

*Europe and Central Asia Region
of the World Bank*

WORKSHOP ON PRODUCTIVITY
Monday, October 31, MC-13-121

AGENDA

- 8:30-9:00 **Registration and Breakfast**
- 9:00-9:10 **Opening Remarks** – Cheryl W. Gray, Sector Director, ECSPE
- 9:10-10:30 **PANEL 1: How Do We Measure Productivity?**
- Chair:** Ali Mansoor, Lead Economist, ECAVP
- Speakers:** 1) Eric Bartelsman, Professor, Vrije Universiteit, Amsterdam
 2) Alan Gelb, Director, Development Policy, DECVP
 3) John Haltiwanger, Professor of Economics, University of Maryland.
- Commentators:** 1) Mary Hallward-Driemeier, Senior Economist, DECRG
 2) Rosalinda Quintanilla, Lead Economist, ECSPE
- Issues:** The measurement of productivity depends on its definition. Productivity can be defined either as a gross output or a value added concept; it can encompass either a single factor (e.g., labor productivity) or multiple factors (total factor productivity). What are the appropriate measures of productivity at the macroeconomic, industry, and firm levels? What are the strengths and weaknesses of the different measures? What data are most relevant for these measurements and how do we collect data for non-OECD countries?
- 10:30-11:00 **Coffee**
- 11:00-12:30 **PANEL 2: Is There a Job Growth – Productivity Tradeoff?**
- Chair:** Bernard Funck, Sector Manager, ECSPE
- Speakers:** 1) Francesco Daveri, Professor of Economics, University of Parma, Italy
 2) Stefano Scarpetta, Lead Economist, HDNSP
 3) Marva Corley, Economist, Employment Strategies Group, ILO, Geneva
- Commentators:** 1) Sanjay Kathuria, Lead Economist, ECSPE
 2) Arup Banerji, Sector Manager, ECSHD
- Issues:** Theory tells us that productivity and employment growth exhibit a negative relationship. Decreasing marginal returns to labor and skill heterogeneity of workers mean that the more labor is hired, the lower is its average productivity. Besides, technological progress could make production more capital-intensive, thus reducing the demand for labor. However, higher productivity decreases unit labor costs, which in turn increases the demand both for output and labor. Do we observe the job growth – productivity tradeoff empirically? What is the evidence, especially from the US and western Europe? How can countries achieve higher productivity without compromising employment goals? What policies and institutional arrangements would help in attaining both objectives?
- 12:30-1:30 **Lunch**

1:30-3:00

PANEL 3: Firm and Farm-Level Dynamics and Productivity

Chair: Simeon Djankov, Manager, CICMA

Speakers:

- 1) Jan Svejnar, Professor, University of Michigan
- 2) Benoit Blarel, Sector Manager, ECSSD
- 3) James Tybout, Professor, Pennsylvania State University
- 4) John Earle, Senior Economist, Upjohn Institute

Commentators:

- 1) Stefano Scarpetta, Lead Economist, HDNSP
- 2) Marialisa Motta, Senior Private Sector Development Specialist, ECSPF

Issues: Productivity growth is determined by many macroeconomic, sectoral, and micro-level factors. Among these are production technology, asset ownership and property rights, market structure and competitiveness, corporate governance, firm and farm size, and trade openness. What is the empirical evidence on factors driving firm and farm level productivity growth? What is the role of economic institutions and policies?

3:00-3:30

Coffee

3:30-5:00

PANEL 4: What Are the Sectoral Drivers of Productivity Growth?

Chair: Jean-Jacques Dethier, Research Manager, DECRS

Speakers:

- 1) Shahid Yusuf, Economic Adviser, DECRG
- 2) Antonio Estache, Senior Adviser, INFVP
- 3) Marcin Piatkowski, Advisor to Executive Director, IMF
- 4) William Maloney, Lead Economist, LCRCE
- 5) Cem Mete, Senior Economist, ECSHD

Commentators:

- 1) Christine Kessides, Senior Adviser, TUDUR
- 2) Itzhak Goldberg, Lead Specialist, ECSPF

Issues: Many drivers of productivity growth are sectoral in nature. The quality of infrastructure, the level of health and education of the labor force, and the role of technology and innovation in the economy, can all contribute to the growth of overall productivity. What is the evidence on sectoral drivers of productivity? What is the role of sectoral policies and institutions in fostering productivity growth?

5:00-5:10

Closing Remarks – Pradeep K. Mitra, Chief Economist, ECAVP