Jobs and Labor: Past & Present

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A brief history of collaboration and trade...

- **300,000 – 40,000 B.C.**
- **10,000 B.C.**
- **500 – 1500 A.D.**
... involves a history of competition & exploitation...
... which required **labor policies** together with social protection

**Paradigm: GROWTH → JOBS**

- Manage the business cycle
- Improve functioning of labor markets

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**Data source:** Multiple incl. Starr (1981), ILO (1927)
Economic Growth
Poverty/Inequality
Human Capital
Social Stability
Growth is needed for jobs...

REAL GDP GROWTH AND JOBS GROWTH
(Indexed 2010 = 100)

JOBS

WORLD GDP

Data source: WDI
But growth alone is not enough...

GDP Growth vs. Total Employment (growth rates)

Employment Growth (per year, in percent)

GDP Growth (real per year growth, in percent)

Countries: 169
No of obs: 3571

Note: one observation (dot) represents a growth episode for a country

Data source: WDI, Jobs Macro Data Dashboard
And often the problem is not the quantity of jobs...

Data source: WDI
The problem is job quality...

Data source: WDI

- Formal Wage Employment, 15%
- Informal Wage Employment, 20%
- Self Employment, 65%

Data source: WDI
We need JOBS strategies, not just growth strategies

**CREATION**
- Firm entry and growth
- Less churning

**QUALITY**
- Productivity
- Earnings
- Working conditions
- Access to social insurance

**ACCESS**
- Information
- Incentives
- Skills
- Mobility

**Macro and Regulatory Policies**
**Labor Policies**
**Sectoral and Regional Policies**
Thank you.