Moving jobs to center stage
What is a job?
A job does not always come with a wage

The jobs challenge
Jobs drive development. They should not be an afterthought of growth.

Some have greater development payoffs. It is not just the number of jobs.

One size does not fit all. Jobs challenges vary across countries.

The main constraints to job creation may lie elsewhere. Labor policies matter less than assumed.
Jobs get better with development
Jobs challenges are huge

600 million jobs needed over 15 years to keep current employment rates

1.5 billion people working in farming and self-employment

621 million youth neither working nor studying

1.6 billion people working for a wage or a salary

10 million entrants to the labor force per year in Sub-Saharan Africa
South Asia, Africa, and East Asia and the Pacific face significant youth bulges.

Alarming levels of youth idleness and unemployment.

Source: WDR 2013 team based on ILO data

Source: WDR 2013 team
I. Jobs are transformational
Jobs drive development

Jobs are transformational
Jobs are the main source of household income

Source: Covarrubias and others 2012 for the WDR 2013
Jobs take households out of poverty

Source: Inchauste and others 2012 for the WDR 2013
Jobs account for much of the decline in extreme poverty

Source: Inchauste and others 2012 for the WDR 2013, Azevedo and others 2012 for the WDR 2013
Job creation and destruction happen everywhere

Source: WDR 2013 team based on Bartelsman, Haltiwanger, and Scarpetta (2009), and Shiferaw and Bedi (2010).
The employment share of microenterprises is greater in developing countries.
Jobs are correlated with civic engagement

Active membership and lack of a Job

Active membership and motivating Job

Source: Wietzke and McLeod 2012 for the WDR 2013
Jobs influence collective decision-making processes
II. What are good jobs for development?
Individual and social valuations of jobs often differ
Some jobs do more for development

- Jobs in functional cities
- Jobs connected to global markets
- Jobs that are environmentally benign
- Jobs for the poor
- Jobs that empower women
- Jobs that do not shift burden to others
- Jobs that give a sense of fairness
- Jobs that link to networks
- Jobs that shape social identity
A typology of jobs challenges

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<th>Jobs challenge</th>
<th>What are good jobs for development?</th>
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<td>Agrarian economies</td>
<td>More productive smallholder farming&lt;br&gt;Urban jobs connected to global markets</td>
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<td>Conflict-affected countries</td>
<td>Jobs demobilizing combatants&lt;br&gt;Jobs reintegrating displaced populations&lt;br&gt;Jobs providing alternatives to confrontation</td>
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<td>Urbanizing countries</td>
<td>Jobs providing opportunities for women&lt;br&gt;Jobs moving the country up the export ladder&lt;br&gt;Jobs not leading to excessive congestion&lt;br&gt;Jobs integrating rural migrants</td>
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<td>Resource-rich countries</td>
<td>Jobs supporting export diversification&lt;br&gt;Jobs not subsidized through transfers</td>
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<td>Small island nations</td>
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<td>Countries with high youth unemployment</td>
<td>Jobs not supported through rents&lt;br&gt;Jobs not allocated on the basis of connections</td>
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<td>Formalizing countries</td>
<td>Jobs with affordable social benefits&lt;br&gt;Jobs not creating gaps in social protection coverage</td>
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<td>Aging societies</td>
<td>Jobs keeping the skilled active for longer&lt;br&gt;Jobs reducing the cost of services to the elderly</td>
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III. Policies through the jobs lens
Three distinct layers of policies are needed

**PRIORITIES**
- Know your jobs challenge
- Remove or offset the constraints

**LABOR POLICIES**
- Stay on the efficiency plateau
- Avoid misguided interventions
- Provide voice and extend protection

**FUNDAMENTALS**
- Macroeconomic stability
- An enabling business environment
- Human capital
- Rule of law and respect for rights
Which countries addressed their jobs challenges?

- Vietnam
  - Land reform, agricultural extension, and market incentives
- Rwanda
  - Reintegration of former combatants and business reforms
- Korea, Rep.
  - Land-use policies and comprehensive urban planning
- Chile
  - Fiscal stability rules and export-oriented policies
- Tonga
  - Active use of return migration agreements
- Slovenia
  - Competition in product markets through trade integration
- Brazil
  - Noncontributory programs, rules simplified and enforced
- Poland
  - Disability and pension reform, higher retirement age
Key policy questions addressed through the Report

- Growth strategies or jobs strategies?
- Can entrepreneurship be fostered?
- Can policies contribute to social cohesion?
- Skills or jobs – what comes first?
- A targeted investment climate?
- Competing for jobs?
- Protecting workers or protecting jobs?
- How can job reallocation be accelerated?

But the 1st question is: **what is a job?** And the answer is not trivial
To download the World Development Report 2013: *Jobs*, its background papers, databases and explanatory videos, visit:


To continue the dialogue on what it takes to create good jobs for development join the interactive Jobs Knowledge Platform at:

www.jobsknowledge.org