

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 challenges are significant

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

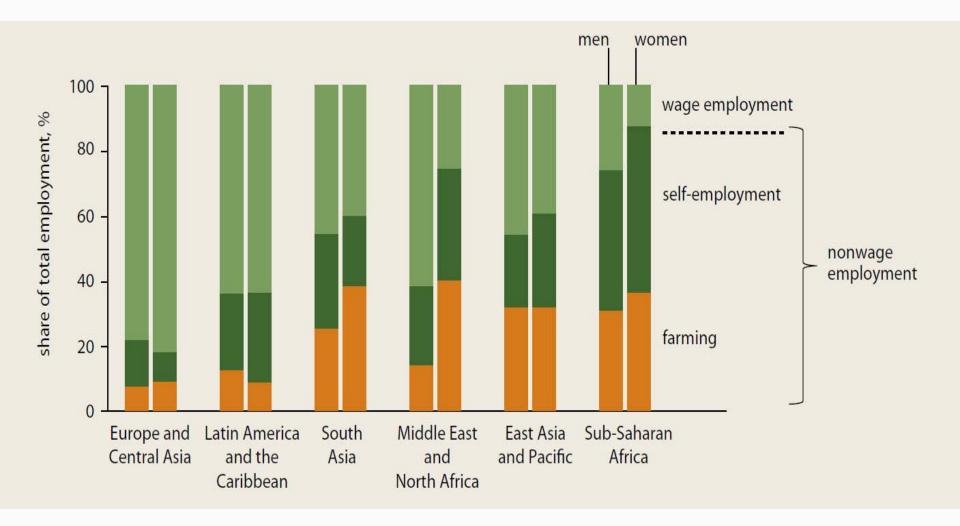
1.5 billion people working in farming and self-employment

 $621^{\rm million\;youth}_{\rm neither\;working\;nor\;studying}$

1.6 billion people working for a wage or a salary

10 million entrants to the labor force per year in Sub-Saharan Africa

A job does not always come with a wage

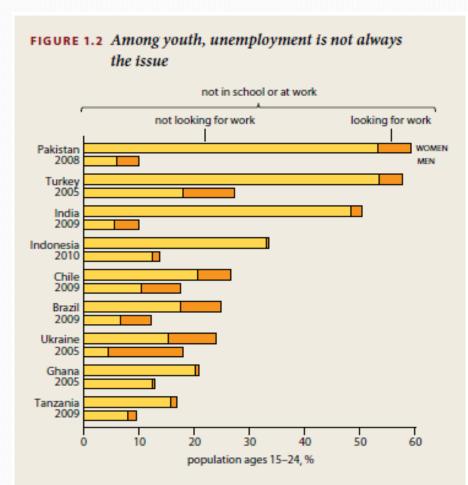


South Asia, Africa, and East Asia and the Pacific face significant youth bulges

a. Millions of jobs per year South Asia East Asia and Pacific Sub-Saharan Africa Latin America and the Caribbean Middle East and North Africa Europe and Central Asia 10 15

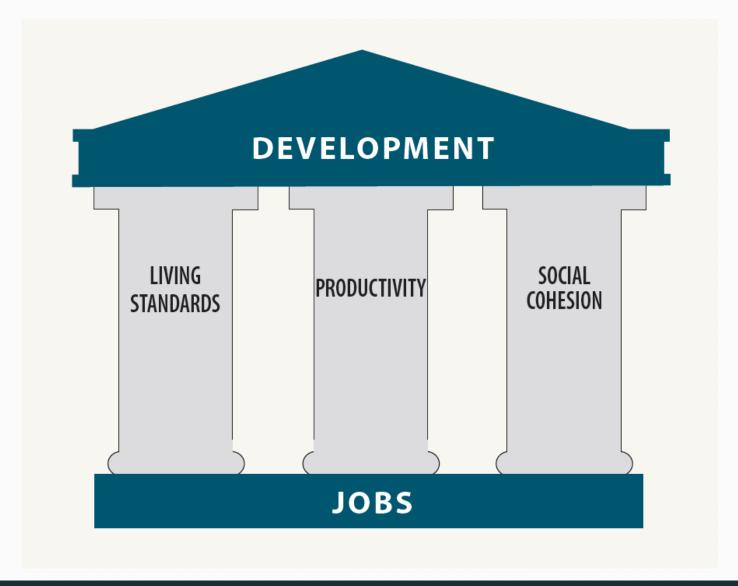
Source: WDR 2013 team based on ILO data

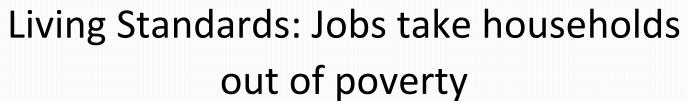
Alarming levels of youth idleness and unemployment

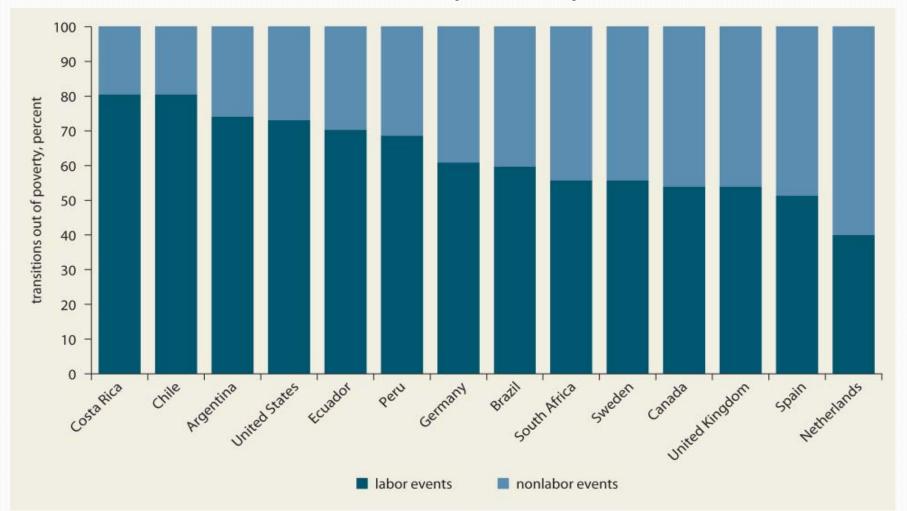


Source: WDR 2013 team

Jobs drive development

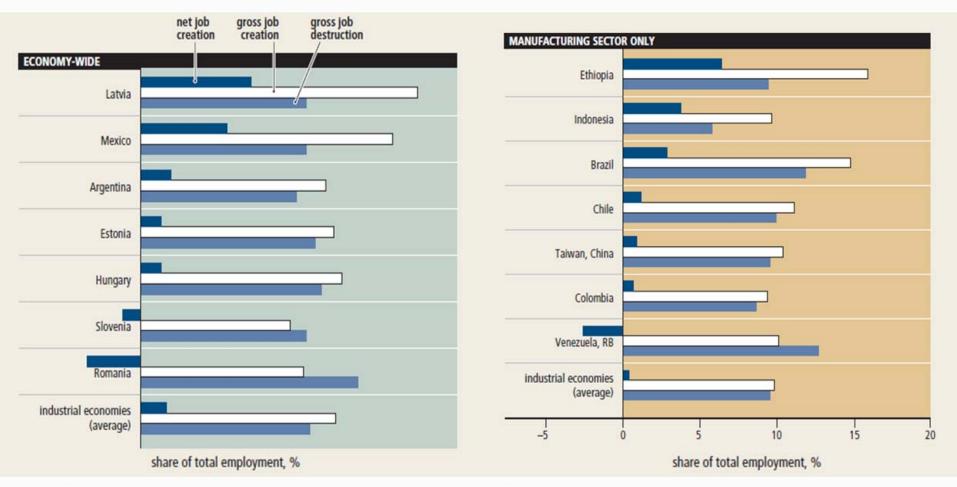






Source: Inchauste and others 2012 for the WDR 2013

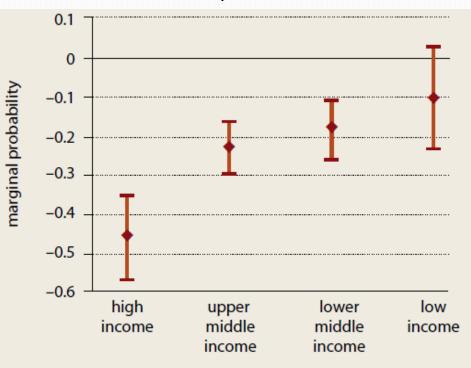
Productivity: Job creation and destruction happens everywhere



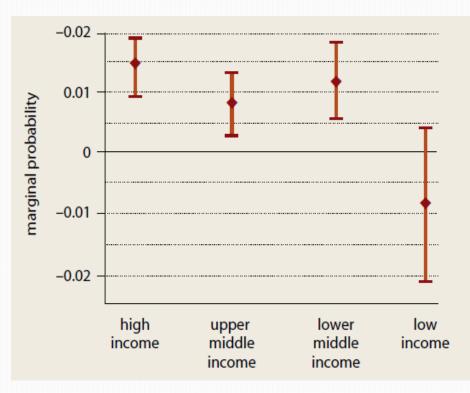
Source: WDR 2013 team based on Bartelsman, Haltiwanger, and Scarpetta (2009), and Shiferaw and Bedi (2010).

Social Cohesion: Jobs matter for collective decision-making

Active Membership and Lack of a Job

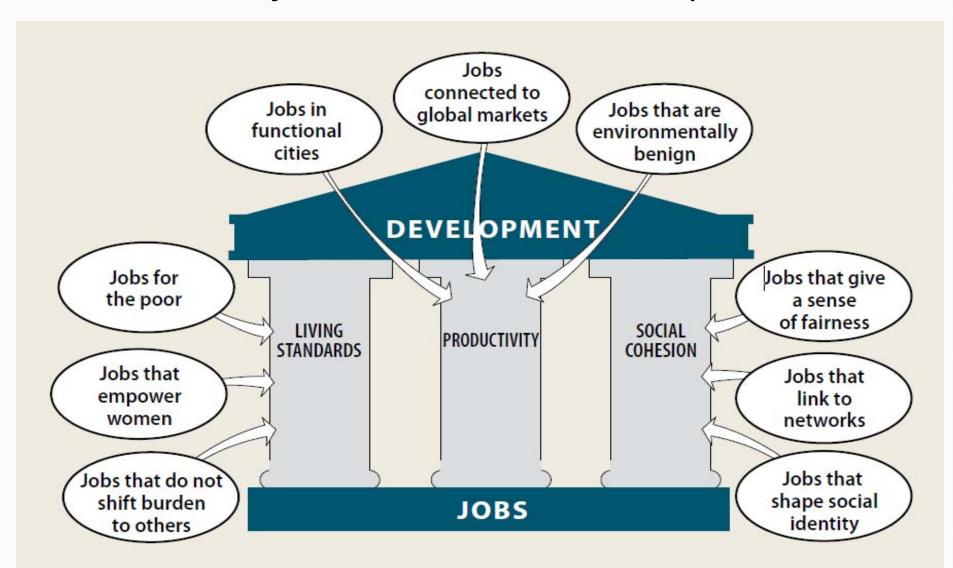


Active Membership and Motivating Job



Source: Wietzke and McLeod 2012 for the WDR 2013

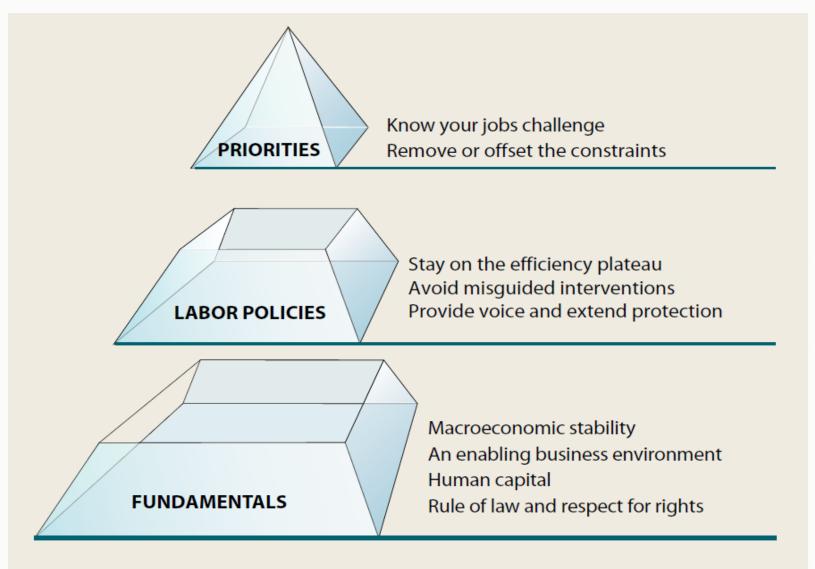
Some jobs do more for development



A Typology of Jobs Challenges

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

Three distinct layers of policies are needed



- 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?











www.worldbank.org/wdr2013