policy makers to identify growth-promoting sectors with confidence. To this end, they assess, and ultimately cast doubt upon, the reliability of many popular indicators advocated by proponents of industrial policy. Second, and central to their critique, the authors document extraordinary differences in the performance of countries exporting seemingly identical products, be they natural resources or “high-tech” goods. Further, they argue that globalization has so fragmented the production process that even talking about exported goods as opposed to tasks may be misleading. Reviewing evidence from history and from around the world, the authors conclude that policy makers should focus less on what is produced, and more on how it is produced. They analyze alternative approaches to picking winners but conclude by favoring “horizontal-ish” policies, for instance, those that build human capital or foment innovation in existing and future products, that only incidentally favor some sectors over others.

[Financial Development in Latin America and the Caribbean: The Road Ahead](#)

Sergio Schmukler, Augusto de la Torre, and Alain Ize. World Bank Latin American and the Caribbean Studies. Washington, DC: World Bank, 2012.

The financial systems of the Latin America and the Caribbean region (LAC) are at a crucial juncture. After a history of recurrent instability and crisis (a trademark of the region), they now seem well poised for rapid expansion. Since the last wave of financial crises that swept through the region in the late 1990s and early 2000s, financial systems in LAC have continued to gain in soundness, depth, and diversity. The size of banking systems has increased, albeit from a low base; local currency bond markets have greatly developed, both in volumes and in reach over the yield curve; stock markets have expanded; and derivative markets particularly currency derivatives have grown and multiplied. Institutional investors have become more important relative to banks, making the financial system more complex and diversified. Importantly, much progress has been made in financial inclusion, particularly through the expansion of payments, savings, and credit services to lower income households and microenterprises. As evidence of their new soundness and resiliency, financial systems in the region, except in some Caribbean countries, weathered the recent global financial crisis remarkably well. The progress in financial development in LAC no doubt reflects substantial improvements in the enabling environment, lower macroeconomic volatility, more independent and better-anchored

currencies, increased financial liberalization, lower currency mismatches and foreign debt exposures, enhanced effectiveness of regulation and supervision, and notable improvements in the underlying market infrastructures (for example, trading, payments, custody, clearing, and settlement). This regional flagship report aims at providing such a stocktaking and forward looking assessment of the region's financial development. Rather than going into detail about sector-specific issues, the report focuses on the main architectural issues, overall perspectives, and interconnections. The value added of the report thus hinges on its holistic view of the development process, its broad coverage of the financial services industry (not just banking), its emphasis on benchmarking, its systemic perspective, and its explicit effort to incorporate the lessons from the recent global financial crisis.

[Greenprint: A New Approach to Cooperation on Climate Change](#)

Arvind Subramanian and **Aaditya Mattoo**. Washington, DC: Center for Global Development, October 2012.

Few problems are as pressing and as existential for the world as climate change, and few have proven to be as intractable. Three decades of international negotiations on climate change have yielded little by way of action that would substantially slow, let alone reverse, human-caused climate change. Can things be different?

[Economic Mobility and the Rise of the Latin American Middle Class](#)

Francisco H. G. Ferreira, Julian Messina, Jamele Rigolini, Luis Felipe Lopez-Calva, Maria Ana Lugo, Renos Vakis, Luis Felipe Lopez-Calva, Latin America and Caribbean Studies. Washington, DC: World Bank, November 2012.

After decades of stagnation, the size of the middle class in Latin America and the Caribbean recently expanded by 50 percent from 103 million people in 2003 to 152 million (or 30 percent of the continent's population) in 2009. Over the same period, as household incomes grew and inequality edged downward in most countries, the proportion of people in poverty fell markedly: from 44 percent to 30 percent. As a result, the middle class and the poor now account for roughly the same share of Latin America's population. This is in stark contrast to the situation prevailing (for a long period) until about 10 years ago, when the share of the poor hovered around 2.5 times that of the middle class. This study investigates the nature, determinants, and possible consequences of this remarkable process of social transformation. Such large changes in the size and composition of social classes must, by definition, imply substantial economic mobility of some form. A large number of people who were poor in the late 1990s are now no longer poor. Others who were not yet middle class have now joined its ranks. But social and economic mobility does not mean the same thing to different people or in different contexts. This report discusses the relevant concepts and documents the facts about mobility in Latin America and the Caribbean over the past two decades, both within and between generations. In addition, it investigates the rise of the Latin American middle class over the past 10-15 years and explores the size, nature, and composition of this pivotal new social group. More speculatively, it also asks how the rising middle class may reshape the region's social contract.

[Eurasian Cities: New Realities along the Silk Road](#)

Souleymane Coulibaly, **Uwe Deichmann**, William R. Dillinger, Marcel Ionescu-Heroiu, **Ioannis N. Kessides**, Charles Kunaka, Daniel Saslavsky. Eastern Europe and Central Asia Reports. Washington, DC: World Bank, September 2012.

Eurasian cities, unique in the global spatial landscape, were part of the world's largest experiment in urban development. The challenges they now face because of their history offer valuable lessons to urban planners and policy makers across the world from places that are still urbanizing to those already urbanized. More than three-quarters of the built environment in Eurasian cities was developed after 1945 in a centralized fashion. Central

planners could implement whatever they considered good practice planning solutions, and Eurasia's cities became their drawing boards. The central planners got a lot right easy access to public transportation, district heating networks, almost universal access to water systems, and socially integrated neighborhoods. At the same time, they failed to acknowledge the importance of markets and individual choice in shaping sustainable and congenial places for people to live in. From a spatial point of view, it became clear that many Eurasian cities were developed in places where they should not have been. To populate sparsely inhabited territory, Soviet planners pushed urban development toward the heart of Siberia. Many of the resulting cities had no rural hinterland to rely on for daily food needs and had to depend on subsidized goods and services. Many Eurasian cities face an overdeveloped public service infrastructure that is hard to maintain and upgrade. Facing an economic downturn in the 1990s and lacking experience in decentralized urban management, many local authorities struggled to run these services. Public transport ridership fell in most cities, with more people commuting in private vehicles. Recycling networks disappeared, and soaring consumption overwhelmed solid waste management systems. District heating systems became large energy sieves hard to run and maintain without subsidies. Plaguing water systems are large shares of nonrevenue water, and low tariffs do not ensure the cost recovery needed for upgrades and repairs. This book discusses all five of these issues rethinking, planning, connecting, greening, and financing in more detail. It seeks to analyze the key challenges created by central planning, outline how these challenges were addressed in the transition years, and identify some steps Eurasian cities should take to chart a sustainable development path for themselves. The book also shows how some of the most progressive cities in the region have been tackling these problems and, in doing so, shedding the last vestiges of the socialist economy.

[Pathways to African Export Sustainability](#)

Paul Brenton, Olivier Cadot, and **Martha Denisse Pierola**. Directions in Development. Washington, DC: World Bank, July 2012.

This report provides tentative leads toward such policy prescriptions, based on an overview of the empirical evidence. Chapter one sets the stage by putting Africa's export-survival performance into perspective and proposing a framework that will guide the interpretation of empirical evidence throughout the report. Chapter two covers country-level determinants of export sustainability at origin and destination, including the exporting country's business environment. Chapter three explores some of the firm-level evidence on what drives export sustainability, including uncertainty, incomplete contracts, learning, and networks. Finally, chapter four offers tentative policy implications. The main conclusions from this overview of the causes of Africa's low export sustainability should be taken with caution both because of the complexity of the issue and because of the very fragmentary evidence on which the overview is based. The author should be more cautious in drawing policy implications, as hasty policy prescriptions are the most common trap into which reports of this kind can fall. A first, solid conclusion is that the author needs substantial additional work on the nature and causes of low export survival rates in developing countries to determine the path to high export sustainability.

[Seasonal Hunger and Public Policies: Evidence from Northwest Bangladesh](#)

Shahidur R. Khandker and Wahiduddin Mahmud. Directions in Development. Washington, DC: World Bank, July 2012.

Seasonal hunger induced by agricultural seasonality is often a characteristic feature of rural poverty. The evidence of seasonal distress in many agrarian societies can be found in the narratives of economic historians. With agricultural diversification made possible through technological breakthroughs in many parts of the developing world, the

severity of seasonal stress and adversities has been reduced considerably, if not altogether eliminated. In certain agricultural settings, however, the seasonality of poverty and hunger, along with the associated seasonal shortfalls in income and consumption, is still a policy quagmire. The problem gets more complicated when agricultural seasonality is locked into a cycle of endemic poverty, seasonal hunger, and risk of further impoverishment. Poverty and seasonality may also reinforce each other through various other forces that create and sustain both. The thrust of policy needs to be to break this interlocking cycle of poverty and seasonality. The book has nine chapters. Chapter two looks at the key conceptual issues and presents a global perspective on the challenge of addressing seasonal hunger. Chapter three brings Bangladesh's reality to the fore regarding seasonal poverty and food insecurity and the vulnerability of the northwest region. Chapter four analyzes the vulnerability of households to seasonal hunger, their coping strategies, and the extent to which income seasonality affects seasonal poverty and food deprivation. Chapter five reports some findings for both the Rangpur region and the country as a whole regarding the effects of policies and programs on poverty and food deprivation. The findings reported in the next three chapters are mainly related to the Rangpur region only. Chapter six examines the issue of seasonal migration in the context of mitigating seasonal deprivation. In chapter seven, the impact of the social safety-net programs is tested, whereas the effectiveness of microfinance is assessed in chapter eight. The concluding chapter, chapter nine, looks at the policy implications while also pointing to some emerging challenges.

[The Elderly and Old Age Support in Rural China](#)

Fang Cai, **John Giles**, Philip O'Keefe, and Dewen Wang. Directions in Development. Washington, DC: World Bank, 2012.

Although average incomes in China have risen dramatically since the 1980s, concerns are increasing that the rural elderly have not benefited from growth to the same extent as younger people and the urban elderly. Concerns about welfare of the rural elderly combine spatial and demographic issues. Large gaps exist between conditions in coastal and interior regions and between conditions in urban and rural areas of the country. In addition to differences in income by geography, considerable differences exist across demographic groups in the level of coverage by safety nets, in the benefits received through the social welfare system, and in the risks of falling into poverty. This book aims to do two things: first, it provides detailed empirical analysis of the welfare and living conditions of the rural elderly since the early 1990s in the context of large-scale rural-to-urban migration, and second, it explores the evolution of the rural pension system in China over the past two decades and raises a number of issues on its current implementation and future directions. Although the two sections of the book are distinct in analytical terms, they are closely linked in policy terms: the first section demonstrates in several ways a rationale for greater public intervention in the welfare of the rural elderly, and the second documents the response of policy to date and options to consider for deepening the coverage and effects of the rural pension system over the longer term.

2011

[Assessing Sector Performance and Inequality in Education](#)

Emilio Porta, Gustavo Arcia, Kevin Macdonald, **Sergiy Radyakin**, and **Michael Lokshin**. Washington, DC: World Bank, 2011.

This book gathers in one volume all the information related to Automated DEC [Development Economics - Vice Presidency at the World Bank] Poverty Tables (ADePT) Edu, the software platform created by the World Bank for reporting and analyzing education indicators and education inequality. It includes a primer on the availability of

education data, an operating manual for using the ADePT software, a technical explanation of all the education indicators ADePT generates, and an overview of global education inequality using ADePT Edu. Chapter one is an introduction to ADePT Edu. It describes its origin and intended use and familiarizes readers with educational statistics. Chapter two is intended for users unfamiliar with the different datasets that contain education statistics and household-level data that contain information on education. Chapter three is a step-by-step technical guide for potential users. In addition to identifying the hardware and operating system requirements, it provides graphic examples of each of the steps needed to install and operate the software. Chapter four describes the outputs of ADePT and the definitions of all the indicators it generates. Chapter five provides a global and regional overview of education inequality, using ADePT Edu outputs obtained from household survey data. It analyzes inequality in school participation, progression, and attainment. Chapter 5 also illustrates how ADePT Edu can be used to readily analyze data from any household survey, a feature that makes this software unique. The analysis of education inequality serves as a backdrop for the potential use of household surveys for analyzing the demand side of education.

[Connecting Landlocked Developing Countries to Markets: Trade Corridors in the 21st Century](#)

Jean-Francois Arvis, Graham Smith, Robin Carruthers, Christopher Willoughby. Washington, DC: World Bank, March 2011.

The importance of transport corridors for trade and development, including for some of the poorest countries in the world, is widely recognized in this book. A new consensus has also emerged that reducing trade costs and improving access to corridors is not just a matter of building infrastructure. The policies that regulate transport services providers and the movement of goods along corridors are important determinants of the social rate of return on such infrastructure investment. This book avoids optimistic assumptions regarding the prospects for new high-level agreements and decisions to facilitate transit or the possible benefits from increased use of technology. Instead, the authors argue that much can be done through the implementation of readily available existing tools. The use of these tools is often hampered by not only capacity constraints; but, equally if not more important, a lack of commitment. Political economic factors in both the landlocked countries and their transit neighbors must be recognized and addressed. This book offers examples of possible implementation strategies that, while challenging, should in principle help in overcoming these political economic constraints. The main message is that to bring about efficient trade corridors governments and stakeholders should focus on properly implementing the fiscal, regulatory, and procedural principles for international transit that encourage quality-driven logistics services. The various implementation challenges are the primary focus of this book.

[Contesting Development: Participatory Projects and Local Conflict Dynamics in Indonesia](#)

Patrick Barron, Rachael Diprose, and **Michael Woolcock**. Yale University Press, February 2011.

This pathbreaking book analyzes a highly successful participatory development program in Indonesia, exploring its distinctive origins and design principles and its impacts on local conflict dynamics and social institutions.

[Health Equity and Financial Protection](#)

Adam Wagstaff, Marcel Bilger, **Zurab Sajaia**, and **Michael Lokshin**. Washington, DC: World Bank, May 2011.

This book provides a guide to Automated Development Economics (DEC) Poverty Tables (ADePT's) two health modules: the first module covers inequality and equity in health, health care utilization, and subsidy incidence; the second, health financing and financial protection. It also provides introductions to the methods used by ADePT and a

step-by-step guide to their implementation in the program. ADePT is a software package that generates standardized tables and charts summarizing the results of distributional analyses of household survey data. ADePT health is just one of several modules; other modules include poverty, inequality, labor, social protection, and gender. ADePT health has two sub modules: health outcomes and health financing. Together these modules cover a wealth of topics in the areas of health equity and financial protection. This manual is divided into two parts corresponding to each of these sub modules. The following topics are covered: part 1, health outcomes: (a) measuring inequalities in outcomes and utilization (with and without standardization for need), (b) decomposing the causes of health sector inequalities, and (c) analyzing the incidence of government spending (that is, benefit incidence analysis); and part 2, health financing: (a) financial protection, including catastrophic payments and impoverishing payments, and (b) the progressivity and redistributive effect of health financing.

India's Health Insurance Scheme for the Poor: Evidence from the Early Experience of the Rashtriya Swasthya Bima Yojana

Robert J. Palacios, **Jishnu Das**, and Changqing Sun. New Delhi: Centre for Policy Research, 2011.

This monograph documents the early experience of states, insurance companies, households and hospitals with the Rashtriya Swasthya Bima Yojana or RSBY in India. The scheme is still in its infancy, with its first enrolment taking place on February 28, 2008. It aims to provide health insurance for inpatient care for all households below the poverty line in Indian states (and is now being expanded to include other groups). At the time of printing, the RSBY covered over 23 million households in 23 states and had been used to cover inpatient care for 1.6 million hospital visits. The authors of the papers in this monograph come from several institutions reflecting collaboration with several external agencies and institutions including GTZ, India Development Foundation, Centre for Policy Research and the World Bank.

Leveraging Migration for Africa: Remittances, Skills, and Investments

Dilip Ratha, Sanket Mohapatra, **Caglar Ozden**, Sonia Plaza, William Shaw, Abede Shimeles. Washington, DC: World Bank, April 2011.

International migration has profound implications for human welfare, and African governments have had only a limited influence on welfare outcomes, for good or ill. Improved efforts to manage migration will require information on the nature and impact of migratory patterns. This book seeks to contribute toward this goal, by reviewing previous research and providing new analyses (including surveys and case studies) as well as by formulating policy recommendations that can improve the migration experience for migrants, origin countries, and destination countries. The book comprises this introduction and summary and four chapters. Chapter one reviews the data on African migration and considers the challenges African governments face in managing migration. Chapter two discusses the importance of remittances, the most tangible link between migration and development; it also identifies policies that can facilitate remittance flows to Africa and increase their development impact. Chapter three analyzes high-skilled emigration and analyzes policies that can limit adverse implications and maximize positive implications for development. Chapter four considers ways in which Africa can leverage its diaspora resources to increase trade, investment, and access to technology.

Making Schools Work: New Evidence on Accountability Reforms

Barbara Bruns, **Deon Filmer**, and Harry Anthony Patrinos. Washington, DC: World Bank, February 2011.

This book is about the threats to education quality that cannot be explained by lack of resources. It reviews service delivery failures in education: cases where programs and policies increase inputs to education but do not produce effective services where it counts in the classroom. It documents what we know about the extent and costs of such failures. It argues that a root cause of low-quality and inequitable public services is the weak accountability of providers to both their supervisors and clients. The central focus of the book is that countries are increasingly adopting innovative strategies to attack these problems. Drawing on new evidence from 22 rigorous evaluations in 11 countries, this book examines how strategies to strengthen accountability relationships in school systems have affected schooling outcomes. The book provides a succinct review of the rationale and impact evidence for three key lines of reform: (1) policies that use the power of information to strengthen the ability of students and their parents to hold providers accountable for results; (2) policies that promote schools' autonomy to make key decisions and control resources; and (3) teacher incentives reforms that specifically aim at making teachers more accountable for results.

Perspectives on Poverty in India: Stylized Facts from Survey Data

Peter Lanjouw and Rinku Murgai Ernesto May, N. Roberto Zagha, Miria Pigato, Tara Vishwanath, Nobuo Yoshida, Ericka Rascon, Jishnu Das, Puja Vasudeva Dutta, Maitreyi Das, Soumya Kapoor, Pinaki Joddar, Shiny Jaison, Rita Soni, Jyoti Sriram, Gaurav Datt, Martin Ravallion, Angus Deaton, Amaresh Himanshu Dubey, Benjamin Crost, Alain de Janvry, Elisabeth Sadoulet, Stefan Dercon, Sonya Krutikova, Davesh Kapur, Jeffrey Witsoe, Gillett Hall, Denis Nikitin. Washington, DC: World Bank, April 2011.

This report's objective is to develop the evidence base for policy making in relation to poverty reduction. It produces a diagnosis of the broad nature of the poverty problem and its trends in India, focusing on both consumption poverty and human development outcomes. It also includes attention in greater depth to three pathways important to inclusive growth and poverty reduction harnessing the potential of urban growth to stimulate rural-based poverty reduction, rural diversification away from agriculture, and tackling social exclusion. This report shows that urban growth, which has increasingly outpaced growth in rural areas, has helped to reduce poverty for urban residents directly. In addition, evidence appears of a much stronger link from urban economic growth to rural poverty reduction. Stronger links with rural poverty are due to a more integrated economy. Urban areas are a demand hub for rural producers, as well as a source of employment for the rural labor force. They are aiding the transformation of the rural economy out of agriculture. In urban areas, it is small and medium-size towns, rather than large cities, that appear to demonstrate the strongest urban-rural growth links. Urban growth also stimulates rural-urban migration. But although some increase in such migration has occurred over time, migration levels in India remain relatively low compared to other countries.

Rising Global Interest in Farmland: Can it Yield Sustainable and Equitable Benefits?

Klaus W. Deininger, Derek Byerlee, Jonathan Lindsay, Andrew Norton, Harris Selod, and Mercedes Stickler. Washington, DC: World Bank, January 2011.

Interest in farmland is rising. And, given commodity price volatility, growing human and environmental pressures, and worries about food security, this interest will increase, especially in the developing world. One of the highest development priorities in the world must be to improve smallholder agricultural productivity, especially in Africa. Smallholder productivity is essential for reducing poverty and hunger, and more and better investment in agricultural technology, infrastructure, and market access for poor farmers is urgently needed. When done right, larger-scale farming systems can also have a place as one of many tools to promote sustainable agricultural and rural

development, and can directly support smallholder productivity, for example, throughout grower programs. However, recent press and other reports about actual or proposed large farmland acquisition by big investors have raised serious concerns about the danger of neglecting local rights and other problems. They have also raised questions about the extent to which such transactions can provide long-term benefits to local populations and contribute to poverty reduction and sustainable development. Although these reports are worrying, the lack of reliable information has made it difficult to understand what has been actually happening. Against this backdrop, the World Bank, under the leadership of Managing Director Ngozi Okonjo-Iweala, along with other development partners, has highlighted the need for good empirical evidence to inform decision makers, especially in developing countries.

Supply Chains in Export Agriculture, Competition, and Poverty in Sub-Saharan Africa

Guido Porto, Nicolas M Depetris Chauvin, and Marcelo Olarreaga. Washington, DC: World Bank, January 2011.

The literature on trade and poverty is large and has grown extensively during the last decade or so (Winters et al. 2004; Goldberg and Pavcnik 2004, 2007; Porto 2007, 2010, 2011). Initially, this literature investigated whether trade reforms, meaning mostly border protection such as tariffs, quotas, or export taxes, affected poverty. The approach is based on the idea that trade reforms affect domestic prices, and domestic prices affect households via several channels. As consumers, households benefit from lower prices and are hurt by higher prices. As producers, households benefit from higher prices and are hurt by lower prices. As income earners, prices can affect wages and employment and thus trade can affect the labor income of the household. Other channels, such as changes in transfers or capital income, can also play a role. In this book, we study how the internal structure of export markets and the level of competition affect poverty and welfare in remote rural areas in Africa. In sub-Saharan Africa, rural poverty is a widespread phenomenon. While most farmers produce for home consumption, some are engaged in high-value export agriculture. Here, the authors focus on export crops such as coffee, cotton, cocoa, and tobacco. For many African countries, these crops, which are typically produced by smallholders, are a major source of export revenue. In consequence, changes in export prices and in the conditions faced in export markets (both internally and externally) can play a big role in shaping poverty in the region. Traditionally, the literature has focused on how external conditions affect poverty, for example by addressing whether agricultural subsidies in the developed world affect world prices and how this in turn affects farm-gate prices. The author's objective in this book is to explore domestic factors. In particular, we investigate the role played by the structure of competition in export agriculture supply chains.

The Changing Wealth of Nations: Measuring Sustainable Development in the New Millennium

Glenn-Marie Lange, **Kirk E. Hamilton**, Giovanni Ruta, Lopa Chakraborti, Deval Desai, Bram Edens, Susana Ferreira, Barbara Fraumeni, Michael Jarvis, William Kingmill, and Haizheng Li. Washington, DC: World Bank, January 2011.

This book is about development and measuring development progress. While precise definitions may vary, development is, at heart, a process of building wealth, the produced, natural, human, and institutional capital which is the source of income and wellbeing. A key finding is that it is intangible wealth, human and institutional capital, which dominates the wealth of all countries, rising as a share of the total as countries climb the development ladder. The book is divided into two parts. The first part provides the big picture of changes in wealth by income group and geographic region, with a focus on natural capital because it is especially important for low-income developing countries. The second part presents case studies that illustrate particular aspects of wealth accounting, including accounting for climate change, the role of intangible capital in growth and development, measuring human capital,

and the use of wealth accounting to improve transparency and governance in resource-rich economies. The final chapter reports on the implementation of wealth accounting by countries. The appendixes provide the full wealth accounts for individual countries and for aggregations by income group and geographic region.

[The Land Governance Assessment Framework: Identifying and Monitoring Good Practice in the Land Sector](#)

Klaus W. Deininger, Harris Selod, and Anthony Burns. Washington, DC: World Bank, 2012.

Seventy-five percent of the world's poor live in rural areas and most are involved in agriculture. In the 21st century, agriculture remains fundamental to economic growth, poverty alleviation, and environmental sustainability. The World Bank's Agriculture and rural development publication series presents recent analyses of issues that affect the role of agriculture, including livestock, fisheries, and forestry, as a source of economic development, rural livelihoods, and environmental services. The series is intended for practical application, and hope that it will serve to inform public discussion, policy formulation, and development planning. Increased global demand for land because of higher and more volatile food prices, urbanization, and use of land for environmental services implies an increased need for well-designed land policies at the country level to ensure security of long-held rights, to facilitate land access, and to deal with externalities. Establishing the infrastructure necessary to proactively deal with these challenges can require large amounts of resources. Yet with land tenure deeply rooted in any country's history, a wide continuum of land rights, and vast differences in the level of socioeconomic development, the benefits to be expected and the challenges faced will vary across and even within countries, implying a need to adapt the nature and sequencing of reforms to country circumstances. Also, as reforms will take time to bear fruit and may be opposed by vested interests, there is a need to identify challenges and to reach consensus on how to address them in a way that allows objective monitoring of progress over time. Without this being done, the chances of making quick progress in addressing key land policy challenges are likely to be much reduced. The Land Governance Assessment Framework (LGAF) is intended as a first step to help countries deal with these issues. It is a diagnostic tool that is to be implemented at the local level in a collaborative fashion, that addresses the need for guidance to diagnose and benchmark land governance, and that can help countries prioritize reforms and monitor progress over time.

2010

[Entrepreneurial Snapshots 2010: Measuring the Impact of the Financial Crisis on New Business Registration](#)

Leora Klapper and Inessa Love, with Elena Cirmizi, Caroline Giraud, and Douglas Randall, Washington, DC: World Bank, November 2010.

New businesses are likely to have been even more severely affected by the crisis than mature businesses, even in non crisis times, new and young firms tend to be more constrained than older firms which often have established reputations and enjoy easier access to finance. Given the sudden scarcity of credit and the uncertain economic outlook, it is reasonable to assume that entrepreneurs wanting to start a new business or register an existing informal business were hit especially hard by the downturn. Until now, however there has been a lack of comprehensive evidence to support this assumption. The impact of the 2008-09 financial crises on new business creation should be of special interest given the importance of entrepreneurs and young firms to the continued dynamism of the modern market economy; it is well established that a robust entry rate of new business can foster competition and economic growth. This report hypothesizes that although economies with more developed financial markets were hit harder by the crisis, they will enjoy stronger and quicker recoveries in new firm creation.

[Handbook on Impact Evaluation: Quantitative Methods and Practices](#)

Shahidur R. Khandker, Hussain A. Samad, and Gayatri B. Koolwal. Washington, DC: World Bank, 2010.

This book reviews quantitative methods and models of impact evaluation. The formal literature on impact evaluation methods and practices is large, with a few useful overviews. Yet there is a need to put the theory into practice in a hands-on fashion for practitioners. This book also details challenges and goals in other realms of evaluation, including monitoring and evaluation (M&E), operational evaluation, and mixed-methods approaches combining quantitative and qualitative analyses. This book is organized as follows. Chapter two reviews the basic issues pertaining to an evaluation of an intervention to reach certain targets and goals. It distinguishes impact evaluation from related concepts such as M&E, operational evaluation, qualitative versus quantitative evaluation, and ex-ante versus ex post impact evaluation. Chapter three focuses on the experimental design of an impact evaluation, discussing its strengths and shortcomings. Various non-experimental methods exist as well, each of which are discussed in turn through chapters four to seven. Chapter four examines matching methods, including the propensity score matching technique. Chapter five deal with double-difference methods in the context of panel data, which relax some of the assumptions on the potential sources of selection bias. Chapter six reviews the instrumental variable method, which further relaxes assumptions on self-selection. Chapter seven examines regression discontinuity and pipeline methods, which exploit the design of the program itself as potential sources of identification of program impacts. Specifically, chapter eight presents a discussion of how distributional impacts of programs can be measured, including new techniques related to quantile regression. Chapter nine discusses structural approaches to program evaluation, including economic models that can lay the groundwork for estimating direct and indirect effects of a program. Finally, chapter ten discusses the strengths and weaknesses of experimental and non-experimental methods and also highlights the usefulness of impact evaluation tools in policy making.

[The Haves and the Have-Nots: A Brief and Idiosyncratic History of Global Inequality](#)

Branko Milanovic. New York: Basic Books, December 2010 | [New York Times Book Review](#)

Who is the richest person in the world, ever? Does where you were born affect how much money you'll earn over a lifetime? How would we know? Why—beyond the idle curiosity—do these questions even matter? In *The Haves and the Have-Nots*, Branko Milanovic, one of the world's leading experts on wealth, poverty, and the gap that separates them, explains these and other mysteries of how wealth is unevenly spread throughout our world, now and through time. Milanovic uses history, literature and stories straight out of today's newspapers, to discuss one of the major divisions in our social lives: between the haves and the have-nots. He reveals just how rich Elizabeth Bennet's suitor Mr. Darcy really was; how much Anna Karenina gained by falling in love; how wealthy ancient Romans compare to today's super-rich; where in Kenyan income distribution was Obama's grandfather; how we should think about Marxism in a modern world; and how location where one is born determines his wealth. He goes beyond mere entertainment to explain why inequality matters, how it damages our economic prospects, and how it can threaten the foundations of the social order that we take for granted. Bold, engaging, and illuminating, *The Haves and the Have-Nots* teaches us not only how to think about inequality, but why we should.

[Innocent Bystanders: Developing Countries and the War on Drugs](#)

Philip Keefer, Norman Loayza, World Bank: Washington, DC, April, 2010.

Drug use and abuse is one of the most difficult challenges facing the contemporary world. If it is true that there has always been consumption of different types of drugs in different societies, although not in all of them, it is no less true that it generally took place in restricted, socially regulated realms, especially in ritualistic ceremonies. This is not the case today. Drug use has spread to all segments of society, with hedonistic motivations; although it is often not socially sanctioned, users are at times, depending on the drug, treated with leniency. It is well-established that all drugs are harmful to the health, even the legal ones, such as alcohol and tobacco, and that some drugs are more harmful, such as heroin and crack. The discussion of 'gateway drugs' is a medical issue on which there is no consensus. For the purposes of public policy design, the important thing to keep in mind is that drugs produce negative consequences for both users and societies in general, and that minimizing their consumption should be the main goal. The salient discussion, therefore, is about choosing among different strategies to achieve the same goal. Most of all, this book contributes to the debate by shedding light on the understanding of the economics and logistics of the drug market.

[Life Chances in Turkey: Expanding Opportunities for the Next Generation](#)

J. Hentschel, M. Aran, R. Can, F. H. G. Ferreira, J. Gignoux and A. Uraz. Washington, DC: World Bank, 2010.

Life chances explore the state of equality of opportunities in Turkey. It builds on the concepts and ideas presented in the World Development Report 2006: equity and development. The authors assess how today's distribution of wealth and the success of children in learning to read and write are shaped by the past, by factors predetermined at birth, factors over which today's children and families have no control: one's gender, parents' and grandparents' education, region and area of birth, or mother tongue. Some of the findings are stark, especially as they pertain to how the opportunities today's children have affect the future of the country: a girl born in a remote village to a poor family and parents with primary education degrees will very likely struggle in almost every area of her development. Compared with a boy born to well-off, highly educated parents in one of the urban centers in the country's west, that girl is four times as likely to suffer from low birth weight, one-third as likely to be immunized, and ten times as likely to have her growth stunted as a result of malnutrition. Similarly she has a one-in-five chance of completing high school, whereas the boy will likely finish school and move on to college. Life chances shows how investing in early childhood education has huge payoffs, for disadvantaged children as well as social and economic development at large. This book goes beyond tradeoffs between efficiency and equity. It shows that a focus on equity, equality of opportunities, can also lead to enhanced efficiency, once the productive capabilities of all citizens are nurtured to their fullest extent regardless of the luck of the draw at birth.

[New Insights into the Provision of Health Services in Indonesia: A Health Work Force Study](#)

Claudia Rokx, John T. Giles, Elan Satriawan, Puti Marzoeki, and Pandu Harimurti. Directions in Development. Washington, DC: World Bank, 2010.

Indonesia has made improving the access to health workers, especially in rural areas, and improving the quality of health provider's key priority areas of its next five-year development plan. Significant steps and policy changes were taken to improve the distribution of the health workforce, in particular the contracted doctors program and later the contracted midwives program, but few studies have been undertaken to measure the actual impact of these policies and programs. This book is part of the inputs prepared at the request of the government of Indonesia's national development agency, Bappenas, to inform the development of the next national development plan 2010-14. Other inputs include reports on health financing, fiscal space for health, health public expenditure review, and assessments of maternal health and pharmaceuticals. Study findings highlight the importance not only of improving the supply of

health care, but also of improving quality, so as to improve health outcomes. Over the period studied, important gains in the determinants of health outcomes have occurred in Indonesia. At the same time, however, the study shows that Indonesia, despite the significant gains, continues to suffer from serious challenges in the number and distribution, and in particular the quality, of its health workers.

2009

[Climate Change and Agriculture: An Economic Analysis of Global Impacts, Adaptation and Distributional Effects](#)

Robert Mendelsohn and **Ariel Dinar**. Northhampton, MA: Edward Elger, 2009.

Despite its great importance, there are surprisingly few economic studies of the impact of climate on agriculture and how agriculture can adapt under a variety of conditions. This book examines 22 countries across four continents, including both developed and developing economies. It provides both a good analytical basis for additional work and solid results for policy debate concerning income distributional effects such as abatement, adaptation, and equity.

[Conditional Cash Transfers: Attacking Present and Future Poverty](#)

Ariel Fiszbein, **Norbert Schady**, Francisco H.G. Ferreira, Margaret Grosh, Nial Kelleher, Pedro Olinto, Emmanuel Skoufias. A Policy Research Report. Washington, DC: World Bank, 2009.

Conditional cash transfers (CCTs) are programs that transfer cash, generally to poor households, on the condition that those households make pre specified investments in the human capital of their children. The report shows that there is good evidence that CCTs have improved the lives of poor people. Transfers generally have been well targeted to poor households, have raised consumption levels, and have reduced poverty, by a substantial amount in some countries. Offsetting adjustments that could have blunted the impact of transfers, such as reductions in the labor market participation of beneficiaries, have been relatively modest. The report also considers the rationale for conditioning the transfers on the use of specific health and education services by program beneficiaries. Thus CCTs have increased the likelihood that households will take their children for preventive health checkups, but that has not always led to better child nutritional status; school enrollment rates have increased substantially among program beneficiaries, but there is little evidence of improvements in learning outcomes. These findings suggest that to maximize their potential effects on the accumulation of human capital, CCTs should be combined with other programs to improve the quality of the supply of health and education services, and should provide other supporting services.

[Development Economics through the Decades: A Critical Look at 30 Years of the World Development Report](#)

Shahid Yusuf, Angus Deaton, Kemal Dervis, William Easterly, Takatoshi Ito, and Joseph E. Stiglitz. Washington, DC: World Bank, 2009.

The World Development Report (WDR) has become such a fixture that it is easy to forget the circumstances under which it was born and the Bank's motivation for producing such a report at that time. In the first chapter of this essay, the authors provide a brief background on the circumstances of newly independent developing countries and summarize some of the main strands of the emerging field of development economics. This backdrop to the genesis of the WDR accounts for the orientation of the earlier reports. The thinking on development in the 1960s and 1970s also provides a baseline from which to view the evolution that has occurred since. From the coverage in the second chapter, the authors isolate a number of key issues common to several or all of the WDRs, and the author examines these issues individually at greater length in third chapter. The discussion in third chapter, which builds on the material in the WDRs, presents some views about how far development thinking and, relatedly, policy making have advanced relative to 30 years ago. It asks whether promoting growth, building institutions, tackling inequality and poverty, making aid effective, and defining the role of the state have been rendered more tractable policy wise by the knowledge encapsulated in the WDRs. Chapter four looks ahead and points to some of the big challenges that the Bank might explore through future WDRs and the value it can add through the knowledge acquired from its cross-country operations and research.

[Handbook on Poverty and Inequality](#)

Shahidur Khandker, and Joanathan Haughton. Washington, DC: World Bank, March 2009.

The handbook on poverty and inequality provides tools to measure, describe, monitor, evaluate, and analyze poverty. It provides background materials for designing poverty reduction strategies. This book is intended for researchers and policy analysts involved in poverty research and policy making. The handbook began as a series of notes to support training courses on poverty analysis and gradually grew into a sixteen, chapter book. Now the Handbook consists of explanatory text with numerous examples, interspersed with multiple-choice questions (to ensure active learning) and combined with extensive practical exercises using stata statistical software. The handbook has been thoroughly tested. The World Bank Institute has used most of the chapters in training workshops in countries throughout the world, including Afghanistan, Bangladesh, Botswana, Cambodia, India, Indonesia, Kenya, the Lao People's Democratic Republic, Malawi, Pakistan, the Philippines, Tanzania, and Thailand, as well as in distance courses with substantial numbers of participants from numerous countries in Asia (in 2002) and Africa (in 2003), and online asynchronous courses with more than 200 participants worldwide (in 2007 and 2008). The feedback from these courses has been very useful in helping us create a handbook that balances rigor with accessibility and practicality. The handbook has also been used in university courses related to poverty.

[Health Financing and Delivery in Vietnam: Looking Forward](#)

Samuel S. Lieberman and **Adam Wagstaff**. Washington, DC: World Bank, March 2009.

This book reviews Vietnam's successes and the challenges it faces, and goes on to suggest some options for further reforming the country's health system. Options for expanding coverage to 100 percent of the population are compared. The issue of how to deepen coverage, so that insurance reduces out-of-pocket spending by more than it does at present, is also discussed, as is the issue of how to put downward pressure on the cost of health care. The book also looks at the issues of how to improve the quality of care, both overall and at the hospital level, and how to reform provider payment methods. It also looks at the issue of stewardship, what different parts of government (the health ministry, the health insurer, and so on) should be doing at each level of government, and what different levels of government (the central government, provincial government, and so forth) ought to be doing.

[Reforming China's Rural Health System](#)

Adam Wagstaff, Magnus Lindelow, Sharon Wang, and Shuo Zhang. Washington, DC: World Bank, July 2009.

This book began in 2003 during the initial formulations of China's 11th five-year plan, which covers the period 2006-10. During the entire period, the rural health Analytic and Advisory Activities (AAA) team analyzed the sector and debated reform options with government officials and scholars. It has helped the government in its extensive reform efforts over the past few years. The publication can serve two important functions: to provide an analytical framework for thinking about what happened in China's rural health system and why, and to present a global perspective on the options for further strengthening the sector. China is well on its way to achieving a modern, equitable, and well-functioning rural health sector, but this is not an easy task for any country. This book can provide a useful reference for policy makers in the next phase of health reform and beyond.

[The Ease of Doing Business in APEC: The Impact of Regulatory Reforms](#)

Deepak Bhattasali, **Mary Hallward-Driemeier**, and Yue Li. Prepared by the World Bank for APEC Economic Committee Singapore: APEC, August 2009.

This study has three aims: (i) to measure the impact of formal regulations and regulatory changes on aggregate economic outcomes; (ii) to assess the impact of regulatory enforcement across locations and firms; and (iii) to draw lessons from eight economy case studies by evaluating those dimensions of reforms that lie beyond narrowly defined quantitative indicators.

2008

[Finance for All? Policies and Pitfalls in Expanding Access](#)

Asli Demirguc-Kunt, Thorsten Beck, Patrick Honohan. Policy Research Report. Washington, DC: World Bank, 2008.

This book, finance for all, presents first efforts at developing indicators illustrating that financial access is quite limited around the world and identifies barriers that may be preventing small firms and poor households from using financial services. Based on this research, the report derives principles for effective government policy on broadening access. The report's conclusions confirm some traditional views and challenge others. For example, recent research provides additional evidence to support the widely held belief that financial development promotes growth and illustrates the role of access in this process. Improved access to finance creates an environment conducive to new firm entry, innovation, and growth. However, research also shows that small firms benefit the most from financial development and greater access-both in terms of entry and seeing their growth constraints relaxed. Hence, inclusive financial systems also have consequences for the composition and competition in the enterprise sector. This report reviews and synthesizes a large body of research and provides the basis for sound policy advice in the area of financial access. The findings in this report also underline the importance of investing in data collection: continued work on measuring and evaluating the impact of access requires detailed micro data both at the household and enterprise level.

[Development Economics through the Decades: A Critical Look at 30 Years of the World Development Report](#)

Shahid Yusuf, Angus Deaton, Kemal Dervis, **William Easterly**, Takatoshi Ito, Joseph Stiglitz. Washington, DC: World Bank, December 2008.

Document also available in : [Russian](#)

The World Development Report (WDR) has become such a fixture that it is easy to forget the circumstances under which it was born and the Bank's motivation for producing such a report at that time. In the first chapter of this essay, the authors provide a brief background on the circumstances of newly independent developing countries and summarize some of the main strands of the emerging field of development economics. This backdrop to the genesis of the WDR accounts for the orientation of the earlier reports. The thinking on development in the 1960s and 1970s also provides a baseline from which to view the evolution that has occurred since. From the coverage in the second chapter, the authors isolate a number of key issues common to several or all of the WDRs, and the author examines these issues individually at greater length in third chapter. The discussion in third chapter, which builds on the material in the WDRs, presents some views about how far development thinking and, relatedly, policy making have advanced relative to 30 years ago. It asks whether promoting growth, building institutions, tackling inequality and poverty,

making aid effective, and defining the role of the state have been rendered more tractable policy wise by the knowledge encapsulated in the WDRs. Chapter four looks ahead and points to some of the big challenges that the Bank might explore through future WDRs and the value it can add through the knowledge acquired from its cross-country operations and research.

[Learning and Educational Achievements in Punjab Schools \(LEAPS\): Insights to Inform the Education Policy Debate](#)

Tahir Andrabi, **Jishnu Das**, Asim Ijaz Khwaja, Tara Vishwanath, Tristan Zajonc. Report 43750, World Bank, Washington, DC, January 2008.

This report shares the findings of first round of the Learning and Educational Achievement in Punjab Schools (LEAPS) survey carried out in all the public and private schools offering primary level education in 112 villages of the province. This survey includes learning outcomes for 12,000 children in Class III in Urdu, English, and Mathematics together with detailed information on the beliefs and behavior of schools, teachers and parents. This large and independent exercise provides critical information on every aspect of the educational marketplace, including performance of all types of schools in select districts of the province. This report presents findings from the first round of the survey in 2003 along with trends for a few key outcomes between 2003 and 2007; a further report will incorporate all other information from the four rounds collected between 2003 and 2007.

[Land in Transition: Reform and Poverty in Rural Vietnam](#)

Martin Ravallion, and **Dominique van de Walle**. 2008. Washington, DC and New York: World Bank and Palgrave Macmillan, April 2008.

The policy reforms called for in the transition from a socialist command economy to a developing market economy bring both opportunities and risks to a country's citizens. In poor economies, the initial focus of reform efforts is naturally the rural sector, which is where one finds the bulk of the population and almost all the poor. Economic development will typically entail moving many rural households out of farming into more remunerative (urban and rural) non-farm activities. Reforms that shift the rural economy from the relatively rigid, control-based farming institutions found under socialist agriculture to a more flexible, market-based model in which production incentives are strong can thus play an important role in the process of economic growth. However, such reforms present a major challenge to policy makers, who are concerned that they will generate socially unacceptable inequalities in land and other dimensions relevant to people's living standards. This book studies how the changes in land institutions and land allocation required for Vietnam's agrarian transition affected people's living standards--notably that of the country's rural poor. Living standards means household command over commodities, as measured by consumption.

[Analyzing Health Equity Using Household Survey Data: A Guide to Techniques and Their Implementation](#)

Owen O'Donnell, Eddy Van Doorslaer, **Adam Wagstaff**, and Magnus Lindelow. Washington, DC: World Bank, 2008.

Provides researchers and analysts with a step-by-step guide to the measurement of a variety of aspects of health equity. Discusses data for health equity analysis--requirements, sources, and sample design; health outcomes--child survival; anthropometrics; adult health; measurement of living standards; concentration curves; the concentration index; extensions to the concentration index--inequality aversion and the health achievement index; multivariate analysis of health survey data; nonlinear models for health and medical expenditure data; explaining differences

between groups--Oaxaca decomposition; explaining socioeconomic-related health inequality--decomposition of the concentration index; who benefits from health sector subsidies--benefit incidence analysis; measuring and explaining inequality in health service delivery; who pays for health care--progressivity of health finance; the redistributive effect of health finance; catastrophic payments for health care; and health care payments and poverty. No index.

[China Urbanizes: Consequences, Strategies, and Policies](#)

Shahid Yusuf and Tony Saich. Washington, DC: World Bank, January 2008.

Rural-urban migration is playing an increasingly important role in shaping the economic and demographic landscape of Chinese cities. Over the past two decades, China has transformed itself from a relatively immobile society to one in which more than 10 percent of the population are migrants. China's mobility rate is still low compared with that of advanced industrial economies, the sheer size of the migrant flows and their dramatic economic and social consequences have already profoundly affected economic growth and urban development. Looking ahead, decision makers at all levels will need to craft policies that address issues of migration and rural-urban migrants issues that are hotly debated among scholars, Chinese policy makers, and others. This report presents recent findings that describe migration patterns and changes since the 1980s.

[Land in Transition: Reform and Poverty in Rural Vietnam](#)

Martin Ravallion and **Dominique van de Walle**. A copublication of Palgrave Macmillan and the World Bank, April 2008

The policy reforms called for in the transition from a socialist command economy to a developing market economy bring both opportunities and risks to a country's citizens. In poor economies, the initial focus of reform efforts is naturally the rural sector, which is where one finds the bulk of the population and almost all the poor. Economic development will typically entail moving many rural households out of farming into more remunerative (urban and rural) non-farm activities. Reforms that shift the rural economy from the relatively rigid, control-based farming institutions found under socialist agriculture to a more flexible, market-based model in which production incentives are strong can thus play an important role in the process of economic growth. However, such reforms present a major challenge to policy makers, who are concerned that they will generate socially unacceptable inequalities in land and other dimensions relevant to people's living standards. This book studies how the changes in land institutions and land allocation required for Vietnam's agrarian transition affected people's living standards--notably that of the country's rural poor. Living standards means household command over commodities, as measured by consumption.

[Measuring Inequality of Opportunities in Latin America and the Caribbean](#)

Ricardo Paes De Barros, **Francisco H. G. Ferreira**, Jose R. Molinas Vega, Jaime Saavedra, Mirela De Carvalho, Samuel Franco, Samuel Freije-Rodriguez, Jeremie Gignoux. Washington, DC: World Bank, November 2008.

Over the past decade, faster growth and smarter social policy have reversed the trend in Latin America's poverty. Too slowly and insufficiently, but undeniably, the percentage of Latinos who are poor has at long last begun to fall. This has shifted the political and policy debates from poverty toward inequality, something to be expected in a region that exhibits the world's most regressive distribution of development outcomes such as income, land ownership, and educational achievement. This book is a breakthrough in the measurement of human opportunity. It builds sophisticated formulas to answer a rather simple question: how much influence do personal circumstances have on the access that children get to the basic services that are necessary for a productive life? Needless to say, producing a methodology to measure human opportunity, and applying it across countries in one region, is just a first step. On the

one hand, technical discussions and scientific vetting will continue, and refinements will surely follow. On the other, applying the new tool to a single country will allow for adjustments that make the findings much more useful to its policy realities. And fascinating comparative lessons could be learned by measuring human opportunity in developed countries across, say, the states of the United States or the nations of Europe. But the main message this book delivers remains a powerful one: it is possible to make equity a central purpose, if not the very definition, of development. That is, perhaps, its most important contribution.

2007

[Transparency, Trade Costs, and Regional Integration in the Asia-Pacific: Estimating the Gains from Reform](#)

Matthias Heble, Ben Shepherd, and John S. Wilson. The Department of Foreign Affairs and Trade, Australia, Report for the Asia Pacific Economic Cooperation (APEC). World Bank, September 2007.

In the development context, it is increasingly recognized that tariff liberalization is not enough to ensure the integration of an economy into international markets (World Bank Independent Evaluation Group, 2006). Barriers other than tariffs hinder firms in emerging economies from successfully entering export markets. The main objective of this research report is to provide a first, quantitative assessment of the trade policy transparency environment in APEC member economies. To do so, we establish a conceptual framework in which to analyze the complex linkages between transparency, trade policy, and trade flows (Section 2). Drawing on APEC's 2001 Principles on Trade Facilitation, we define transparency in terms of two core concepts: predictability and simplification. In Section 3, we apply this framework to data for APEC member economies in the context of a region-wide benchmarking exercise. We mobilize a wide variety of indicators, drawn from different sources, which we summarize statistically into two comprehensive measures: importer transparency and exporter transparency. We then use a standard gravity model of international trade to assess the sensitivity of trade to improvements in transparency (Section 4). Counterfactual simulations suggest that the potential intra-regional trade gains from improved transparency are large relative to other alternatives, such as modest tariff and NTB reductions. In Section 5, we present our conclusions and address some possible ways for APEC to move forward on transparency while building on progress already made.

[At Loggerheads? Agricultural Expansion, Poverty Reduction, and Environment in the Tropical Forests](#)

Kenneth M. Chomitz, Piet Buys, Giacomo De Luca, Timothy S. Thomas, and Sheila Wertz-Kanounnikoff, Policy Research Report, Washington, DC: World Bank, 2007.

This report specifically addresses the potential dilemma of trade-offs between poverty reduction and environmental protection. It seeks to improve the diagnosis of forest problems and facilitate the prescription and application of solutions by focusing on both the causes and consequences of forest conversion to agriculture and on the nature and location of forest poverty. The first section is diagnostic, examining the drivers and consequences of deforestation and forest poverty. The second part looks at how governance, institutions, and policies shape those drivers. It identifies opportunities for win-win policies. In particular, anything that boosts labor demand outside agriculture will tend to reduce both poverty and deforestation. Additionally, promotion of some kinds of agroforestry can help to improve the ecological functions of degraded forests while boosting farm output and employment. The report offers a systematic framework for thinking about how to integrate forest management with rural development in a sustainable way.

[Bridges Over Water: Understanding Transboundary Water Conflict, Negotiation and Cooperation](#)

Ariel Dinar, Shlomi Dinar, Stephen Mccaffrey, and Daene Mckinney, World Scientific Publishing Co Pte Ltd, October 2007.

This book places the study of transboundary water conflicts, negotiation, and cooperation in the context of various disciplines (such as international relations, international law, international negotiations, and economics), analyzing them using various quantitative approaches, such as river basin modeling and game theory. Case studies of particular transboundary river basins, lakes and aquifers are also considered. This is the first textbook for a relatively recent yet rapidly expanding field of study.

[Emerging Capital Markets and Globalization: The Latin American Experience](#)

Augusto de la Torre and **Sergio Schmukler**, Washington, DC: World Bank; Palo Alto, CA: Stanford University Press, 2007.

The book should stimulate a vigorous discussion on how to best revise the reform agenda for capital market development in emerging economies going forward. This effort should involve not only country authorities but also academics and advisers from multilateral agencies such as the World Bank. The complexities highlighted in the book invite intellectual modesty, eclecticism, and constant attention to country specificity. While it does not provide detailed policy prescriptions, the book does point to issues that cannot be ignored and puts forward provocative questions for the policy debate. The policy discussion in the book is particularly interesting with respect to the following aspects: internationalization of stock markets and local currency debt markets.

[From Competition at Home to Competing Abroad: A Case Study of India's Horticulture](#)

Aaditya Mattoo, Deepak Mishra, and Ashish Narain, New Delhi: Oxford University Press, January 2007.

There is persuasive evidence that India has a comparative advantage in agriculture. Yet its share in global agriculture exports is miniscule and its domestic market is increasingly protected. In global trade negotiations, India's efforts have been directed less towards the elimination of all distortions at home and abroad, than towards retaining the right to protect. To develop a case and a strategy for both domestic reforms and proactive engagement in international negotiations, it is critical to understand why a large, low-cost producer of agricultural commodities needs such strong protection and has such a feeble presence in the global market. The author addresses this puzzle in the context of the horticulture sector, one of the most dynamic segments of Indian agriculture and international trade. The sector represents a 'picture of the future' and encompasses the major challenges that Indian agriculture faces in a world where food patterns are changing because of increasing incomes; delivery schedules are more demanding with the emergence of supermarkets in retail; and barriers to trade such as tariffs and subsidies are less important than the challenges posed by high sanitary and phyto-sanitary (SPS) standards. The horticulture sector also represents a miniature 'picture of agriculture' in that here too India is a large, low-cost cost producer but has a tiny share in global trade and seeks to protect its own market.

[Making Finance Work for Africa](#)

Patrick Honohan and **Thorsten Beck**, Washington, DC: World Bank, January 2007.

Making Finance Work for Africa presents a coherent policy approach that addresses African priorities and can work in African conditions. It challenges the applicability of some conventional views on a range of issues from securities markets and banking regulation to the organization of microfinance institutions. The authors identify promising trends from across sub-Saharan Africa and pinpoint shortcomings. The book will be useful to policy makers, bankers, financial analysts, and economists working in Africa.

[Made in India: The Economic Geography and Political Economy of Industrialization](#)

Sanjoy Chakravorty and **Somik V. Lall**, New Delhi: Oxford University Press, January 2007.

A definitive account of the geography of industrialization in India. The primary goal is to analyse the consequences of specific policies, and show how policy frameworks need to be changed to achieve a more balanced, equitable, and sustainable industrial growth.

[The World Trade Organization \(WTO\): Law, Economics and Politics](#)

Bernard M. Hoekman and Petros Mavroidis, Routledge, 2007.

The World Trade Organization (WTO) is one of the most important international organizations in existence today. It contains a set of disciplines that affect the ability of governments to impose trade restrictions, and has helped to support the steady expansion of international trade since the 1950s. It is a unique organization in providing a framework for member states to make binding policy commitments that are enforced through a unique dispute settlement system and a variety of transparency mechanisms.

[Transparency and Trade Facilitation in the Asia Pacific: Estimating the Gains from Reform](#)

Benjamin Shepherd, Matthias Helble, and **John S. Wilson**, The Department of Foreign Affairs and Trade, Australia, 2007.

In the development context, it is increasingly recognized that tariff liberalization is not enough to ensure the integration of an economy into international markets (World Bank Independent Evaluation Group, 2006). Barriers other than tariffs hinder firms in emerging economies from successfully entering export markets. The main objective of this research report is to provide a first, quantitative assessment of the trade policy transparency environment in APEC member economies.

[How Universities Promote Economic Growth](#)

Shahid Yusuf and Kaoru Nabeshima, Washington, DC: World Bank, January 2007.

This study was initiated in 1999 with the objective of identifying the most promising path to development in light of emerging global and regional changes. The purpose of this volume is to examine the role of universities in enhancing technological capability in Asian as well as other industrial countries. This volume also discusses the University-Industry Links (UIL) policies of national governments, corporations and sub national governments. Case studies, policies, strategies and conclusions for Switzerland, United Kingdom, Netherlands, Japan, Thailand, United States, China, Singapore, and India are all individually examined. The volume also covers topics such as knowledge transmission, knowledge production, knowledge sharing, research and development, lessons learned, best practices and innovation initiatives and their roles for economic growth in relation to UIL.

2006

Rethinking Bank Regulation: Till Angels Govern

James R. Barth, **Gerard Caprio Jr.**, and Ross Levine. Cambridge Univ. Press, January 2006.

This volume assembles and presents a new database on bank regulation in over 150 countries. It offers the first comprehensive cross-country assessment of the impact of bank regulation on the operation of banks, and assesses the validity of the Basel Committee's influential approach to bank regulation. The treatment also provides an empirical evaluation of the historic debate about the proper role of government in the economy by studying bank regulation and analyzes the role of politics in determining regulatory approaches to banking. The data also indicate that restrictions on the entry of new banks, government ownership of banks, and restrictions on bank activities hurt banking system performance. The authors find that domestic political factors shape both regulations and their effectiveness.

Power of Survey Design: A User's Guide for Managing Surveys, Interpreting Results, and Influencing Respondents

Giuseppe Iarossi, Washington, DC: World Bank, January 2006.

The vast majority of data used for economic research, analysis, and policy design comes from surveys-surveys of households, firms, schools, hospitals, and market participants, and, the accuracy of the estimate will depend on how well the survey is done. This innovative book is both a 'how-to' go about carrying out high-quality surveys, especially in the challenging environment of developing countries, and a 'user's guide' for anyone who uses statistical data. Reading this book will provide data users with a wealth of insight into what kinds of problems, or biases to look for in different data sources, based on the underlying survey approaches that were used to generate the data. In that sense the book is an invaluable 'skeptics guide to data'. Yet, the broad storyline of the book is something that should be absorbed by statistical data users. The book will teach and show how difficult it often is to obtain reliable estimates of important social and economic facts, and, therefore encourages you to approach all estimates with sensible caution.

India's Undernourished Children: A Call for Reform and Action

Monica Das Gupta, Michele Gragmolati, Meera Shekar, and Yi-Kyoung Lee. Washington, DC: World Bank, January 2006

The prevalence of child undernutrition in India is among the highest in the world; nearly double that of Sub-Saharan Africa, with dire consequences for morbidity, mortality, productivity and economic growth. Drawing on qualitative studies and quantitative evidence from large household surveys, this book explores the dimensions of child undernutrition in India and examines the effectiveness of the Integrated Child Development Services (ICDS) program, India's main early child development intervention, in addressing it. Although levels of undernutrition in India declined modestly during the 1990s, the reductions lagged behind those achieved by other countries with similar economic growth. Nutritional inequalities across different states and socioeconomic and demographic groups remain large. Although the ICDS program appears to be well-designed and well-placed to address the multi-dimensional causes of malnutrition in India, several problems exist that prevent it from reaching its potential. The book concludes with a discussion of a number of concrete actions that can be taken to bridge the gap between the policy intentions of ICDS and its actual implementation.

China's Development Priorities

Shahid Yusuf, Kaoru Nabeshima. Washington, DC: World Bank, May 2006.

Over the past two decades China's growth has been rapid, social indicators have improved, and poverty levels have inched downward. However, widening inequality, increasing resource and financial imbalances, and growing environmental concerns provide China with daunting challenges in improving the quality of growth. The rapid growth that will remain China's principal vehicle for raising standards of living and reducing poverty will derive from urbanization, increased market efficiency, and improvement in the technological capability of Chinese firms. But although growth will be critically important, balance among income groups and sectors is likely to be vital for social stability. The needed measures to enhance the quantity and quality of social services and a more effective safety net for the poor will require a number of institutional changes, including a reform of intergovernmental fiscal relations. This report highlights the significance of the challenges facing China and suggests policies for achieving rapid, balanced and sustainable growth.

[Making Services Work for the Poor in Indonesia: Focusing on Achieving Results on the Ground](#)

Mennon Pradhan, Vicente B. Paqueo, **Elizabeth M. King**, **Deon P. Filmer**, Scott E. Guggenheim, Anne-Lise Klausen. Jakarta: World Bank, June 2006.

This report on making services work for the poor in Indonesia argues that the causes of low quality in service provision are surprisingly common across different types of services, and that there are some common elements to the solution to improve services. This report focuses on these cross-sectoral issues, with reference to examples primarily from Indonesia. The good news is that there are many examples of innovations in service delivery that are yielding good results. The report discusses how to learn from these successes. There is a widespread perception that service delivery deteriorated after Indonesia decentralized in 2001. The figures show that the reality is more nuanced. The feared collapse in service delivery after decentralization did not materialize. On the contrary, the evidence suggests that since the 2001 decentralization, some aspects of service delivery and human development outcomes have improved. Indonesia now faces a second generation of issues: low efficiency of public spending; low quality of services; and remaining inequalities in access and outcomes. These problems were embedded in the past top-down model. Increased openness and democracy have made them more visible. These second-generation issues have to be addressed within Indonesia's new policy environment. Since the 1998 economic crisis, a highly centralized approach to development has given way to one characterized by democratization and decentralization. Empowered by democracy and decentralization, Indonesian citizens are eager to participate in public decision-making. They want to hold the government and service providers more responsible for their performance, but getting accountability is not easy. Confusion over the roles and responsibilities of different levels of government has caused significant inefficiencies. The report proposes a strategy to sustain improvements in service delivery in the new environment. The first recommendation of the report is to promote the use of service agreements, and over time, increase authority of service providers over the operational aspects of service delivery. The second recommendation is to give users and communities a larger say in the way services are delivered. The third recommendation is to fix the decentralization architecture. Improving service delivery is a shared responsibility between local and central governments. Both spend considerable sums on improving services, and these need to be coordinated to ensure they have the desired effect.

[Public Health and Panchayati Raj Institutions in Karnataka. Social and Economic Change](#)

Monica Das Gupta, T.V. Sekher, Shashanka Bhide, and Nazrul Islam. Social and Economic Change Monograph 11, Bangalore: Institute for Social and Economic Change, June 2006.

This study reports an analysis of the various efforts to achieve greater coverage of the preventive population-based public health services in rural India. The study has a focus on Karnataka state and is based on a project carried out by ISEC at the request of the Government of Karnataka and funded by the World Bank. The authors have attempted to put together restructured institutional mechanisms for rural local bodies to achieve better coverage of the public health services.

[Post Industrial East Asian Cities: Innovation for Growth](#)

Shahid Yusuf, Kaoru Nabeshima. Palo Alto, CA: Stanford University Press; Washington, DC: World Bank, June 2006.

Post-Industrial East Asian Cities analyzes urban developments and policies responsible for the growth of producer services and creative industries. This study is based on the findings of firm surveys conducted in East Asia and a review of the data and literature on several key regional cities (Beijing, Shanghai, Singapore, Seoul, Bangkok and Tokyo) that are transitioning away from traditional manufacturing activities.

2005

[World Development Report 2006: Equity and Development](#)

Tamar Manuelyan Atinc, Abhijit Banerjee, Francisco H.G. Ferreira, Peter Lanjouw, Marta Menendez, Berk Ozler, Giovanna Prennushi, Vijayendra Rao, James Robinson, Michael Walton, Michael Woolcock. A co-publication of Oxford University and World Bank, October 2005.

World Development Report 2006 analyzes the relationship between equity and development. The report documents the persistence of inequality traps by highlighting the interaction between different forms of inequality. It presents evidence that the inequality of opportunity that arises is wasteful and inimical to sustainable development and poverty reduction. It also derives policy implications that center on the broad concept of leveling the playing field—both politically and economically and in the domestic and the global arenas. The report recognizes the intrinsic value of equity but aims primarily to document how a focus on equity matters for long-run development. It has three parts: Part I considers the evidence on inequality of opportunity, within and across countries. Part II asks why equity matters discussing the two channels of impact (the effects of unequal opportunities when markets are imperfect, and the consequences of inequity for the quality of institutions a society develops) as well as intrinsic motives. Part III asks how public action can level the political and economic playing fields. In the domestic arena, it makes the case for investing in people, expanding access to justice, land, and infrastructure, and promoting fairness in markets. In the international arena, it considers leveling the playing field in the functioning of global markets and the rules that govern them—and the complementary provision of aid to help poor countries and poor people build greater endowments.

[Under New Ownership: Privatizing China's State-Owned Enterprises](#)

Shahid Yusuf, Kaoru Nabeshima, Dwight H. Perkins, Washington, DC: World Bank and Stanford University Press, November 2005.

This publication is organized as follows: Chapter 1, discusses China's industrial system: where it is now, where it should be headed, and why. Chapter 2, contains reform in China. Chapter 3, discusses the accelerated change in enterprise ownership 1997-2003. Chapter 4, covers Chinese ownership reform in the East European mirror. Chapter 5, discusses assessing the effects of ownership reform in China. Chapter 6, considers making privatization work.

Beautiful but Costly: Business Costs in Small Remote Economies

L. Alan Winters, Pedro M.G. Martin, Economic Paper 67, Commonwealth Secretariat, United Kingdom, January 2005.

Small countries have often argued that the interaction of factors such as diseconomies of small scale, huge costs for imported inputs, the cost of isolation and remoteness, and the costs of physical dispersion have hindered their ability to attract foreign investment in a globalised market. This publication is a study of the operating costs confronting the private sector in small economies, with the view to determine whether these act as a fundamental impediment to trade and investment. Is the private sector in these economies fundamentally disadvantaged in its preparations for globalisation because its costs are higher than in large ones? Further, are any of the detectable cost structure disadvantages the result of poor economic management and/or of fundamental structural characteristics? The outcome of the study offers a brief speculation on the type of policy interventions the international community could devise to assist those countries that face high costs structures by virtue of their inherent structural characteristics.

Economic Growth in Latin America and the Caribbean: Stylized Facts, Explanations, and Forecasts

Norman Loayza, Pablo Fajnzylber, Cesar Calderon, Washington, DC: World Bank, 2005.

Economic Growth in Latin America and the Caribbean analyzes whether economic reforms have been beneficial to growth in the region. In doing so, it recognizes that growth is driven by a variety of factors - in some cases poor growth is due to insufficient structural reforms (e.g., low trade openness), in others to inappropriate stabilization policies (e.g. exchange rate overvaluation), and still in others to negative international conditions (e.g., growth slowdown in industrial countries). It is obvious but still correct to say that identifying the problem is the first step towards the solution. This book contributes to this effort by examining the growth performance of countries in Latin America and the Caribbean, explaining the underlying sources of their economic growth, and designing a strategy for further growth.

Growth and Empowerment: Making Development Happen

Nicholas Stern, F. Halsey Rogers, Jean-Jacques Dethier. Cambridge, Mass.: MIT Press, 2005.

Despite significant gains in promoting economic growth and living conditions (or "human progress") globally over the last twenty-five years, much of the developing world remains plagued by poverty and its attendant problems, including high rates of child mortality, illiteracy, environmental degradation, and war. In *Growth and Empowerment*, Nicholas Stern, Jean-Jacques Dethier, and F. Halsey Rogers propose a new strategy for development. Drawing on many years of work in development economics—in academia, in the field, and at international institutions such as the World Bank—the authors base their strategy on two interrelated approaches: building a climate that encourages investment and growth and at the same time empowering poor people to participate in that growth. This plan differs from other models for development, including the dogmatic approach of market fundamentalism popular in the 1980s and 1990s. Stern, Dethier, and Rogers see economic development as a dynamic process of continuous change in which entrepreneurship, innovation, flexibility, and mobility are crucial components and the idea of empowerment, as both a goal and a driver of development, is central. The book points to the unique opportunity today—after 50 years of successes and failures, and with a growing body of analytical work to draw on—to pursue new development strategies in both research and action.

The Political Economy of Protection: Theory and the Chilean Experience

Daniel Lederman, Stanford University Press, 2005.

The Political Economy of Protection explains why countries, especially developing countries, change their trade policies over the course of history. It does so through an interdisciplinary approach, which borrows analyses from both political science and economics. While the central focus of this book is to explain historical changes in trade policy in one country, Chile, it is broadly relevant for students, scholars, and trade specialists interested in gaining a deeper understanding of the politics and economics of international trade. Given the intensifying public debates about the benefits of globalization, the author provides a uniquely rigorous yet interdisciplinary analysis of the forces that shape trade policy decisions, not just in Chile, but throughout the world.

[Worlds Apart: Measuring International and Global Inequality](#)

Branko L. Milanovic, Princeton University Press, June 2005.

Worlds Apart addresses just how to measure global inequality among individuals and shows that inequality is shaped by complex forces often working in different directions. Branko Milanovic analyzes income distribution worldwide using, for the first time, household survey data from more than 100 countries. He evenhandedly explains the main approaches to the problem, offers a more accurate way of measuring inequality among individuals, and discusses the relevant policies of first-world countries and nongovernmental organizations.

[Under New Ownership: Privatizing China's State-Owned Enterprises](#)

Shaid Yusuf, Kaoru Nabeshima, Dwight H. Perkins. Stanford, Calif. and Washington, D.C.: A copublication of Stanford University Press and the World Bank, December 2005.

This publication is organized as follows: Chapter 1, discusses China's industrial system: where it is now, where it should be headed, and why. Chapter 2, contains reform in China. Chapter 3, discusses the accelerated change in enterprise ownership 1997-2003. Chapter 4, covers Chinese ownership reform in the East European mirror. Chapter 5, discusses assessing the effects of ownership reform in China. Chapter 6, considers making privatization work.

2004

[Lessons from NAFTA](#)

Luis Serven, Daniel Lederman, William Maloney. Stanford University Press, 2004.

Analyzing the experience of Mexico under the North American Free Trade Agreement (NAFTA), the authors draw lessons for other countries considering free trade agreements with the United States. The authors conclude that NAFTA raised external trade and foreign investment inflows and had a modest effect on Mexico's average income per person. It is likely that NAFTA also helped achieve a modest reduction in poverty and an improvement in job quality. However, major obstacles remain to Mexico's long term development—NAFTA is not enough. The main lesson for other countries is that free trade agreements offer opportunities to accelerate economic growth, but do not guarantee it.

[China and the WTO: Accession, Policy Reform, and Poverty Reduction Strategies](#)

Deepak Bhattasali, Shantong Li, **William J. Martin**, Washington, DC: World Bank and Oxford University Press, June 2004.

China's accession to the WTO requires a great many specific policy reforms. However, if the best results are to be obtained, it is important that these reforms be implemented as part of a consistent development program, rather than

simply by treating them as a recipe. To do this, policy makers must understand the range and nature of the policy changes required by accession, their implications for the economy, and the availability and effects of supporting policies. "China and the WTO" analyzes the nature of the reforms involved in China's accession to the WTO, assesses their implications for the world economy, and examines the implications for individual households, particularly the poor. Its key objective is to provide the information that will allow policy makers to implement WTO commitments and formulate supporting policies to contribute strongly to economic development and poverty reduction. Individual chapters by leading scholars analyze the nature of the reforms in key areas, such as agriculture, services, intellectual property and safeguards and anti-dumping. These chapters form the building blocks for later chapters, which analyze the implications of reform for the economy. The book also includes a series of studies that assess the implications for households, taking into account the social safety net policies applying in China, and the impacts of complementary policies in areas such as labor market reform and investments in human capital.

Public Expenditure Tracking Surveys in Education

Ritva S. Reinikka, Nathanael Smith, International Institute for Educational and Planning, UNESCO, 2004.

Public expenditure tracking surveys (PETS) allow policy makers to diagnose how incentives and accountability systems are working in practice and how they can be improved. Among the results provided by PETS are estimates of leakage, data on the percentage of funds spent at each level of the education hierarchy, descriptions of how funding is targeted among different schools and subpopulations, information on school facilities, teacher quality and absenteeism, school governance and accountability. This book provides three examples of 'good practice' in using PETS to improve transparency and accountability in managing education resources, and describes the approaches to be used in carrying out the surveys. It presents the experiences of Peru, Uganda and Zambia and underlines the importance of sharing the information generated to create incentives for making education systems more efficient. As the experience of Uganda shows, it was possible to reduce the rate of leakage of non-salary expenditures drastically thanks to an information campaign based on a PETS.

HIV/AIDS Treatment and Prevention in India: Modeling the Cost and Consequences

Mead Over, Peter F. Heywood, Julian Gold, Indrani Gupta, Subhah Hira, Elliot Marseille, Washington, DC: World Bank, June 2004.

The three policies analyzed in this document include a minimalist policy in which the government strengthens private sector delivery, an intermediate policy of providing treatment for mothers who have AIDS and their spouses, and a generous policy of providing treatment to the poorest 40 percent of all AIDS patients. In January 2004 the Indian government adopted an AIDS financing policy which contains elements of all three of the hypothetical policies analyzed in this book. This study's projections of the total financial cost of the program and of the cost-effectiveness of the three options can help the government and its partners to plan the scale-up of the existing treatment program, to optimize the mix of components in order to improve its cost-effectiveness and to design monitoring and evaluation measures which provide feedback on program performance.

Reforming Infrastructure: Privatization, Regulation, and Competition: A Policy Research Report

Ionnis N. Kessides, Washington, DC: World Bank, January 2004.

Infrastructure industries and services are crucial for generating economic growth, alleviating poverty, and increasing international competitiveness. Safe water is essential for life, and health. Reliable electricity saves businesses and consumers from having to invest in expensive backup systems, or more costly alternatives, and keeps rural women and children from having to spend long hours fetching firewood. Widely available and affordable telecommunications and transportation services can foster grassroots entrepreneurship, and thus are critical to generating employment, and advancing economic development. In most developing and transition economies, private participation in infrastructure, and restructuring have been driven by the high costs, and poor performance of state-owned network utilities. Under state ownership, services were usually under-priced, and making it difficult to expand services. The report indicates that although privatization, competitive restructuring, and regulatory reforms improve infrastructure performance, several issues must be considered and conditions met for these measures to achieve their public interest goals. First, reforms have significantly improved performance, leading to higher investment, productivity, and service coverage and quality. Second, effective regulation-including the setting of adequate tariff levels-is the most critical enabling condition for infrastructure reform. Regulation should clarify property rights, and assure private investors that their investments will not be subject to regulatory opportunism. Third, for privatization to generate widely shared social benefits, infrastructure industries must be thoroughly restructured and able to sustain competition. Thus restructuring, to introduce competition should be done before privatization, and regulation should be in place to assure potential buyers of both competitive, and monopoly elements.

[The Millennium Development Goals for Health: Rising to the Challenges](#)

Adam Wagstaff, Mariam Claeson, Washington, DC: World Bank, January 2004.

This report focuses on the health and nutrition Millennium Development Goals agreed to by over 180 governments. It assesses progress to date and prospects of achieving the goals. The report identifies what developing country governments can do to accelerate the pace of progress while ensuring that benefits accrue to the poorest and most disadvantaged households. It also pulls together the lessons of development assistance and country initiatives and innovations to improve the effectiveness of aid, based on a number of country case studies. It highlights some of the principles of effective development assistance: country driven coordination; strategic coherence expressed in comprehensive poverty reduction strategies, which fully address the issues of health, nutrition, and population; financial coherence embodied in medium term expenditure framework; pooling of donor funds; and a common framework for reporting and assessing progress.

[Lessons from NAFTA for Latin America and the Caribbean](#)

Daniel Lederman, William Maloney, Luis Servén, Palo Alto, CA: Stanford University Press and Washington, DC: World Bank, November 2004.

Analyzing the experience of Mexico under the North American Free Trade Agreement (NAFTA), "Lessons from NAFTA" aims to provide guidance to Latin American and Caribbean countries considering free trade agreements with the United States. The authors conclude that the treaty raised external trade and foreign investment inflows and had a modest effect on Mexico's average income per person. It is likely that the treaty also helped achieve a modest reduction in poverty and an improvement in job quality.

[World Development Report 2004: Making Services Work for Poor People](#)

Ritva Reinikka, Shanta Devarajan, Washington, DC: World Bank, September 2004.

The World Development Report (WDR) 2004 builds an analytical, and practical framework for using resources, whether internal or external, more effectively by making services work for poor people. The focus is on those services that have the most direct link with human development - education, health, water, sanitation, and electricity. This presents an enormous challenge, because making services work for the poor involves changing, not only service delivery arrangements, but also public sector institutions, and how foreign aid is transferred. This WDR explores the many dimensions of poverty, through outcomes of service delivery for poor people, and stipulates affordable access to services is low - especially for poor people - in addition to a wide range of failures in quality. The public responsibility is highlighted, addressing the need for more public spending, and technical adjustments, based on incentives and understanding what, and why services need to be improved. Thus, through an analytical framework, it is suggested that the complexity of accountability must be established, as well as instruments for reforming institutions to improve services illustrated through various case studies, both in developing, and developed countries. The report further outlines that scaling up reforms means sectoral reforms must be linked to ongoing, or nascent public sector reforms, in areas such as budget management, decentralization, and public administration reform, stimulated through information as a catalyst for change, and as an input to prod the success of other reforms.

2003

[Improving City Competitiveness through the Investment Climate: Ranking 23 Chinese Cities](#)

David Dollar, Anqing Shi, Shuilin Wang, Lixin Colin Xu, Washington, DC: World Bank, December 2003.

During the last decade, major developing countries including China have begun to integrate much more with the global economy. The countries that are aggressively integrating have grown significantly faster than those that are not. In the 1990s, the more rapidly globalizing developing countries (measured in terms of increased trade participation) grew at 5.0 percent per year, while the rest of the developing world posted negative growth of 1.1 percent. Among the more aggressive globalizers were Brazil, China, Mexico, Philippines, Thailand, and India. That globalizing developing countries are doing well on average is good news. But these averages disguise considerable variation in performance within this group. China has done spectacularly well, and is the unchallenged leader of the pack. The country has doubled its ratio of trade to GDP over the past two decades (to 41 percent of GDP in 1999), and has had per capita GDP growth of nearly 8 percent on average during 1990-99. Malaysia was another winner: in spite of the temporary income compression due to the Asian crisis, it could still enjoy per capita GDP growth of 3.8 percent during the 1990s. Again, despite the crisis, Thailand's per capita GDP growth in the 1990s averaged 3.8 percent. However, the per capita GDP growth of another relatively aggressive globalizer, Brazil, has only been around 1 percent for 1990-99; and growth in the Philippines was only 0.4 percent. India, with per capita GDP growth of 3.3 percent during 1990-99.