

Research seminar (MW86)  
Summer semester 2022



Dr. Nesma Ali



**Main subject:** firms' growth and challenges in developing countries

**Overview:**

In recent years, policy makers and scholars have shed the light on the importance of promoting entrepreneurship to stimulate economic development. Yet, in developing countries, entrepreneurship and firms sustainable growth is becoming very challenging due to many economic and institutional constraints.

The aim of this research seminar is to discuss the key challenges facing entrepreneurship and firms' growth in the developing world. A list of topics and main reference readings is proposed below. The evaluation of additional literature is compulsory to create a full overview of the selected topic. Any alternative suggestions related to the main subject of the seminar are welcome.

**Target group:** MSc VWL / MSc BWL

**Examination:** 12 page paper (incl. references) and oral presentation

**Prerequisite:** MV04

**SWS/Credit points:** 2 SWS / 4 ECTS

**Grading:**

Activities	Percentage
Completed paper	60%
20 min. presentation	30%
Discussion	10%

## Topics and main reference reading:

### 1. Firms' productivity in developing countries.

Bloom, N., Mahajan, A., McKenzie, D., & Roberts, J. (2010). Why do firms in developing countries have low productivity?. *American Economic Review*, 100(2), 619-23.

### 2. Small firms' dynamics in developing countries.

Nichter, S., & Goldmark, L. (2009). Small firm growth in developing countries. *World development*, 37(9), 1453-1464.

### 3. Access to finance and firm performance.

Beck, T., & Demirguc-Kunt, A. (2006). Small and medium-size enterprises: Access to finance as a growth constraint. *Journal of Banking & finance*, 30(11), 2931-2943.

### 4. Access to infrastructure and firm performance.

Abeberese, A. B. (2017). Electricity cost and firm performance: Evidence from India. *Review of Economics and Statistics*, 99(5), 839-852.

### 5. Barriers to innovation and firm performance

Wadho, W., & Chaudhry, A. (2018). Innovation and firm performance in developing countries: The case of Pakistani textile and apparel manufacturers. *Research Policy*, 47(7), 1283-1294.

### 6. Firms' informality and development

Ulyssea, G. (2018). Firms, informality, and development: Theory and evidence from Brazil. *American Economic Review*, 108(8), 2015-47.

### 7. Cronyism and firm value

Faccio, M. (2006). Politically connected firms. *American economic review*, 96(1), 369-386.

### 8. Corruption/institution quality and firm performance

Fisman, R., & Svensson, J. (2007). Are corruption and taxation really harmful to growth? Firm level evidence. *Journal of development economics*, 83(1), 63-75.