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THE GENDERED ASPECTS OF MSES IN MENA: EVIDENCE FROM EGYPT AND TURKEY

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Abstract

This study attempts to shed light on the gendered aspect of MSEs (i.e. how the sectors of activities, income, growth, etc. differ by the gender of the entrepreneur) and tests some of the main claims of the rather modest available literature by means of an econometric analysis. The empirical work utilizes nationally representative MSE surveys conducted for Turkey and Egypt in 2001 and 2003 respectively (for brevity, we hereafter use "E&T" to refer to "Egypt and Turkey"). The working sample has 4136 and 4238 permanent establishments located in the urban areas of Egypt and Turkey, respectively. By identifying the sectors and types of activities females are more likely to thrive in, this study calls attention to those sectors where direct intervention by the government will be more effective, and provide some guidance for making proposals to further reduce the extent of gender-differences and practices in MSEs.

ملخص

تحاول هذه الدراسة القاء الضوء على المظاهر الخاصة بالنوع الإجتماعي للمشروعات متوسطة الحجم (كيف تختلف قطاعات الأنشطة والدخل والنمو تبعاً للنوع الإجتماعي لصاحب المشروع. وتختبر هذه الدراسة ايضاً بعض الأدعاءات الأساسية للأدبيات المتواضعه المتاحة عن طريق تحليل يقوم على الإقتصاد القياسي. وقد استخدم هذا العمل التجريبي إستقصائات على الصعيد الوطني للمشروعات متوسطة الحجم تم إجرائها في تركيا ومصر في 2001 و 2003 على التوالي (وللإختصار سوف نستخدم حرفي E&T فيما بعد للإشارة الى مصر وتركيا). قد فحصت عينة العمل 4136 و 4238 موجودة في المناطق العمرانية في مصر وتركيا على التوالي. وبعد تحديد القطاعات وأنواع الأنشطة، التي يحتمل أن تتفوق فيها النساء، تلفت الدراسة الإنتباه إلى القطاعات التى تكون التدخلات الحكومية المباشرة فيها أكثر تأثيرا وتساعد كدليل على طرح الإقتراحات لتخفيض مدى الإختلافات والممارسات المتعلقة بالنوع الإجتماعي في المشروعات متوسطة الحجم مستقبلاً.

Summary

The role of Micro and Small Enterprises (MSEs) in economic development has been well recognized in the literature.[1] MSEs have been regarded as an important contributor to employment creation as well as wealth generation, especially in developing economies. Ironically, MSEs have usually been abandoned and discriminated against when it comes to government assistance, access to finances or technology transfers, whereas large enterprises have usually been given the priority in economic and industrial development projects. Although available data reveal that most business owners are men, women have been joining the track, with the share of female-owned firms reaching one-third of total businesses in some OECD countries. Positive policies towards women's active involvement in MSEs have been noted as one of the main elements of success in this regard.

Numerous studies have shown that female-owned businesses are more different than similar to male owned businesses. Previous studies have found that female business owners most often start businesses in the 'traditional' service sectors such as retail trade, hotels and catering. In terms of business size and turnover, a number of studies have indicated that female-owned businesses tend to be smaller than male-owned businesses, have lower business turnover, and that profit and growth may not be the main goal of female-owned businesses as it is the case with their male counterparts.

This study attempts to shed light on the gendered aspect of MSEs (i.e. how the sectors of activities, income, growth, etc. differ by the gender of the entrepreneur) and tests some of the main claims of the rather modest available literature by means of an econometric analysis. The empirical work utilizes nationally representative MSE surveys conducted for Turkey and Egypt in 2001 and 2003 respectively (for brevity, we hereafter use "E&T" to refer to "Egypt and Turkey"). The working sample has 4136 and 4238 permanent establishments located in the urban areas of Egypt and Turkey, respectively.

Key Findings:

Similarities between Egyptian and Turkish MSEs:

1. Most respondents are married and owners of their business in E&T. The share of non-married female entrepreneurs is twice as much as non married males, attesting to the need these women face to earn a living, in face of limited pension or low alimony.

2. The majority of businesses employ less than 3 workers.

3. Trade is the dominant activity. The allocation of MSEs by economic sector for Egypt is 16, 73, and 11%, and for Turkey is 21, 67 and 12% for manufacturing, trade and services, in that order, with skilled workers making up the largest share of the workforce.

4. Own savings are the main source of start-up capital, followed by inheritance. Only 10% of Turkish and 4% of Egyptian capitals come from loans (formal and informal).

5. Results pertaining to the 'sufficiency' measure (i.e. MSEs income exceeds household expenditures) indicate that income of owners of MSEs is sufficient and exceeds monthly household expenditures for E&T males alike.

[1] MSEs are mainly classified according to the number of workers such that "micro" enterprises are the ones that employ less than 10 workers; and "small" enterprises are the ones that employ 10-to-49 workers.

6. Controlling for firm and entrepreneur characteristics, empirical findings show that women entrepreneurs are more likely than men to have a more positive perception of the economy reflected in growth plans.

Differences between Egyptian and Turkish MSEs:

1. There are more women entrepreneurs in Egypt than in Turkey. Egyptian females represent 12% of Egyptian entrepreneurs, vs. only 6% in Turkey. A result that is attributed, in part, to the world economic recession at the turn of the century, the time of the Turkish survey.

2. Turkish entrepreneurs start working 5 years earlier than the Egyptian entrepreneur. Therefore, while Turkish entrepreneurs are two years younger than the Egyptians, they carry about two more years of experiences.

3. Egyptian males are more educated than Turkish males; but Turkish women are more educated than their Egyptian counterparts.

4. A sizeable 28% of Turkish females' MSEs are working in manufacturing activities, compared with only 2% in Egypt, attesting to the long history of Turkish women working in textile, clothing and leather that dates back to the Ottoman times.

5. Interestingly, the incidence of 'more than one activity' is twice as large among female-led businesses as among male-led businesses (8% vs. 4%) in both countries, suggesting the capability of female-led enterprises to undertake diverse practices.

6. In terms of expectations for growth in the next 12 months, Egyptians seem to be more optimistic about the future than the Turks (53% of Egyptian MSEs plan to grow in employment, area, output or assets, vs. 44% of Turkish MSEs).

7. Wages by levels of skills are quite comparable in Turkey. For the skilled and unskilled workers, the female/male wage ratio is 0.91 and 0.88, respectively. In Egypt, wage discrepancies are considerable, with skilled and unskilled females earning about 57% of males' wages.

8. Married male entrepreneurs in Egypt run smaller sized businesses, whereas being married is associated with running a large business for women. A result that may conceal the fact that unpaid family workers are more commonly utilized in male-led MSEs than in MSEs run by women.

Policy Implications

This study provides first-time comparative estimates of gendered aspects of MSEs for Egypt and Turkey, focusing on the determinants of their growth, success, and types of activities. Earlier studies of MSEs have focused almost exclusively on their employment growth and job creation potential, and the policies proposed to support MSEs are justified on their presumed employment growth. In contrast, the results of this study are expected to shed light on the natures of policies recommended to promote women's entrepreneurship in particular. By identifying the sectors and types of activities females are more likely to thrive in, this study calls attention to those sectors where direct intervention by the government will be more effective, and provide some guidance for making proposals to further reduce the extent of gender-differences and practices in MSEs. Some of the policy recommendations are: 1- Any assistance programs must realize that entrepreneurs are heterogeneous groups, with

different needs and aspiration, requiring different levels of capital and skills. 2- Recognizing that women prefer to work certain times of the day or irregular hours to care for their households simultaneously. Therefore, any assistance programs directed towards entrepreneur training must be designed around their needs and schedules. 3- Because of their micro size, most government regulations fail to reach them. As they grow, they become visible to taxes and other regulations. Therefore, there is a disincentive to expand beyond a certain limit. Policies that encourage expansion and growth with tax breaks or credits will definitely support the growth of the MSEs. 4- Finally, there is need to encourage loan officers in lending institutions to identify women clients, be familiar with their needs and problems, and consider different channels of communications to approach and inform them of available projects, their success and profitability.

1. Introduction

Both Egypt and Turkey have introduced substantial economic reforms since mid 1980s. They have undertaken a number of policy and regulatory changes to liberalize a comprehensive, highly protected, and public-sector-dominated economy. Measures that have particularly influenced the private sector include the introduction of a market-based foreign exchange system, liberalization of trade policy, privatization of state-owned enterprises, fiscal policy reform, and accepting the role of Micro and Small Enterprises (MSEs) [2] in economic development.

MSEs have been regarded as an important contributor to employment creation as well as wealth generation, especially in developing economies. They have provided the bulk of entrepreneurs and employment in these economies, and the necessary foundations for sustained economic growth and rising income levels. Ironically, however, MSEs have usually been abandoned and discriminated against when it comes to government assistance, access to finances or technology transfers, whereas large enterprises have usually been given the priority in economic and industrial development projects. MSEs in OECD economies have accounted for most of the growth in private business sectors. It is estimated that 95% of enterprises in OECD are MSEs, responsible for creating around 70% of new jobs (OECD, 2000). Although available data reveal that most business owners are men, women have been joining the track, with the share of female-owned firms reaching one-third of total businesses in some OECD countries. Positive policies towards women's active involvement in the MSEs have been noted as one of the main elements of success in this regard.

Preliminary evidences from a comprehensive survey of the MSE sector carried out in 2001 and 2003 by the Economic Research Forum (ERF) in Egypt and Turkey reveal that there are considerably fewer female owners of MSEs than male owners (EL-Mahdi, 2005).[3] One of the main contributing factors to this pattern must be low rate of participation of women in the labor force, but it also reflects the existence of deeply rooted gendered social norms that transcends economic development. Other findings, to be presented later in this paper, suggest that compared to male-owned MSEs in Egypt and Turkey, female-led enterprises start at a considerably lower level of capitalization; are highly concentrated in trade sectors (where barriers to entry are lower); more likely to have only one worker; and less likely to be exporting. In addition, they have less access to formal education, business management, and finance. So from a business growth perspective, Egyptian and Turkish women-led MSEs are at a disadvantage.

For a variety of reasons, mostly having to do with lack of access to appropriate data, much of the support for MSEs in the Middle-east and North Africa (MENA) region in general, and in Egypt and Turkey in particular is derived from descriptive findings that do not rely on systematic empirical analysis to support the proposed claims. These claims must therefore be considered in most cases as a set of premises that require further assessment and verification. What distinguishes the current study from others that researched MSEs in Egypt and Turkey is its rigorous empirical nature along gender lines. To the best of our knowledge, no comprehensive, empirical study comparing the entrepreneur's personal and business characteristics has been carried out for countries in the MENA region. In particular, this study attempts to shed the light on the gendered aspect of MSEs (i.e. women entrepreneurship,

[2] The formal definition of an MSE involves the volume of annual transactions, but firms are mainly classified according to the number of workers such that "micro" enterprises are the ones that employ less than 10 workers; and "small" enterprises are the ones that employ 10-to-49 workers. The term SME, which is also commonly used in the literature, stands for "small and medium-sized enterprises" (10-to-249 workers).

[3] The same survey was also administered in Lebanon and Morocco, but the analysis of data from those countries is beyond the scope of this study.

barriers to entry and success rates) and tests some of the major claims of the rather modest available literature by means of an econometric analysis using the nationally representative MSE surveys conducted for Turkey in 2001 and for Egypt in 2003.

2. A Brief Review of the Literature[4]

As a result of its increased importance, a growing interest in MSEs and their role in economic growth have emerged in recent literature. Although most of the bulk of research in the last decade pertains to developed countries, namely the US and Canada, a sizeable number of studies have been conducted in many developing countries. Numerous studies have shown that there are differences between male and female MSE owners in OECD countries (Goeffee & Scase 1985; Carter & Cannon 1992; OECD 2000a; OECD 2000b), and in transition countries (Zapalska 1997; Glas & Petrin 1998). In general, female-owned businesses are found to be more different than similar to male-owned businesses (Brush 1992). These differences seem to exist regardless of economic context. Previous studies have also shown that female business owners most often start businesses in the 'traditional' service sectors such as retail trade, hotels and catering (Schrier 1975; Smith, McCain & Warren 1982; Hisrich & Brush 1983; Cuba, Decenzo & Anish 1983; Scott 1986; Neider 1987; OECD 2000a; Du Rietz & Henrekson 2000). Studies of Sexton et al., 1990; Stigter, 1999, and Verheul & Thurik, 2001 have found that women have different objectives and ambitions than men, often interested in balancing their home and business responsibilities, and are less moved by profits or the size of their business.

However, increasingly more women-led business owners are becoming involved in less traditional service sectors such as communications, finance, real estate, etc. (OECD 2000). Studies done in transitional economies such as Poland (Zapalska 1997) and Slovenia (Glas & Petrin 1998) have found that female business owners tend to be represented mostly in the service sector. In terms of business size and turnover, a number of studies have indicated that female-owned businesses tend to be smaller than male-owned businesses and have a lower business turnover (Schrier 1975; Schwartz 1976; Welsch & Young 1982; Geoffee & Scase 1983; Hisrich & Brush 1983; Chaganti 1986; Longstreth et al. 1988; Smith et al. 1982; Cuba et al. 1983; Scott 1986; Neider 1987; Du Rietz & Henrekson 2000).

On the differences between the financial performance of male and female-owned businesses, studies suggest that profit and growth may not be the main goal of female-owned businesses as it is the case with their male counterparts (Brush 1992). For example, Carter & Cannon (1992) suggest that female entrepreneurs tend to run their businesses in a way that the interests of the immediate family do not conflict with the business. Further, a study by Du Rietz & Henrekson (2000) on female entrepreneurs in Sweden finds significantly lower expectations among female entrepreneurs for future growth.

El-Mahdi (2006b) provides an extensive review on the literature on MSEs in Egypt, which ranged from limited, and controlled, to wide range, and detailed studies. Hafez (1986) investigated 25 establishments in the manufacturing industry. Later, Meyrs (1988) carried out a survey on a sample of 1149 small sized establishments in the manufacturing industry in Cairo. The El-Mahdi and El Said (1996) study was also confined to a small city, the Tenth of Ramadan City. Large empirical studies were carried out by CAPMAS (Central Agency for Public Mobilization and Statistics) in 1985, 1988, and 1998. These studies were comprehensive in nature to represent the Egyptian market, with sample sizes reaching 5000 establishments. The 1998 survey estimated that small enterprises (less than 50 workers) represented more than 90% of all private sector enterprises in Egypt employing 63% of total employment, with the bulk being in the (1-10) workers category.

[4] This part draws on Aidis (2002).

A review on the literature on micro, small, and medium-sized enterprises in Turkey can be found in Özar (2006). While many of the cited works focus on small and medium-sized enterprises that employ up to 250 persons (e.g. Taymaz and Kılıçaslan, 2000, and Erzan and Filiztekin, 2005), studies that focus on MSEs are few in number and are limited to the textile sector (Çınar, et al. 1987, 1988, and Evcimen, et al. 1991). Given the previously mentioned descriptive claims, the focus of the present study is going to be on testing the gendered aspects of the MSE sector with regard to economic sector of activity, firm size, financial sources, and growth plans.

3. Conceptual Framework, Data, Methodology, and Findings

The analysis in this study depends on the largest, and richest, MSE data set available. The data set is comprehensive in terms of the methodology adopted in sample design, listing techniques, and coverage of policy relevant issues. The primary objective of the sample design of MSEs in Egypt was to provide estimates at the national level and 3 major administrative regions (Metropolitan areas, Lower Egypt, and Upper Egypt). Eight governorates were selected from the 3 regions. The selection was based on an attempt to represent governorates with different economic characteristics. The main survey fieldwork took place in the second half of 2003. Information is available on the characteristics of the owner of a business (gender, age, education, marital status, region, etc.); as well as characteristics of the enterprise (start up year, size of capital, employment size, employment characteristics, hours of operation, industry; forward and backward linkages with other sectors; and access to financial sources). The sample size consists of 5000 private MSEs, large enough to provide statistical reliable estimates for indicators at the region level.

The Turkish sample is also nationally representative in coverage. As described in Özar (2006), it was chosen by a stratified, multi-stage systematic sampling method by the TURKSTAT, Turkey's official statistical agency. The 19 (out of 81) provinces the survey was conducted in were selected from 5 strata that were defined in terms of socioeconomic development level of the provinces compiled by the State Planning Organization of Turkey. The main survey fieldwork took place in the second half of 2001. A total of 5,000 interviews were carried out, of which 4,776 were in the urban areas. The surveys include a section on the characteristics of the owner/manager of the enterprise, who is identified as the person making the decisions regarding the affairs of the enterprise. This "entrepreneur" (as he or she is referred to in the questionnaire) is the person responding to the survey questions.

The advantage of using this data is its unique link between the establishment and the household of the entrepreneur. On the one hand, household information provides a detection tool of some home based economic and background characteristics. On the other hand, establishment surveys enable researchers to capture the bulk of economic details and movements outside the household, providing a blanket representation of the activity. The focus on the gendered aspects of MSEs in Egypt and Turkey requires answering (and testing) the following questions/claims:

A. Is there a significant difference in types of business activities between male and female entrepreneurs?.

B. Is there a significant difference in firm size between male and female entrepreneurs? What are the main determinants of size of business?

C. Are there gender differences in the determinants of business dependency?

D. Are there gender differences in determinants of plans for future growth?

E. We also examine the skill structure of the work force, wage differentials between male and female workers at various skill levels, and determine if skill composition differ across economic sectors.[5]

Before we begin testing these claims with finer techniques, a brief description of the nature and characteristics of the MSEs in Egypt and Turkey is essential. For brevity, we hereafter use "E&T" to refer to "Egypt and Turkey".

3.1. The Data and the Working Sample

Although the original samples of 5,000 firms are representative of the population of MSE's in E&T, we limited our analysis to a subset of these enterprises. First, and partially for the reason that the design weights were not available for rural areas, we confined our sample to enterprises in urban areas[6]. Urban MSEs in Egypt represents 90% of the total sample. Excluding rural MSEs returned 4434 urban MSEs for Egypt and 4,776 enterprises in Turkey. A further exclusion of 103 observations for Egypt and 74 observations for Turkey were made because the activity of the firm was "seasonal" or "temporary" rather than "permanent".

The survey also provides information on whether the workplace being visited is the only location in which the enterprise operates. It turned out that this is not the case for about 4% (in Egypt) and 10% (in Turkey) of the observations in the sample. Considering the fact that an analysis of the workforce, growth plans, etc. of just a branch of a larger enterprise may be inappropriate, we decided to leave these firms out of the working sample which consists of 195 enterprises for Egypt, and 464 Turkey enterprises. The final sample size for Egypt is 4,136 and for Turkey, it is 4,238. The figures reported below are based on these samples, and they have been weighted by the design weights available in the data set to be representative of the national distribution of firms with respect to the gender of the entrepreneurs and firm size.

3.2. Characteristics of the Entrepreneur

Table A in the Appendix provides a profile of the main characteristics of the Egyptian and Turkish MSEs. Contrarily to empirical results coming out of Africa and Latin America where female ownership of MSEs ranges between 46% and 84% (Liedholm, 2002), the fact that merely 12% and 6% of the entrepreneurs in in E&T respectively are females is admittedly a drawback considering that our main purposes is to examine gender differences of the entrepreneur[7]. Al-Mahdi (2004) refers to this small representation of female MSEs to the world economic recession in the early twenty first century, and the wide-spread bankruptcies which subscribed to the economic decline, in addition to the limited educational background of females which ascribed to lack of ability to obtain credit, barriers to acquire capital, or venture into new economic activities. The same period also witnessed high prices of imported materials, increasing costs of production, which eventually lead to reduced demand.

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[5] Another issue we were originally planning to discuss was the examination of the factors that account for the differences in wages of males and females workers. This could have been realized by estimating a regression model where the log of the hourly wage rate is regressed on various explanatory variables. Unfortunately, what we have in the data is a firm-level average wage rate for males and females along with several firm-level characteristics. Our attempts to produce statistically significant and interesting results using the available data proved fruitless, probably because the explanatory variables which are the most likely to yield significant results require individual level data. Consequently, we decided not to pursue this point.

[6] It is noted in the country reports for E&T that observations from rural areas were left out of the weighting process since their selection was not based on a reliable stratification process

[7] Al-Mahdi (2004) concedes the limitation is a result of the sampling methodology in the survey, where the survey covered enterprises working inside establishments and excluded all working outside. This practice may have contributed to an under-bias to micro sized enterprises, by excluding a large number of outside single workers, and may have augmented the overall average number of workers in the enterprise.

Figure (1) displays ownership distribution by gender. The figure conveys a striking message indicative of the existence of deeply rooted gendered social norms and values that transcend economic developments, and it is more evident in Turkey than in Egypt. About 59% of MSEs in Egypt are male owned, less than what's observed in Turkey which stands at 78%. The data confirms more positive attitudes towards women as active economic agents, and a wider acceptance of women starting their own businesses in Egypt than in Turkey. Turkish women own 4% of the MSEs whereas Egyptian women own 7% of the MSEs. The rest, work as managers of the MSEs.

The vast majority of the respondents are married (73% in Egypt and 78% in Turkey). The share of married entrepreneurs is quite lower among females (48% and 54%) compared with (80% and 76%) for males in E&T, respectively. In other words, non married females (single, widowed or divorced) are twice as much as non married males, attesting to the need these women face to earn a living, in face of limited pension or low alimony. This could also imply the fact that marriage dictates departure from the labor force, when their household responsibilities grow after marriage. It might also be that the entrepreneur status is naturally assumed by the husband when an enterprise is run by a married couple, where women assist their husbands in their businesses.

On average, a Turkish entrepreneur is three years younger than his/her Egyptian fellow. The average age of the Turkish entrepreneurs in the sample is 38 years. By comparison, the average age of the Egyptian entrepreneur is 41 years. Egyptians females are, on average, six years older than their Turkish counterparts, and Egyptian males are only two years older than their Turkish mates.

The survey also provides information on the age at which the respondent first started working. Turkish entrepreneurs, begin work five years earlier than Egyptian entrepreneurs (15 and 20 in that order). If we define experience as the difference between the age of the respondent and the age at starting first job, we find the average labor market experience (not necessarily in current job) for Turkey is 23 years, 2 years more than that of Egypt, at 21 years. These figures however, do not account for the interruption in the labor market, especially for women, and therefore may overestimate actual years of experience. Actual work experience in the current job could be derived from the response to the survey question "How long have you been in present job?". We find Turkey stands at 10 years and Egypt at 9 years.

It is noteworthy that while both citizens have the same average of years of education (9 years of education — i.e. middle school level). Egyptian females are less educated than Turkish females, (average years of education at 7 and 10, respectively), who in turn, enjoy an extra year of education if compared with Turkish males. The most pronounced difference between Egyptian and Turkish levels of education appears at the illiterate level, in favor of the Turkish entrepreneurs. Nearly 20% of Egyptian males and 42% of Egyptian females are illiterates. Turkish illiterate males represent less than one percent and merely 3% for females. Roughly 48% of Egyptian male owners of their MSEs have at least secondary education vs. 38% for their Turkish parallels. Conversely, a significant 54% of Turkish female owners of MSEs have at least secondary education, which is at least twice as much as Egyptian females (at 22%). The high illiteracy rates of Egyptian women entrepreneurs should be considered in future planning of entrepreneurs programs.

In addition to the previous characteristics, the household questionnaire provides information on the income sources of the entrepreneur's household. We utilize this information to make inferences about the extent of the dependence of the household on the income generated from their businesses. Of course, it would make sense to examine owners and managers separately as well as female and male respondents since in the case of the managers, the MSE income

refers to the manager's salary. There are several ways dependency can be defined. One is to identify the households where the income from the MSE is the only source of income and label these as the ones that are dependent on the business. Another way is to identify the households where the income from the MSE exceeds the monthly expenditures of the household. The latter definition probably implies sufficiency rather than dependency.

Of the Turkish sample, 55% of the owners declared their income from the MSEs as the only source of income, a proportion over twice as much as their Egyptians peers (24%). A large difference is actually attributed to variations between males than between females. When 56% of Turkish males approved the adequacy of income, only 23% of Egyptian males responded positively. Female figures are comparable in both countries (20% and 23% for E&T, respectively). This is not surprising since it is unlikely that a household depends only on income from a female-led business.

Among managers, the differences in terms of dependence of the household on the manager's income are not as distinct. The Turkish still maintain their advantage over the Egyptian counterparts. Roughly 37% of Turkish managers verified their income from managing the enterprise is the only source of income in the household, compared with only 23% among Egyptian mangers. While male shares reflect the averages in both countries, a large fraction of Turkish females' managers (41%) have declared their salary from managing the business is the only source of income in the household, compared with a mere 9% of Egyptian female managers. These minimal figures of income adequacy to household expenditures in the Egyptian case suggest the presence of other working family members or other sources of income.

A likely reason for the disparity pattern in dependence on the MSE income between owners and managers may originate from the income gap between owners and managers, especially in the case of males. Preliminary analyses confirm that Turkish male managers earn 77% of what owners earn, and Egyptian managers earn 49% of owners' income. These figures for females are 94% in Turkey and 57% in Egypt.

As mentioned above, we also identified the households for which the MSE income exceeds the monthly household expenditure and suggested that this could be used as a 'sufficiency' indicator. It turns out that this is the case for 66% for males and 37% for females in Egypt and 76% of male and 59% of female respondents in Turkey. It is important to stress, in this regard, that results on income and expenditures should be cautiously approached. First, the respondents may over-estimate their expenditures or under-value their income for tax related purposes. Second, both samples had a large number of missing observations which resulted in temporary exclusion from the dependency check.

3.3. Characteristics of the Enterprise

Moving on to establishment characteristics, we start with firm size which we define in terms of the number of workers. As mentioned earlier, 'micro' enterprises are defined as establishments with 0-9 workers, and 'small' refers to establishments employing 10-49 workers. Figure (2) shows that an overwhelming majority of the businesses in both surveys employ less than 10 workers (97% and 94% for E&T, respectively), of which enterprises with one or two workers (one of whom is the entrepreneur) represent 72% in Egypt and 54% in Turkey, right in the range of African MSEs between 47% and 79% (Liedholm, 2002), as well as Romania (53%) (Brown, Earle and Lup, 2005).

Small-sized firms make up only 6% of the Turkish sample and just 3% of the Egyptian sample. The share of these firms is even lower in the subsample of female entrepreneurs (1 and 3% for E&T, respectively). The average total employment figure is only 4 workers (3

workers among female-led) for Turkish MSEs, and an average of 2 for Egypt (true for both genders).

The survey provides 4-digit industrial classification (International Standard Industrial Classification, 3rd Revision) codes for the enterprises. One way to simplify the analysis is to allocate firms into three broad categories: (1) manufacturing, (2) trade, and (3) services sectors. For convenience, "manufacturing" is defined so that it includes the very small number of firms in agriculture, fishing and mining. Trade sector includes wholesale and retail trade, hotels and restaurants, including food services such as meal preparations. The services sector comprises the following subsectors: transport and communications, financial intermediation, construction, transportation, real estate, education, health, other social and personal service activities. It is a common perception that MSEs are overwhelmingly made up of vendors and other small traders. There is some truth about it when the allocation of MSEs by economic sector for Egypt is 73%, 16%, and 11% and for Turkey is 67%, 21%, and 12% for, trade, manufacturing and services, in that order.

These ratios verify that trade is the dominant MSE activity in both countries, regardless of the gender of the entrepreneur. As appears in figure (3), 85% of Egyptian and 53% of Turkish females are found in that sector. The over-representation of women in trade could be indicative of the low initial requirement for capital investment, in addition to no or low pre-requisites in terms of special education, training, or experience. It is important to note that the concentration of women in few trade activities with easy entry exacerbates low profitability and further confines the opportunities for expansion and growth. Remarkably, 28% of Turkish females' MSEs are found in manufacturing activities, compared with only 2% in Egypt, attesting to the long history of Turkish women working in textile, clothing and leather that dates back to the Ottoman times (Ecevit, 1991). The figure is even greater than the Turkish males' share in the manufacturing sector, which stands at 20%. Males' distribution in terms of economic activity seems uniform across the two countries, with trade retaining the lion's share at close to 70%.

For the reason that 96% of all MSEs in E&T engage in one activity, we ignored the secondary activities and classified the firm according to its main activity. For example, if an automobile dealer offers its customers auto insurance policies, the latter service is considered a secondary activity. Interestingly, the incidence of 'more than one activity' is twice as large among female-led businesses as among male-led businesses (8 vs. 4%) in both countries, suggesting the capability of female-led enterprises to undertake diverse practices.

An in depth analysis of the types of activities assumed by MSEs working in trade sectors reveals that close to 71% of all females in Egyptian MSEs work in retail sale of food, beverage and tobacco, textile, clothing, footwear, and leather goods, against 50% for all males. The share of females working in "retail trade in specialized stores (other than food and beverage, such as pharmaceuticals, cosmetics, textile, footwear, household appliances, paint, glass, etc.) is 31%, compared with 28% of males in these subsectors. These figures are close to the Turkish allocation, with 32% for females and 22% for males. Of all Egyptian male-led firms, a significant 9% of them work in restaurants and hotels. In Turkey, firms in maintenance and repair of motor vehicles make up about 10% of male-led firms, and firms in the hotels and restaurants sector make up another 10%.

The changes in total employment figures over the past year are a clear reflection of the fact that 2001 was a crisis year for the Turkish economy. From one year ago, the average firm contracted by 18%. Probably since female-lead enterprises were smaller to begin with, the average reduction in employment among these firms is 15%. Sectoral differences are such that manufacturing firms contracted by the largest amount, to a low 26%. The enterprises in the retail and services sectors were also adversely affected, registering employment

contractions of 13 and 14%, respectively. Among female-led businesses, the hardest-hit was in trade. In contrast, the Egyptian MSEs experienced a positive, albeit insignificant, growth in employment. The average growth in employment was 0.86%; with males having an average growth of 0.88% vs. 0.58 for females. MSEs working in trade achieved a growth of 1.46%, whereas manufacturing collapsed by 1%. Services had a modest growth of 1.04%.

Knowing the year of start of business makes it possible to calculate the number of years the enterprise has been in business. It turns out that Egyptian MSEs have been in business longer than Turkish MSEs (13 and 7 years respectively), with female-led enterprises having a comparatively lower number of years in business than males (11 and 14 in Egypt and 6 and 8 years in Turkey, respectively). The difference is more likely to emerge from the fact that females experience interrupted labor market experience for reasons related to pregnancy, or child care, or household responsibilities at large. To investigate this possibility, we screened "years in business" averages in the subsamples of managers and owners, and found that the difference between females and males is even larger among managers (9 vs. 13 in Egypt and 5 vs. 8 in Turkey) and among owners the difference in years in business is 12 and 13 in Egypt and 6 and 8 in Turkey for males and females respectively). It could be the case that differences among managers have to do with changing social norms whereby women are more "socially accepted" to be employed as managers in more recently-started businesses. A significant finding that 62% of MSEs in Egypt have been in business for 10 years or less, with 87% of them has been operating for 25 years or less is a testimony to the claim that MSEs are a temporary solution or a short lived answer to growing economies.

The survey also offers information on the main source of initial capital. We find that about 10% of the initial capital of the Turkish enterprises came from loans (either formal or informal) as the main source to set up the business, compared with only 4% for Egyptian entrepreneurs; figure (4). The informal loan represents about 85% of the total Turkish loans, and accounts for 62% of Egyptian loans. By far the bulk of the source of start-up financing in both countries comes from own savings (67% of initial capital in Egypt and 74% in Turkey). Inheritance represents about 23% in Egypt and 8% in Turkey. The rest of the figures are roughly the same for female and male-led businesses, except for a marked advantage of females over males, and in particular Egyptian females, when it comes to loans, for whom loans' share in initial capital was twice as much as that of males. We should, however, keep in mind that in the case of Turkey, the survey was conducted in 2001 when interest rates were extremely high and financial instruments were not commonly used as they are now.

As mentioned earlier, 2001 was a challenging year for the MSEs in Turkey as reflected in the employment contraction figures reported above. Nevertheless, there is evidence that some firms were making growth plans at the time of the survey. In order to determine the firms' plans for the future, the surveys include a series of questions each one of which could be responded by an expectation of "growth", "stability" and "contraction" during the 12 months following the survey. The questions refer to employment, area, output, assets, revenues, the acquisition of new technology, and the addition of new products. Obviously, the responses to these questions must be highly correlated. In the response to each one of these questions, the share of firms that plan to grow ranges between roughly 20 and 30%.

As displayed in figure (5), Egyptian and Turkish MSEs alike tend to sustain or grow their businesses, yet this tendency is more pronounced in Egypt if compared with Turkey. Entrepreneurs in Turkey seem to have a bleaker future than their Egyptian mates. Nearly 40% of Turkish MSEs expressed future plans for their MSEs to contract in areas of employment, output, assets, and revenues.

In an effort to summarize these bits of information in a simplistic manner, we defined a zero-one dummy variable which takes on the value of 1 if the response to at least one of these

questions is an anticipation of growth. According to this admittedly-lenient criterion, 44% of the enterprises in the Turkish sample, and 53% in the Egyptian sample, plan to grow during the year following the survey. Surprisingly, the gender difference is in favor of Turkish female entrepreneurs with 61% as opposed to 43% among males. The Egyptian reported identical gender proportions with 53% anticipating growth plans the next year, suggesting profit and growth may not be the main objective of female owned businesses as it is with male owned businesses, and that women entrepreneurs are well aware of the dual, non-conflicting role they play in their life juggling both home and business, a result that is in line with Du Rietz & Henrekson (2000) study on Swedish female entrepreneurs which found significantly lower expectations for growth among females.

3.4. Characteristics of the Workforce

In this subsection, we examine the age and skill composition, and the wage structure of the MSE workforce. Since we do not expect this analysis to produce interesting findings with regard to the gender of the entrepreneur, we focus on the comparison of the male and female workforces without making the distinction between female and male-led businesses. For each enterprise, the survey provides the number of workers who fall into four pre-defined cohorts of age: less than15, 15-to-24, 25-to-59, and 60 and over. As previously established, the average Turkish enterprise employs 4 males including the entrepreneur (and 3 in female MSEs); whereas the Egyptians employ an average of 2 workers. About three quarters of the Turkish workers in the MSEs are in the age group of 25-to-59, and the 15-to-24 age category represents the second largest group with 21%. These figures for Egyptian male workers are 55% and 37%, respectively.

As expected, the age composition of the female workforce is different from that of male's workforce. Due to life cycle dynamics and the repeated interruptions in the labor market, after marriage or childbirth, there is a smaller share of female workers in the 25-to-59 age category, and a larger share in the 15-to-24 age category in Egypt. This pattern is not as apparent in the Turkish sample, where the shares of these categories for the Turkish female workers are about 45 and 52% for the age groups 15-24 and 25-29, respectively.

The survey provides information on the skill level of the workforce as well. The workers may fall into four skill categories: skilled, semi-skilled, unskilled, and apprentices. Unfortunately, in the Turkish data, for most firms, the reported numbers of workers do not add up to the total employment figures given elsewhere in the survey. For example, instead of an average employment figure for Turkish MSEs of 3.5, an average of 1.9 workers is reported. Ozar (2006) notes that these figures do not include the entrepreneur and his/her partners, but this is not sufficient to explain the difference. A likely rationale for this inconsistency is that some employees, most likely unpaid family workers, could not be placed in any of these categories. Nevertheless, we utilized the reported numbers of workers by skill level to examine the skill composition of the available workforce.

An analysis of Turkish data reveals similar skill compositions of male and female workers for whom a skill level is reported. For both genders, skilled workers make up about 70% of the MSE workforce (73% in the case of females), figure (6). Egyptian workers registered a greater share of skilled workers among them than the Turkish (82% for males but 68% for females). Semi-skilled and unskilled workers, together, make up 24 and 25% in Turkey, and 16% and 31% for males and females respectively, in Egypt.

We also find that skill composition does not differ substantially across sectors of economic activities, at least at the aggregate level. Skilled male workers represent between 67% and 71% in Turkey, and between 59% and 91% in Egypt across economic sectors. For example, skilled Turkish males are uniformly represented across sectors (range between 67-71%),

skilled Egyptian males range between 75% and 86% across sectors. Skilled Turkish women represent between71% and 81% vs. 59% and 91% for Egyptian women workers across economic sectors.

For each enterprise, the survey also reports the average wage level for female and male workers falling into each one of the four skill categories. While this information allows us to compute wage differentials across skill levels as well as across genders, we must keep in mind that the workers' skill levels are based on the assessment of the respondent. Besides, it is questionable whether the reported figures are good indicators of the actual wage levels which, in fact may be higher or lower. We should also point out the fact that we have no way of identifying if these figures refer to salaries gross or net of taxes. Our analysis is also restricted by the fact that we are dealing with firms with very small numbers of workers which means that it is very unlikely that there will be both female and male workers belonging in the various skill levels. In fact, it turns out that this is the case for a very small number of enterprises. Therefore, we computed average female wages using information from all firms that employ women at a certain skill level (and report a wage level figure for them). Similarly, we computed average male wages using information from all firms that employ male workers. We also restricted the computations to firms that reported monthly salaries as opposed to weekly or daily payments, since there seemed to be some inexplicable discrepancies in the subsample means across these groups of firms.

The wage levels of Turkish male and female workers are quite comparable (see figure (7)). For skilled, semi-skilled and unskilled workers, the female – male wage ratio is 0.91, 0.99, and 0.88, respectively. In Egypt, on the other hand, wage discrepancies are considerable, especially at the skilled and semi-skilled levels, with females earning about 58% of what males make.

Turning to wage differentials across skill levels, we find the relative shares are comparable in both countries, be it across gender or skill levels (See Figure (8)). For example, semi skilled women in Egypt and Turkey earn 76% of skilled women. Unskilled women earn 58% of skilled women, in both countries. In case of males, these marked similarities exist but with some differences that do not exceed the 12% points difference. For instance, semi skilled males in Egypt earn 81% of skilled wages and 70% in Turkey, unskilled male workers in Egypt earn 70% of skilled wages, and in Turkey they earn 61%. Finally, the skill premium is much larger in Turkey than in Egypt, particularly for men. For instance, apprentice men earn 32% of skilled workers in both countries. On the other hand, apprentice women in Egypt are in a much better position than their Turkish counterparts, since they earn 65% of skilled women' wages, compared with 46% for Turkish women, in that order.

Figure (9) reveals that sectoral differences in wages along gender lines are the most pronounced among Turkish skilled workers with females average wages exceeding males' in the trade sector. The average skilled female wage is 1.15 times the average skilled male wage. This my have to do with the fact that women are seen as better salespersons when the job involves one-on-one interaction with customers. In Egypt, skilled female workers are better compensated in manufacturing sector compared with other sector, earning an average of 75% of males' wages. The worst earning gap is found in manufacturing sector among the unskilled category (at 16%). Unskilled women in service sector in Egypt earn 98% of males' wages, the highest ratio among all categories.

An examination of wages by size of enterprise, figure (10), reveals that females have an advantage over males in firms employing less than 3 workers, especially in Turkey, where wages of females to males ratio is in excess of 1. In fact, in that group of firms, this result holds at all skill levels.

One finding that casts doubt on the reliability of the reported wage figures is that in some cases, wages of semi-skilled workers are higher than wages of skilled workers. While a likely explanation is that the classification of the worker by skill level is determined by the respondent, where s/he may not accurately label their workers, a closer inspection is needed to figure out what led to this outcome, which is widely noticed among female workers.

3.5. Econometric Findings

In this section, we present results from an econometric analysis of certain aspects of the MSEs in E&T. Since our main purpose is to look for gender differences, we estimate the models on the full sample of enterprises and check the sign and the statistical significance of the dummy variable for female entrepreneurs. We also estimate the same models on subsamples of females and males entrepreneurs separately and observe the differences in the parameter estimates.

A. Is there a significant difference in types of business activities between male and female entrepreneurs?

We begin the econometric analysis by focusing on the sectoral distribution of entrepreneurs. We already know from the previous sections, and from figure (4) that 53% of Turkish women and 85% of Egyptian women work in trade sector activities. However, it is not clear that this result would continue to hold once other factors are controlled for. Therefore, we estimate a multinomial logit model in which the sector of economic activity is the dependent variable and the gender, age, years of education and labor market experience, as well as the marital status of the entrepreneur are the explanatory variables. Along with these entrepreneur characteristics, we also control for the number of years the firm has been in business and whether or not the enterprise had access to financial assistance of some sort. To be specific, the "credit" dummy equals 1 if the enterprise had access to financial services from sources such as banks, credit firms, friends or relatives during the last 12 months. The reason for including these variables is that they are likely to be related not only to the sectoral distribution, but also the gender of the entrepreneur if, for example, female entrepreneurs find it more difficult to run a newly-established firm or a firm that relies on financial assistance.

Table (1) displays the multinomial logit estimates for the determinants of the sector of economic activity of the MSEs. The model is estimated with the manufacturing sector as the reference category. Therefore, a positive coefficient implies that the variable in question has a positive effect on the likelihood of being in trade or services rather than the manufacturing sector. Standard restriction tests are also available to make comparisons between trade and services. Estimates obtained on the full sample of Egyptian firms confirm that, females are more likely to be found in trade and services alike, though the magnitude of the coefficient is slightly higher in trade than in services (Table 1, Columns 1 and 2). Conversely, results of the Turkish sample uphold that compared with the other two sectors, female entrepreneurs are less likely to be found in trade even after the remaining explanatory variables in the model are accounted for, but no significant difference exists between manufacturing and services (Table (1), columns 7&8).

As for the remaining variables, more years of education for Egyptian male entrepreneurs is associated with a higher likelihood of being in trade or services sectors rather than manufacturing, while women entrepreneurs in manufacturing are likely to hold more years of education than their peers in trade or service sectors. For the Turkish sample we find that better educated and experienced male entrepreneurs are more likely found in manufacturing sector, but female entrepreneurs with more years of education and experience are likely to be found in trade or services sectors. Marital status does not seem to affect the decision to join a certain economic activity, except for Turkish males where married males are likely to join the manufacturing sector. Finally, access to credit is likely to encourage both gender in both

countries to join trade sectors. Interestingly, in both countries, the goodness-of-fit of the model is a lot higher in the female subsample with pseudo R^2 values of 0.22 and 0.12 as opposed to 0.01 and 0.04 for males in the Turkey and Egypt, respectively. Apparently, the explanatory variables considered do a better job of predicting what kind of women end up in which sector.

B. Is there a significant difference in firm size between male and female entrepreneurs? What are the main determinants of the size of business?

In this subsection, we carry out a multiple regression analysis to observe whether there is a significant difference in firm size between male and female-led businesses. We already know that the average female-led firm is smaller, but we would like to know if the difference continues to exist after we control for other characteristics of the entrepreneur as well as enterprise related variables utilized earlier, in addition to the sector of economic activity. Therefore, we run a multiple regression with the number of workers as the dependent variable and include the female dummy among the explanatory variables.

Table (2) reveals that while female led-MSEs have smaller size businesses than men in Turkey; this relationship is insignificant in the case in Egypt (columns 1 and 4 respectively). Furthermore, entrepreneurs with more years of education run larger enterprises, though the magnitude of the effect is greater in Turkey than in Egypt. While age and experience do not seem to be related with firm size in either country it is only true in the case of Turkish females where there is a negative relationship (i.e. women entrepreneurs with less years of experience run larger firms). Marital status has a negative effect on firm size for Egyptian males but a positive one for Egyptian females. In other words, married Egyptian males run smaller sized firms whereas married Egyptian women run larger firms. The effect of marital status on firm size is insignificant in Turkey. We also find for males of both countries that firms that have been in business for a longer time are likely to be larger. This is a direct result of the gradual growth of successful firms over time and also with the larger amount of sunk costs involved in setting up a large firm. Owners of such firms could be more reluctant to give up on their investment even if it does not render immediate success. This outcome is in line with the learning framework introduced by Jovanovic (1982) that survival increases with age and size of the firm[8]. Access to credit in Egypt has a negative significant relationship with firm size, where businesses with no access to credit run bigger businesses than those who obtain credit. Finally, manufacturing in both countries has large firms than trade or services sector in both countries. From a theoretical perspective, it is likely that firms in different sectors would face different product demands and encounter different cost structures on the supply side, and eventually firm size.

As in the previous exercise, the coefficient estimates for the regression run on the male subsample are similar to those for the full sample whereas the patterns observed in the female subsample are somewhat different. Perhaps the most noteworthy result is that the R-square value[9] is once again a lot higher in the female subsamples, suggesting the current model does not capture other significant independent variables.

C. Are there gender differences in the determinants of business dependency?

We now focus on the incidence of business dependency and observe what kinds of gender differences are present. Since the dependency and sufficiency measures presented earlier are

[8] Jovanovic's model (2002) posits that the older firms grow more slowly than younger ones because managers learn more accurately over time about their efficient size of operation. It also predicts larger firms will grow more slowly than their smaller counterparts.

[9] Low R squared are not unique to this study, other studies produced lower values such as Aidis, 2002.

represented by binary variables, we estimate probit models in which these variables are explained using the entrepreneur and enterprise characteristics utilized in the earlier exercises.

With regard to dependency, we find, as expected, that Turkish females are less likely to be running an enterprise which provides the only income for the entrepreneur's household (see Table (3a), column 4). In other words, the incidence of dependency is lower among female entrepreneurs. While the same direction stands in Egypt, the coefficient was insignificant (Table (3a), column 1). Another disparity between the two countries is found with respect to the status of ownership. We find that it is more common for Turkish owners of businesses to depend on their income as the only source of earnings for the household, for males but not for females, and it is insignificant in Egypt, for both genders.

As for the remaining variables, it turns out that being married has a higher probability for dependency for Turkish males. Since this result holds in only the subsample of male entrepreneurs but not the females, we argue that it has to do with the jointly-made time allocation decision of a married couple whereby the wife specializes in household production. Nevertheless, in the case of Egypt, this finding is not realized neither on the full sample nor the subsamples. We also find that years of education, in both countries, and experience, in Turkey alone, are negatively associated with dependency. This may result from the possibility that households with more educated members are more likely to have more than one source of income. This evidence is in line with the Baslevent (2007) finding that "assortative mating" is present in Turkish households.

The likelihood of dependency is maximized around the age of 28 in Turkey (and at the age of 23 for Egyptian entrepreneurs). This is a reasonable finding if we believe that the younger and older entrepreneurs are more likely than those in their prime ages to be in households with other economically active members. A similar argument can be made for those in trade and services sectors which both have negative coefficients, only in Turkish male sample. Since these firms are smaller compared to manufacturing firms, the likelihood of dependency is relatively smaller. Women led businesses, in both countries, working in service sectors are more likely to fully depend on their income as the only source of income for their households than those in manufacturing.

Results that pertain to our sufficiency measure are summarized in Table (3b). These results are quite similar to those obtained for dependency, with minor differences. For example, in the subsample of Turkish female-led businesses, both trade and services sectors are associated with higher rates of sufficiency, though in Turkey only. Results in Egypt are insignificant in the female subsample, and are barely significant in the male subsample. We also find that the years in business has a small but significantly positive effect on the likelihood of sufficiency for males in both countries. This result makes sense since firms that have survived for longer periods are likely to be more successful in adequately providing for their families.

D. Are there gender differences in the determinants of plans for future growth?

This exercise involves the examination of firms' growth plans. As mentioned earlier, we have defined a "growth" dummy variable based on the expectation of growth, stability or contraction during the next year in terms of firm size, value of assets, etc. The growth dummy equals 1 if a growth is expected with respect to any one of these aspects. We now estimate a probit model in which this indicator is the dependent variable. In addition to some of the explanatory variables used earlier, we now consider as possible factors, a "firm size" variable which equals the number of workers and two new dummy variables in the model. One of these is the "formal loan" dummy which equals 1 if a formal loan is among the sources of

working capital during the last 3 months. The other is the "linkage" dummy which equals 1 if the firm had linkages with other enterprises such as subcontracting or collaboration in utilizing equipment. On the other hand, the "married" dummy and the "years in business" variable were dropped from the model since they were found not to be significant factors.

We find that females seem to have a positive attitude towards growth plans in both countries. (Table 4, columns 1 and 4, respectively). Having controlled for several other possible factors, we interpret this result to mean that female entrepreneurs are more optimistic about the future than males. This result contradicts what Downing and Daniels (1992), and Liedholm (2002) have found in Africa where female entrepreneurs are more risk averse and thus less likely to grow in comparison with their male counterparts. It also seems that older Turkish male entrepreneurs are less likely to engage in growth plans. While the years of education[10] for Turkish males and Egyptian females, and years of experience for Egyptian males have a strong positive effect on growth plans. More years of experience for females of both countries are more likely to negatively affect growth plans. Access to credit for Turkish males has a negative effect on growth plans, but linkage with other firms does have a positive growth impact on the firm. We may conclude that Turkish male firms that rely on outside sources for financing were less likely to be expecting growth in their businesses, during the difficult times of the economy. Larger businesses are more likely to have positive growth effects in Egypt for both gender and for Turkish males only. Sectoral differences appear to be significant in explaining growth in Turkey and Egypt alike, where manufacturing is more likely to grow than trade or services.

4. Contribution and Policy Implications

Micro and small-sized enterprises have been regarded as an important employment creation mechanism, particularly in economies with abundant unskilled labor. For this reason, MSEs have the potential to play an important role in the Egyptian and Turkish economies, both of which have the luxury of utilizing the resources of large and young labor forces. With properly set up institutional foundations, MSEs can infuse dynamism into these economies for many years. Their elasticity and versatility allow them to adjust to changing business environments faster and more effectively than larger businesses. At times of economic fluctuations, they act as shock absorbers for the large enterprises, altering their own employment and production levels to reflect changes in the overall demand and supply conditions. Besides, MSEs make important contributions as subcontractors to large enterprises especially during structural adjustment and trade liberalization periods. Furthermore, the importance of MSEs originates from the fact that they provide inexpensive goods and services in their geographic location where these services are most needed, compensate for inflationary effects, and promote a balanced growth and equitable income distribution.

This study provides first-time comparative estimates of gendered aspects of MSEs for Egypt and Turkey, focusing not only on objective measures such as business size and types of economic sectors showing promises of development, but also in subjective matters such as the anticipated success of the business. Earlier studies of MSEs have focused almost exclusively on employment growth and job creation potential of MSEs, justifying policies to support MSEs on their presumed employment growth. In contrast, the results of this study are expected to shed light on the natures of policies recommended to promote women's entrepreneurship in particular, and providing some guidance for making proposals to further

[10] Liedholm (2002), finds mixed results of education in Africa, while Cabal (1995) finds in the Dominican Republic that entrepreneurs who had completed secondary school grew more rapidly than those who did not. Parker's (1994) study of Kenyan entrepreneurs confirmed similar outcome. McPherson (1992) also reports a similar finding for Zimbabwe, but discovers the relationship is not significant in Botswana or Swaziland.

reduce the extent of gender-differences and practices in MSEs. In times of reduced public sector employment, a sector that is dominated by female employment, connecting with women both as entrepreneurs and as wage workers, could be the key to preventing the exclusion of women from economic, and consequently, social life. By identifying the sectors and types of activities females are more likely to succeed in, the current study can call attention to those sectors where direct intervention by the government will be more effective.

This study has demonstrated that there are merely 12% and 6% of the entrepreneurs in the samples of E&T respectively who are women. Those women, in addition to their limited educational background, have ascribed to lack of ability to obtain credit, acquire capital, or venture into limited economic activities. Key findings of this study are:

1- The majority of MSEs in E&T are micro businesses employing less than three, usually skilled, workers; sheltering twice non-married women as non-married men.

2- Illiteracy is more prevalent in Egypt than in Turkey and it's more rampant among women. Hence, education is a serious policy intervention especially for Egyptian females, and should be considered in future planning of entrepreneurs programs.

3- The bulk of the initial capital for start up businesses come from own savings. Therefore, providing some sort of assistance to set up or organize "Gameya", which is a temporary savings group, for a limited time, and a particular need, would be effective in providing such support.

4- Despite its minimal share, a promising finding is the marked advantage of females over males, and in particular Egyptian females, when it comes to loans, for which loans' share in initial capital was twice as much as that of males. We should, however, keep in mind that in the case of Turkey, the survey was conducted in 2001 when interest rates were extremely high and financial instruments were not commonly used as they are now.

5- Interesting to note that despite their minuscule presence in MSEs, women owners of their MSEs represent about two thirds of their overall contribution. Still, the contribution of women as managers exceed that of men in both countries, signifying more positive attitudes towards women as active agents in the economy and a wider acceptance of women managing small businesses.

6- A significant finding that the incidence of 'more than one activity' is twice as large among female-led businesses as among male-led businesses, in both countries, suggesting the capability of female-led enterprises to undertake diverse practices, urging policy makers to encourage women to engage in linked activities.

7- Trade is apparently the optimal sector for investment, where it witnessed the least contraction in total employment in Turkey, and the largest growth in Egypt. Moreover, empirical findings confirmed firms in trade are more likely to receive credit from external sources than manufacturing or services.

8- Realizing that about 37% and 51% of men and women entrepreneurs in Egypt, as well as 45% of Turkish women, are in the age group of 15-24, is a confirmation that MSEs are becoming a safe heaven or last resort to fresh graduates. Relating this finding with the fact that although Egyptian women-led enterprises have been in business more than their Turkish peers, Turkish entrepreneurs join the labor market at an earlier age, and so accumulate extra years of experience. This finding may prompt introducing early programs at junior high school grade levels, promoting independent starts for fresh graduates in lieu of lining up in the organized labor market.

9- Where women were found to be more likely to have positive perceptions on growth plans than men, in Egypt and Turkey alike, a significant finding that 62% of MSEs in Egypt have been in business for 10 years or less, with 87% of them has been operating for 25 years or less is a testimony to the claim that MSEs are a temporary solution or a short lived answer to growing economies.

10- Results of this study point also to the disadvantage Egyptian women entrepreneurs are at when compared with Turkish women entrepreneurs, despite their recent start and lower representation compared to their Egyptian peers. Women-led MSEs in Turkey are less concentrated in trade or services sectors, which are characterized by low capital, easy entry and exit; and are earning a larger fraction of males' earnings than their Egyptian pee

Despite economic and social changes in both countries in the last 20 years, deeply imbedded gender roles and expectations originating from cultural norms still exclude women from formal business networks which help pave the way for a fresh entrepreneur. Birley et al., 1991 have shown how important social networks are for acquiring capital and for business development in general, and that the exclusion of women from the old boy's club in several countries may hinder their business development (OECD, 1998, and Gould & Parzen, 1990). While inheritance laws in Turkey has full gender equality, inheritance laws in Egypt follow the Sharia law where men are required to provide for women of the household, and so are entrusted double the inheritance of women, resulting in fewer assets to start with, and thus fewer collateral in face of acquiring credit. Women normally don't hold land, house, or vehicle titles, which is more challenging in rural areas where women assets are confined to jewelry or furniture, not meeting the requirement of formal loans of banks. In many cases, women are discounted by women themselves, who may view their work as a supplementary to that of men and takes second or third priority after her house, husband and kids, a message that is interpreted most often by financial officers as "women are not as serious about the loan". In fact, international experiences and accumulating evidences indicate that women are as efficient and effective as men when it comes to credit. Their repayment rates are in the range of the 90% or above. Furthermore, profits of their businesses are re-invested in family welfare (Begum, 1986 and Mencher, 1987).

In this respect, it appears that standard public policy focusing on education and training as instruments to a more equitable access to opportunities and the benefits of development for women may be insufficient. Providing entrepreneur training programs catering to women, keeping in mind their preferred time and days of work, are only a start. Any assistance programs must be designed to meet their needs and schedules. For example, training programs requiring long days or travelling away from their homes or businesses may negatively affect their participation in these programs. Furthermore, recognizing that these groups of entrepreneurs are heterogeneous, i.e. they have different needs and aspire different opportunities. Therefore, it's important to tailor the assistance programs each at the capital level, needs, new starts, and skills of the entrepreneur. It is imperative in this regard to identify women clients by encouraging loan officers in financial institutions to be familiar with women's applications and to consider different channels of communications to approach and inform them of available projects, their success rates and profitability, as well as recognizing different aspects of women's chosen businesses, such as a business that is close to home or could be combined with home chores.

Finally, an important public policy concerns the size of the firm. DeSoto (1989) points to the accumulating transaction costs that accompany registration procedures in Peru, whereas because of their micro size, most government regulations fail to reach these enterprises. As they grow they become more visible to taxes and other regulations. Therefore, there is a

disincentive to expand beyond a certain limit. Providing accommodations for tax breaks or tax rebates could be effective in allowing MSEs to grow.

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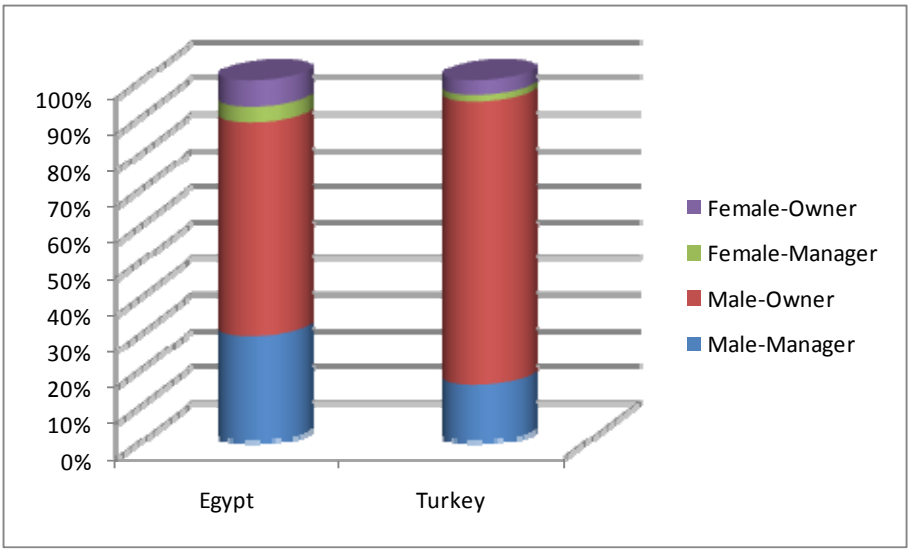
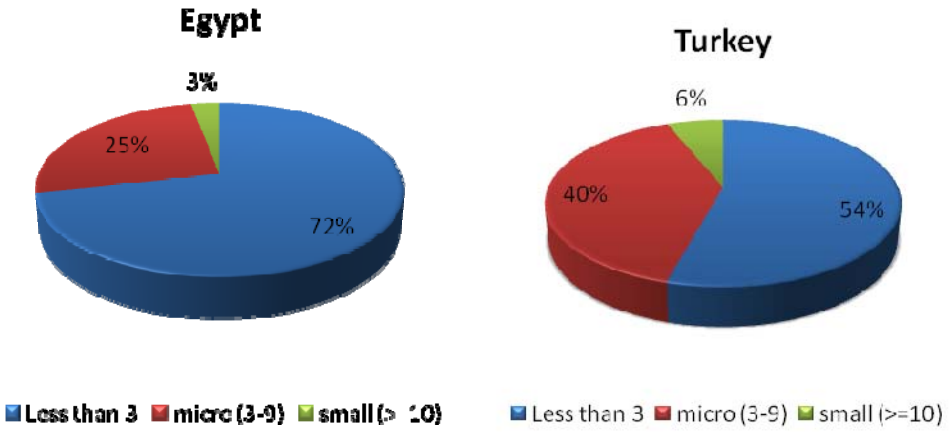
Figure 1: Distribution of Entrepreneurs by Ownership and Gender



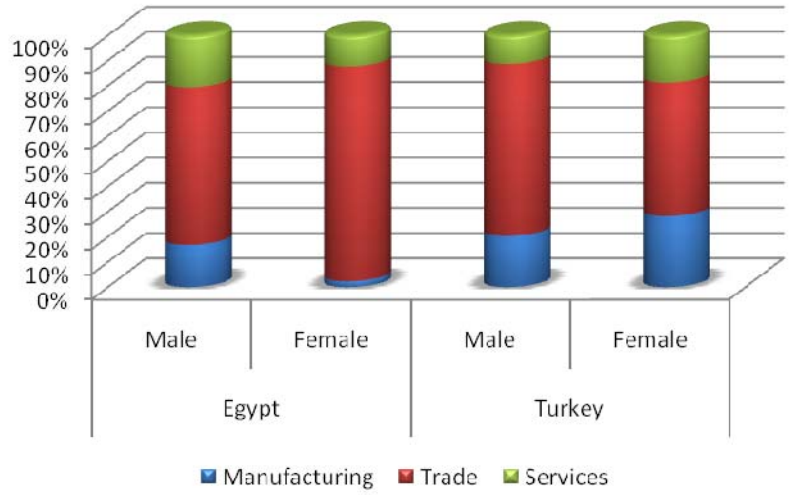
Source: Authors' own calculations

Figure 2: Distribution of MSE by Number of Workers



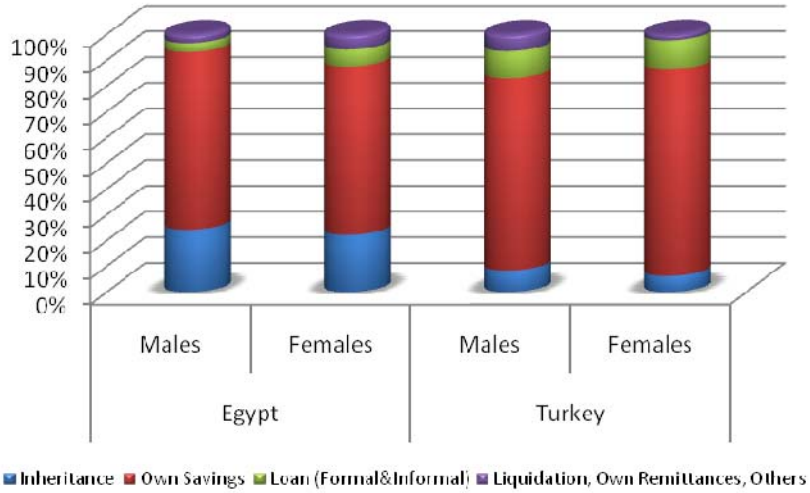
Source: Authors' own calculations

Figure 3: Distribution of MSEs by Economic Sector



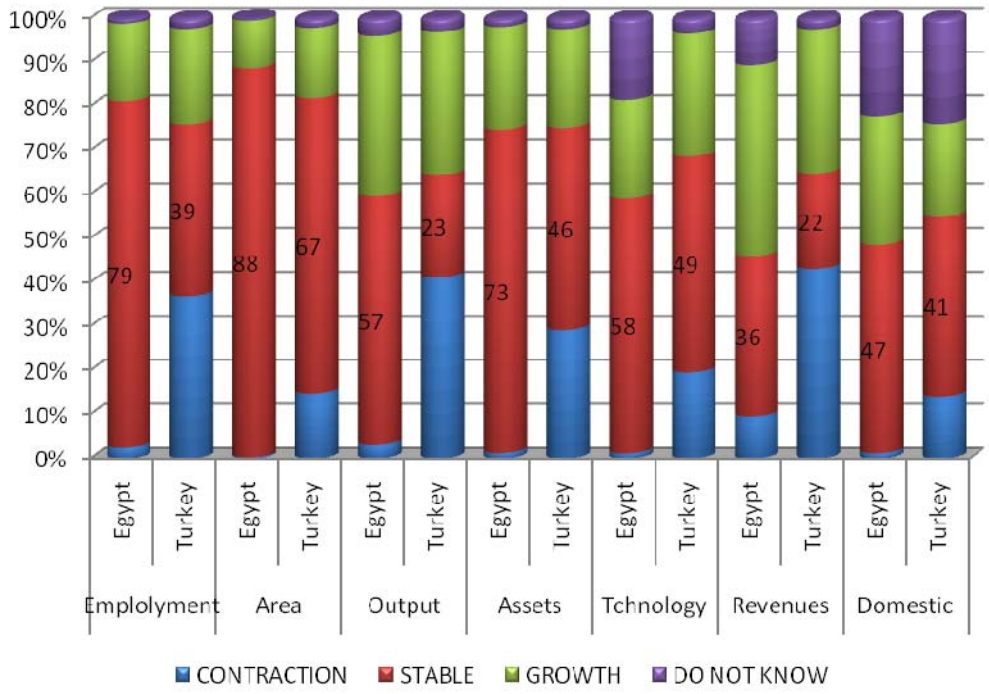
Source: Authors' own calculations

Figure 4: Distribution of the Main Source of Initial Capital



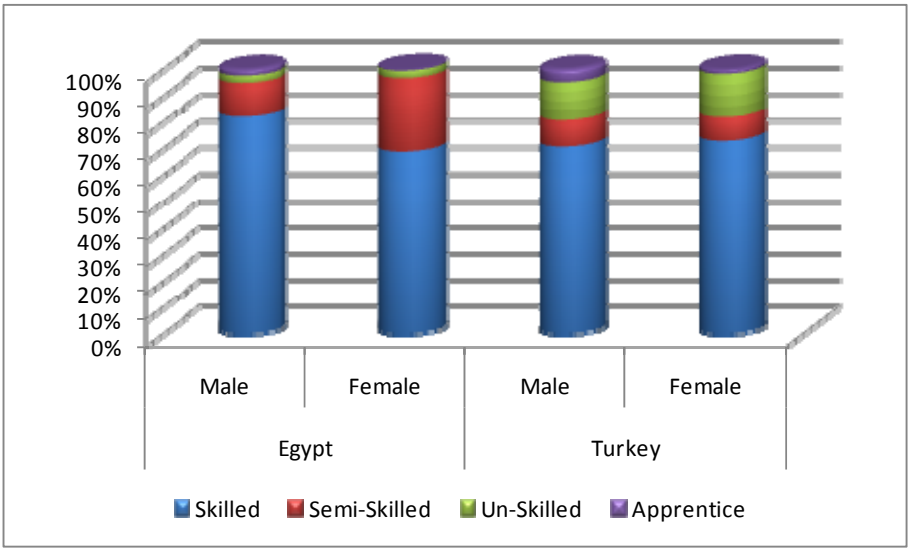
Source: Authors' own calculations

Figure 5: Plans for Future Growth



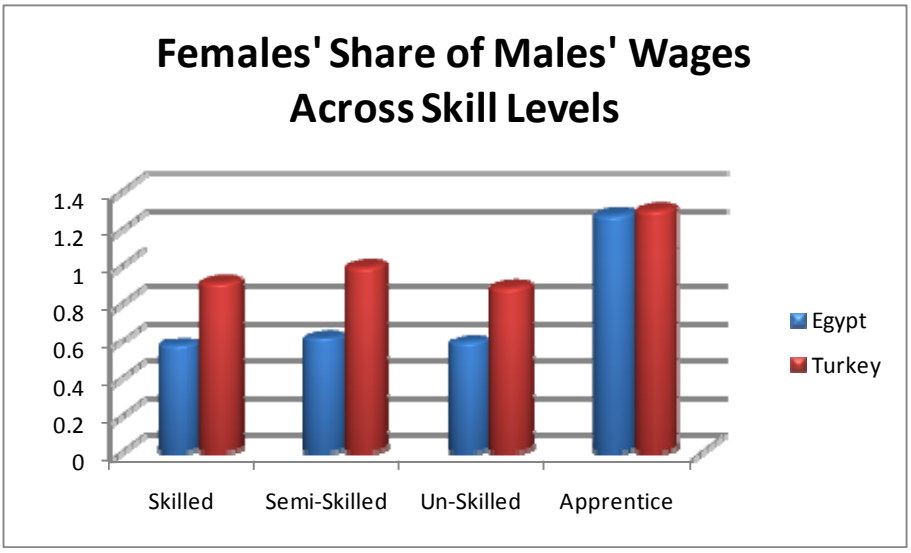
Source: Authors' own calculations

Figure 6: Distribution of the Workforce by Skill Level



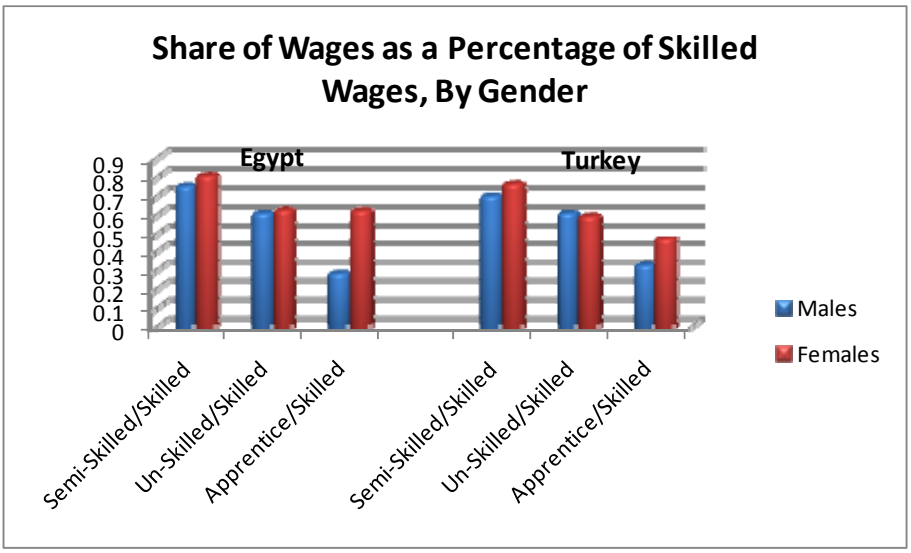
Source: Authors' own calculations

Figure 7: The Female-Male Wage Ratio by Skill Level



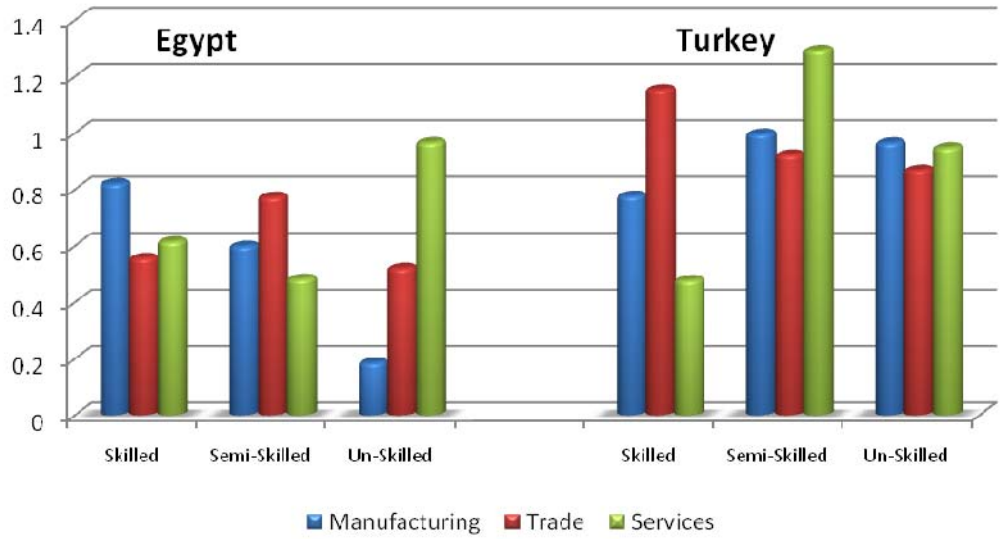
Source: Authors' own calculations

Figure 8: Wage Ratios between Skill Levels by Gender



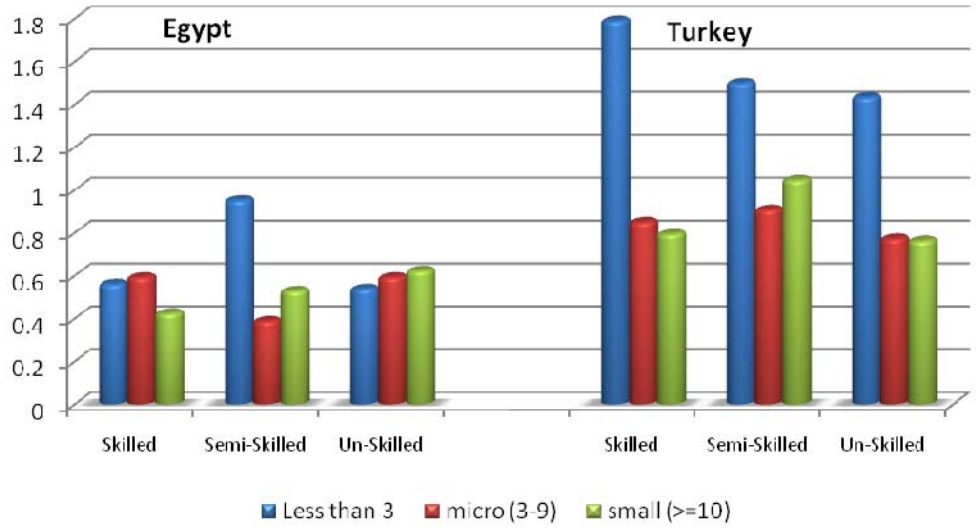
Source: Authors' own calculations

Figure 9: The Female-Male Wage Ratio by Skill Level and Economic Sector



Source: Authors' own calculations

Figure 10: The Female-Male Wage Ratio by Skill Level and Size of Enterprise



Source: Authors' own calculations

Table 1: Multinomial Logit Estimates of the Determinants of the Economic Sector

	EGYPT						TURKEY					
	1	2	3	4	5	6	7	8	9	10	11	12
	Full Sample		Males		Females		Full Sample		Males		Females	
VARIABLES	Trade	Services	Trade	Services	Trade	Services	Trade	Services	Trade	Services	Trade	Services
Female	1.643***	1.437***					-0.675***	0.189				
	(0.336)	(0.356)					(-0.166)	(-0.216)				
Age	0.011	-0.020	-0.009	-0.048*	-0.073	0.076	0.025	-0.032	0.056**	0.012	0.117	-0.017
	(0.025)	(0.029)	(0.025)	(0.029)	(0.131)	(0.151)	(-0.024)	(-0.034)	(-0.026)	(-0.037)	(-0.109)	(-0.117)
Age Squared	0.001***	0.001**	0.001***	0.001***	0.001	-0.001	-0.037	-0.001	-0.053*	-0.03	-0.244*	-0.061
	(0.000)	(0.000)	(0.000)	(0.000)	(0.001)	(0.002)	(-0.026)	(-0.037)	(-0.027)	(-0.04)	(-0.148)	(-0.148)
Years of Education	0.068***	0.062***	0.088***	0.059***	-0.157***	-0.055	-0.004	0.036**	-0.031**	0.000	0.253***	0.331***
	(0.009)	(0.011)	(0.009)	(0.011)	(0.059)	(0.063)	(-0.012)	(-0.017)	(-0.012)	(-0.018)	(-0.056)	(-0.073)
Years of Experience	-0.071***	-0.055***	-0.058***	-0.048***	-0.106***	-0.085**	-0.005	0.043***	-0.023**	0.021	0.049**	0.078**
	(0.009)	(0.010)	(0.009)	(0.010)	(0.037)	(0.040)	(-0.009)	(-0.013)	(-0.01)	(-0.014)	(-0.024)	(-0.034)
Marital Status (0=not married)	-0.036	-0.031	0.126	0.048	-0.181	-0.248	-0.191	-0.456***	-0.225*	-0.507***	-0.347	-0.568
	(0.147)	(0.169)	(0.143)	(0.167)	(0.661)	(0.716)	(-0.124)	(-0.171)	(-0.133)	(-0.185)	(-0.407)	(-0.524)
Access to Credit (0=no access)	0.727***	0.340	0.782***	0.226	21.023***	19.970	0.393***	0.161	0.322***	0.136	3.054***	2.317**
	(0.254)	(0.297)	(0.272)	(0.337)	(0.726)	(0.000)	(-0.097)	(-0.14)	(-0.099)	(-0.143)	(-0.746)	(-0.912)
Years in Business	-0.006	-0.006	-0.001	0.003	-0.033	-0.043	-0.005	-0.040***	-0.003	-0.035***	-0.042*	-0.156***
	(0.004)	(0.005)	(0.004)	(0.004)	(0.023)	(0.027)	(-0.005)	(-0.008)	(-0.005)	(-0.008)	(-0.025)	(-0.055)
Constant	0.793*	0.545	0.432	0.783	7.069**	2.282	1.109**	-0.048	0.869*	-0.421	-3.025	-2.449
	(0.475)	(0.548)	(0.476)	(0.551)	(2.888)	(3.179)	(-0.446)	-0.627	(-0.467)	(-0.673)	(-2.146)	(-2.459)
Observations	4090	4090	3670	3670	420	420	4209	4209	3966	3966	243	243

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Source: Authors' own calculations

Table 2: Estimates of OLS Regression of Determinants of Firm Size

	EGYPT			TURKEY		
	1	2	3	4	5	6
VARIABLES	Full Sample	Males	Females	Full Sample	Males	Females
Female (0=male)	-0.034			-1.005***		
	(0.154)			(-0.001)		
Age	0.033	0.057**	0.011	0.026	0.034	-0.109
	(0.021)	(0.025)	(0.030)	(-0.512)	(-0.428)	(-0.256)
Age Squared	-0.000*	-0.001**	-0.000	-0.057	-0.075	0.158
	(0.000)	(0.000)	(0.000)	(-0.209)	(-0.117)	(-0.204)
Years of Education	0.096***	0.086***	0.105***	0.235***	0.237***	0.171***
	(0.008)	(0.009)	(0.015)	(0.000)	(0.000)	(-0.001)
Years of Experience	-0.001	-0.008	-0.008	-0.004	0.006	-0.105***
	(0.007)	(0.009)	(0.008)	(-0.765)	(-0.704)	(0.000)
Marital Status (0=not married)	-0.375***	-0.617***	0.314*	0.011	-0.025	0.204
	(0.122)	(0.143)	(0.160)	(-0.954)	(-0.905)	(-0.600)
Access to Credit (0=no access)	-0.490**	-0.441*	-0.612**	-0.21	-0.24	0.594
	(0.205)	(0.230)	(0.297)	(-0.161)	(-0.124)	(-0.230)
Years in Business	0.031***	0.033***	0.011	0.044***	0.044***	0.021
	(0.003)	(0.004)	(0.007)	(0.000)	(0.000)	(-0.396)
Trade Sector (0=else)	-1.096***	-0.946***	-5.654***	-1.874***	-1.92***	-1.382***
	(0.115)	(0.121)	(0.397)	(0.000)	(0.000)	(-0.003)
Service Sector (0=else)	-0.116	-0.009	-4.566***	-1.975***	-2.183***	0.464
	(0.138)	(0.146)	(0.424)	(0.000)	(0.000)	(-0.428)
Constant	1.638***	1.268***	6.281***	2.738***	2.544***	4.821***
	(0.423)	(0.479)	(0.775)	(0.000)	(-0.001)	(-0.015)
Observations	4090	3670	420	4209	3966	243
R-squared	0.090	0.077	0.482	0.082	0.081	0.231

*** p<0.01, ** p<0.05, * p<0.1

Standard errors in parentheses

Source: Authors' own calculations

Table 3a: Probit Estimates of Determinants of Business Dependency

Dependent variable = 1 if the MSE is the only source of income for the household; 0 otherwise.

	EGYPT			TURKEY		
	1	2	3	4	5	6
VARIABLES	Full Sample	Males	Females	Full Sample	Males	Females
Female (0=male)	-0.181			-0.686***		
	(0.137)			(0.000)		
Owner (0=Manager)	-0.058	-0.096	0.410	0.319***	0.412***	-0.684**
	(0.083)	(0.086)	(0.322)	(0.000)	(0.000)	(-0.034)
Age	0.045**	0.036*	0.076	0.042***	0.028*	0.801***
	(0.019)	(0.021)	(0.051)	(-0.005)	(-0.073)	(0.000)
Age Squared	-0.001***	-0.001***	-0.001	-0.076***	-0.063***	-1.143***
	(0.000)	(0.000)	(0.001)	(0.000)	(0.000)	(0.000)
Years of Education	-0.021***	-0.018**	-0.009	-0.021***	-0.021***	-0.035
	(0.007)	(0.007)	(0.022)	(-0.004)	(-0.005)	(-0.369)
Years of Experience	0.002	0.009	-0.008	-0.01**	-0.008	-0.067***
	(0.005)	(0.007)	(0.011)	(-0.053)	(-0.160)	(-0.001)
Marital Status (0=not married)	0.042	0.107	-0.129	0.949***	1.022***	0.183
	(0.114)	(0.135)	(0.229)	(0.000)	(0.000)	(-0.514)
Access to Credit (0=no access)	-0.132	-0.177	0.252	0.024	0.031	0.368
	(0.151)	(0.163)	(0.439)	(-0.665)	(-0.595)	(-0.310)
Years in Business	0.004	0.003	0.010	0.004**	0.004	0.013
	(0.003)	(0.003)	(0.011)	(-0.156)	(-0.145)	(-0.444)
Trade Sector (0=else)	-0.132	-0.126	5.526	-0.154**	-0.17***	-0.06
	(0.091)	(0.093)	(0.000)	(-0.009)	(-0.005)	(-0.857)
Service Sector (0=else)	-0.114	-0.127	5.857***	-0.222**	-0.347***	1.012**
	(0.114)	(0.118)	(0.318)	(-0.009)	(0.000)	(-0.024)
Constant	-1.310***	-1.149***	-8.585***	-0.838***	-0.679**	-12.745***
	(0.357)	(0.383)	(1.096)	(-0.003)	(-0.019)	(0.000)
Observations	2774	2517	257	3149	2987	162

*** p<0.01, ** p<0.05, * p<0.1

Robust standard errors in parentheses

Source: Authors' own calculations

Table 3b: Probit Estimates of Determinants of Business Sufficiency

Dependent variable = 1 if MSE income exceeds monthly household expenditures; 0 otherwise.

	EGYPT			TURKEY		
	1	2	3	4	5	6
VARIABLES	Full Sample	Males	Females	Full Sample	Males	Females
Female (0=male)	-0.719***			-0.46***		
	(0.132)			(0.000)		
Owner (0=Manager)	0.323***	0.333***	0.135	0.312***	0.335***	0.05
	(0.078)	(0.082)	(0.271)	(0.000)	(0.000)	(-0.860)
Age	0.056***	0.050***	0.064*	0.049***	0.046***	0.297**
	(0.016)	(0.018)	(0.039)	(-0.001)	(-0.005)	(-0.007)
Age Squared	-0.001***	-0.001***	-0.000	-0.077***	-0.071***	-0.423**
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(-0.007)
Years of Education	-0.015**	-0.013*	0.019	0.011	0.009	0.019
	(0.006)	(0.007)	(0.020)	(-0.135)	(-0.277)	(-0.590)
Years of Experience	0.001	0.010	-0.002	-0.009	-0.012	-0.019
	(0.006)	(0.007)	(0.010)	(-0.115)	(-0.073)	(-0.234)
Marital Status (0=not married)	0.045	0.150	-0.399*	0.525***	0.564***	0.271
	(0.094)	(0.107)	(0.212)	(0.000)	(0.000)	(-0.264)
Access to Credit (0=no access)	-0.228	-0.220	-0.452	0.017	-0.01	0.447
	(0.140)	(0.151)	(0.428)	(-0.777)	(-0.868)	(-0.159)
Years in Business	0.006**	0.006**	0.001	0.017***	0.018***	-0.008
	(0.003)	(0.003)	(0.011)	(0.000)	(0.000)	(-0.619)
Trade Sector (0=else)	-0.164*	-0.154*	0.779	-0.021	-0.098	0.821**
	(0.090)	(0.092)	(0.602)	(-0.745)	(-0.141)	(-0.008)
Service Sector (0=else)	-0.104	-0.110	1.018	-0.023	-0.132	0.954**
	(0.107)	(0.111)	(0.640)	(-0.799)	(-0.166)	(-0.021)
Constant	-0.651**	-0.573*	-2.886***	-0.606**	-0.471	-5.419**
	(0.317)	(0.338)	(1.074)	(-0.033)	(-0.113)	(-0.004)
Observations	2774	2517	257	3129	2969	160

Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Source: Authors' own calculations

Table 4: Probit Estimates of Determinants of Plans for Future Growth

Dependent variable =1 if the owner plans to expand the business in the next year; 0=otherwise.

	EGYPT			TURKEY		
	1	2	3	4	5	6
VARIABLES	Full Sample	Males	Females	Full Sample	Males	Females
Female (0=males)	0.199**			0.388***		
	(0.093)			(0.000)		
Age	0.005	-0.001	0.028	-0.047***	-0.065***	0.016
	(0.010)	(0.011)	(0.027)	(0.000)	(0.000)	(-0.749)
Age Squared	-0.000**	-0.000**	-0.000	0.045***	0.054***	0.04
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(-0.551)
Years of Education	0.008*	0.008	0.048***	0.020***	0.026***	0.018
	(0.005)	(0.005)	(0.017)	(-0.001)	(0.000)	(-0.495)
Years of Experience	0.011***	0.022***	-0.021**	-0.001	0.008	-0.043***
	(0.004)	(0.005)	(0.008)	(-0.769)	(-0.102)	(-0.001)
Trade Sector (0=else)	0.098	0.115*	0.696	-0.144**	-0.116**	-0.452**
	(0.068)	(0.070)	(0.447)	(-0.004)	(-0.028)	(-0.049)
Service Sector (0=else)	0.076	0.073	0.722	-0.055	-0.083	0.588**
	(0.085)	(0.088)	(0.453)	(-0.451)	(-0.273)	(-0.051)
Access to Credit (0=no access)	0.074	0.040	0.310	-0.107**	-0.131**	0.152
	(0.136)	(0.145)	(0.405)	(-0.025)	(-0.008)	(-0.540)
Formal Loan (0=no loan)	0.185	0.296	-0.103	0.102	0.142	-1.501
	(0.236)	(0.242)	(0.672)	(-0.441)	(-0.287)	(-0.231)
Link with Other Firms (0=no link)	0.456	0.374	0.000	0.183***	0.183***	0.272
	(0.288)	(0.316)	(0.000)	(-0.001)	(-0.001)	(-0.357)
No. of Workers	0.061***	0.061***	0.105**	0.024***	0.025***	-0.04
	(0.018)	(0.019)	(0.053)	(0.000)	(0.000)	(-0.203)
Constant	-0.250	-0.157	-1.605**	0.770***	1.022***	-0.167
	(0.226)	(0.244)	(0.787)	(0.000)	(0.000)	(-0.868)
Observations	4136	3716	420	4238	3995	243

Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Source: Authors' own calculations

Table A-1: Summary Statistics of Selected Variables

Variables	Egypt			Turkey		
Means	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Age	40.80	41.03	40.82	38.17	35.45	38.01
Age at Start of First Job	18.48	29.48	19.73	14.67	21.03	15.04
Years of Experience	22.32	11.51	21.01	23.50	14.42	22.97
Years of Education	8.99	6.52	8.71	8.54	9.63	8.60
How Long in Present Job	10.54	7.57	10.29	10.63	5.49	10.33
Total Employment	2.46	1.99	2.41	3.55	2.96	3.52
Employment Change-Total	0.02	0.01	0.02	-0.76	-0.54	-0.75
Employment Change-Manufacturing	-0.03	0.00	-0.03	-1.85	-0.35	-1.74
Employment Change-Trade	0.036	-0.014	0.030	-0.46	-0.81	-0.47
Employment Change-Services	0.021	0.143	0.032	-0.55	0.11	-0.51
Years at Business	13.62	10.99	13.32	8.09	6.05	7.07
Mean wages by Skill Level:						
Skilled	212	122		244896	222295	
Semi-Skilled	159	98		170973	169295	
Un-Skilled	129	76		148782	131353	
Apprentice	59	76		79503	103196	
Distributions (%)						
Gender Distribution	88.56	11.44	100.00	94.16	5.84	100.00
Owner/Manger Distribution	66.30	33.70	100.00	82.44	17.56	100.00
Marital Status						
Not Married	24.17	51.84	24.61	20.18	45.47	21.65
Married	75.83	48.16	75.39	79.82	54.53	78.35
	100	100	100	100	100	100
Main Source of Initial Capital						
Inheritance	23.77	21.27	23.48	8.26	6.07	8.14
Own Savings	67.82	62.8	67.25	74.04	78.22	74.26
Liquidation	2.63	5.25	2.93	5.46	2.23	5.29
Formal Loan	1.33	2.12	1.42	1.67	0.73	1.62
Informal Loan	2.11	4.18	2.35	8.79	10.32	8.88
Own Remittances	0.7	0.4	0.66	0.96	0.04	0.91
Other Remittances	0.84	1.52	0.91	0.01	0.00	0.01
Other	0.8	2.47	0.99	0.80	2.40	0.89
Total	100	100	100	100	100	100
Size of Enterprise						
Less than 3	70.37	81.89	71.69	54.05	58.24	54.29
micro (3-9)	26.53	16.2	25.35	39.62	39.15	39.6
small (>=10)	3.1	1.91	2.96	6.33	2.61	6.11
	100	100	100	100	100	100
Growth Plans:						
Manufacturing	19.44	3.53	17.61	20.34	28.23	20.79
Trade	60.51	80.7	62.83	68.35	52.98	67.46
Services	20.05	15.78	19.56	11.31	18.79	11.75
	100	100	100	100	100	100

Source: Authors' own calculations

Table A-2: Distribution of Selected Variables by Ownership Status

Variables	Egypt		Turkey	
	Manager	Owner	Manager	Owner
Gender				
Male	33.27	66.73	16.72	83.28
Female	37.05	62.95	31.17	68.83
Total	33.70	66.30	17.56	82.44
Economic Activity				
Manufacturing	31.30	68.70	17.48	82.52
Trade	31.88	68.12	18.61	81.39
Services	41.60	58.40	11.67	88.33
Total	33.68	66.32	17.56	82.44
Employment Status				
Employee	51.53	0.00	70.95	0
Employer	13.65	62.39	0	62.91
Own-Account	5.61	34.60	0	37.09
Family Worker	29.21	3.01	29.05	0
Total	100	100	100	100
Use Loan as Main Source to Set up Business	No Loan	Loan	No Loan	Loan
Males	96.56	3.44	89.57	10.43
Females	93.72	6.28	89.71	10.29
Total	96.24	3.76	89.57	10.43

Source: Authors' own calculations