

Mexico - Experimental Evidence on Returns to Capital and Access to Finance 2005

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Sampling

Sampling Procedure

The sample frame was based on the 10% public use sample of the 2000 population census for the city of Leon. Data was examined at the level of the smallest geographical unit available in the public sample, the UPM (unidad primaria de muestreo). For each UPM, the research team calculated for males 22-55 years of age the average education level and the percentage self-employed in the retail sector. They also calculated the percentage of households in the UPM with a male household head present. Using these data, 20 UPMS were selected with high rates of retail self employment and modest average levels of education.

The screening survey identified enterprises owned by males 22-55 years of age in the retail sector, operating without paid employees. Enterprises with paid employees are very likely to exceed our upper limit of 100,000 pesos of capital stock, so the lack of paid employees was used as an initial screen for capital stock. Where the screening survey was administered to the owners, we also asked for the value of the capital stock excluding land and buildings, measured at replacement cost.

The sample is limited to males aged 22-55 operating in the retail sector. The average enterprise has been operating for just over five years. Only 20 percent of the enterprises were started within a year of the baseline survey. Almost 20 percent are at least ten years old. Sales average 5,700 pesos per month, and profits 3,486 pesos per month. The median levels of sales and profits are similar, 5,000 and 3,000 pesos per month, respectively. We asked owners for profits before accounting for any compensation for their own time, so the profit levels should be viewed as including the opportunity cost of the time spent in the enterprise by the owner. As a result of this, profits are never reported as being negative.

Questionnaires

Overview

The study employed several questionnaires that are explained below.

- Survey screen: the screening questionnaire used to determine eligibility for the study
- Survey baseline: the baseline survey of enterprises
- Household Survey round 1: the baseline survey of households attached to the enterprise
- Round 2, Round 3, Round 4, Round 5 surveys: follow-up surveys of enterprises
- Round 5 household survey: follow-up survey of the household
- Digit span recall showcard: showcard of digits used for digitspan recall test

The survey instrument was modeled after the Mexican National Survey of Microenterprises (ENAMIN) survey. In the first round, detailed information was gathered on the capital invested in the enterprise, separated into tools, machinery and equipment, vehicles, real estate and buildings, and inventories and finished and unfinished goods. Operational data was also gathered on the firm--revenues, expenses and profits--for the preceding month, and personal information about the owner. In each subsequent survey, firms were asked about changes in capital stock, either purchase of new assets or sales of existing assets, and operational data for another month of the survey.

Data Collection

Data Collection Dates

| Start | End | Cycle |
|---------|---------|-----------|
| 2005-11 | 2006-11 | Quarterly |

Data Collection Mode

Face-to-face [f2f]

DATA COLLECTION NOTES

The initial survey was conducted in November 2005, reflecting data from October 2005. Subsequent surveys were administered quarterly, with the fifth and final survey conducted in November 2006. There were 207 firms in the first wave of the panel. 182 firms were resurveyed in the first follow-up (February 2006), and 137 firms in the fifth wave. There are 114 firms who report profits in all five waves of the survey and 161 firms that report profits in at least three waves.

Data Collectors

| Name | Abbreviation | Affiliation |
|----------|--------------|-------------|
| Data OPM | | |

Data Processing

No content available

Data Appraisal

No content available

Related Materials

Questionnaires

Encuesta de los Hogares - Round 1

Title Encuesta de los Hogares - Round 1
 Date 2005-07-19
 Country Mexico
 Language Spanish
 Filename householdsurveyround1_spanish_cambios.xls

Enterprise Survey - Round 2

Title Enterprise Survey - Round 2
 Date 2006-02-01
 Country Mexico
 Language English
 Filename round_2_survey_draft_v1_english.xls

Encuesta de Micronegocios - Round 2

Title Encuesta de Micronegocios - Round 2
 Date 2006-02-01
 Country Mexico
 Language Spanish
 Filename round_2_survey_draft_v1_spanish.xls

Encuesta de Micronegocios - Round 3

Title Encuesta de Micronegocios - Round 3
 Country Mexico
 Language Spanish
 Filename round_3_survey_draft_v1_english.xls

Encuesta de Micronegocios - Round 4

Title Encuesta de Micronegocios - Round 4
 Country Mexico
 Language Spanish
 Filename round_4_draft_v2_spanish.xls

Household Survey - Round 5

Title Household Survey - Round 5
 Country Mexico
 Language English
 Description Note: The same questionnaire that was used in a parallel study in Sri Lanka was used for the Mexico study.

Filename round_5_v_english_hhold.xls

Enterprise Survey - Round 5

Title Enterprise Survey - Round 5
 Date 2006-04-01
 Country Mexico
 Language English
 Filename round_5_v1_english.xls

Recall showcards

Title Recall showcards
 Country Mexico
 Language Spanish
 Filename slmsr5_digit_span_recall_showcards.pdf

Encuesta de Micronegocios - Baseline Survey

Title Encuesta de Micronegocios - Baseline Survey
 Date 2005-07-20
 Country Mexico
 Language Spanish
 Filename survey_baseline_ent_v1_span2_cambios.xls

Encuesta Inicial de Filtro

Title Encuesta Inicial de Filtro
 Date 2005-07-20
 Country Mexico
 Language Spanish
 Filename survey_screen_v1_spanish_cambios.xls

Reports

Experimental Evidence on Returns to Capital and Access to Finance in Mexico

Title Experimental Evidence on Returns to Capital and Access to Finance in Mexico
 Author(s) David McKenzie, World Bank Christopher Woodruff, University of Warwick
 Country Mexico
 Language English
 Filename mw_wber_revision.pdf
