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Poverty Alleviation, Employment, and the Labor Market:

Lessons from the Asian Experience

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Abstract

The diversity of the Asian experience with respect to poverty reduction teaches useful lessons. One aspect of that experience is the importance of the employment market and labor market in reducing poverty. The paper starts by pointing out the roles played by the employment market and labor market in reducing poverty in Asia. It then reviews Asia's experience with direct labor market interventions, focusing on their performance in targeting efficiency, coverage, and the ability to raise incomes. Finally, the paper discusses policies and programs that are required to strengthen the contribution of labor market outcomes toward poverty reduction. That discussion covers issues related to the "working poor", labor market regulations, vulnerability, and organization.

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