Call for Papers

"Moving jobs center stage: a systematic review of the WBG's analytical work and policy advice on jobs since the outbreak of the global crisis"

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Abstract

1. Background

This paper generates from the growing interest on jobs as an engine of development within The World Bank Group (WBG) and the broader development community, including the IMF, the post-2015 agenda and the G20. It builds on the innovative framework of the 2013 *World Development Report*: *Jobs* (2013 WDR), and it aims to strengthen the linkage between recent WBG efforts to enhance diagnostics and data in the labor market area and the volume and quality of the WBG lending and non-lending portfolio in this area.

Expanding job opportunities and increasing returns to existing jobs is a top priority for policy makers worldwide, a central pillar of the shared prosperity agenda and an increasingly prominent element of the G20 and post MDGs discussions. The Great Recession has reduced employment prospects and earnings for millions of workers globally, while events such as the Arab spring have underscored that the aspirations of countless job-seekers—young and old, women and men—are sizeable, salient and serious. Globally, around 200 million men and women are formally unemployed. But with population growth, another 400 million jobs will need to be created by 2020, mainly for young men and women wanting to enter the labor force. While some 1.5 billion are employed and receive wages or salaries, another 1.5 billion work in farming and small household enterprises, or in casual or seasonal day labor. For a world still struggling to eradicate poverty and boost prosperity, jobs are the central vehicle to sustainably lift millions to better livelihoods.

But, as the *2013 World Development Report: Jobs* (WDR) underscores, jobs (or their absence) are not just the engine of poverty reduction or a derivative of growth— they are transformative in and of themselves, and can help drive the pathways to development. This is because jobs generate social benefits that go beyond and, at least in the short-term, may outweigh their impact on output and the private benefits of increased income. For instance, measured output does not increase when jobs dampen social tensions, even though the social value of these outcomes is clear. In addition, as the 2013 *Jobs* WDR also shows some jobs have more profound social value than other. This is for example the case for jobs for women or youth.

This insight into the potential positive externalities associated with the creation of "jobs that are good for development" has profound implications for the design of effective development strategies at country level and of effective policy packages. Thus it should increase the extent to which growth and poverty reduction strategies at country level focus on job creation as a policy priority rather than a side-product of growth. It should also changes important elements of the policy advice given by WBG operational teams at country level. It does, for example, change the traditional view on the relative merits of micro and macro flexibility. It also justifies the need for "job strategies" in addition to more traditional growth and shared prosperity strategies.

This is clearly an innovative way of looking at the role of jobs in the development process and at the need for policy intervention in this area, a way that appears to question much of the traditional wisdom in this area, including the basic hypothesis of labor economics that working generates disutility. Interestingly enough, however, this view seems to have been implicit in the policy advice given by the WBG in some areas—i.e., programs to foster women economic empowerment, or promote youth employment. It was also the thinking behind many of the policy packages implemented (with varying degrees of success) by many countries in response to the 2008-2009 financial crisis — eg, the "Kurzarbeit" in Germany.

This paper provides a systematic review of all WBG analytical and advisory products since 2007 with a view to assess—using rigorous econometric techniques—the extent to which: (i) jobs has acquired a more prominent place in the WBG portfolio and (ii) the WBG policy advice in this area has evolved to reflect changing countries priorities and emerging empirical evidence.

To this end, a comprehensive mapping of the WBG's work on jobs and job-related issues has been carried out to detect the relative importance of this topic in the Bank's daily activity. In particular, we chose to resort to a systematic review approach, which – as it will be described in more detail below - was applied both to design the query method we used to search the documents which could have been relevant for our study and to decide how to proceed in selecting those to be reviewed.

2. Main objectives

Build on the approach and policy framework taken by the 2013 WDR framework, this systematic review aims at answering the following sets of questions:

1. Has the attention given to jobs as a driver of development increased over the years and to what extent is this in response to changes in economic environment as opposed to changing in underlying economic model?
2. To what extent has the view that jobs have intrinsic values and some jobs have higher externalities than others permeated the WBG policy advice and has this changed over time?
3. Do differences in policy advice given adequately reflect differences in country priorities? Has this alignment increased over time? What other factors come to play?
4. Are the different strands of advice given in the fiscal, macro and labor sphere coherent and consistent over time?

3. *Methodology*

A comprehensive mapping of potentially relevant WBG's work on jobs and jobs-related issues requires the screening of a wide and manifold set of different products which form the core of the WBG's daily activity. In particular, the bulk of these activities can be summarized into two main categories:

i)   Knowledge products (KPs), i.e. all reports and analytical studies supporting the Bank's policy advice to member countries, including the activities of technical assistance;

ii)   Development policy lending (DPL), i.e. the operational tool adopted by the Bank to directly support governments for policy and institutional reforms aimed at achieving a set of specific development results.

The first choice we had to make was then what type of products we wanted to focus on. Though the ultimate scope of our project will be the analysis and evaluation of the whole spectrum of WB's products, we nonetheless decided to start focusing first only on the Knowledge Products. This is in itself a very wide and heterogeneous group of products, covering many different types of Bank's analytical work (Country Economic Memoranda, Poverty Assessments, Sector and Thematic Reports), including the activities/products the WB carries out to provide technical assistance to its member countries.

Given the high degree of heterogeneity of the WB's knowledge products, our systematic review methodology had to be adapted to the specific characteristics of the WBG's available documentation, thereby presenting itself as a "pseudo" systematic review. Whereas a "pure" systematic review approach could indeed be applied to the analysis and evaluation of the most traditional section of the Bank's knowledge products (CEMs, PAs, etc.), the same does not apply to the technical assistance activities, which however represent a significant share of the knowledge products delivered by the Bank in the last years.

3.1 Identification of potential relevant WB's products: the search strategy

Our search methodology consisted of the following two main strategies:

i.   **Selection by thematic codes and *ad hoc* survey for the Task Team Leaders in charge of the specific product.**
      Since 2002 the WBG has issued a theme[1] coding system which provides the basis for analyzing and reporting on the content of bank activities. These codes are assigned to lending operations, economic and sector work, technical assistance (non-lending), research activities, client training, and other activities that directly serve the Bank's external clients. The entire set consists of 83 different codes which are in turn re-grouped in 11 main areas of WB's activity (e.g. economic management, public sector management, social protection and risk management, etc.)[2] . For our

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[1] At the same time since 2002 a sector coding system was also created to indicate which part of the economy mainly receives the Bank's support.
[2] The entire list can be found at: http://siteresources.worldbank.org/PROJECTS/Resources/ThemeCodesLists.pdf.

jobs review we selected 16 specific theme codes, which are shown in Table 1. Once the selection of the theme codes was completed, we proceeded to extract from the WBG's database all knowledge products associated with the selected codes, which had been delivered (or planned to be delivered) between 2007 and 2014. Through this procedure we ended up collecting 1,190 knowledge products (76 CEMs, 56 PAs, 221 STS, 837 NLTA).

Table 1 – WBG's Theme Codes

Priority listing	Theme code	Theme Name
1	51	Improving labor markets
2	55	Social Protection and Labor Policy and System
3	41	Micro, Small and Medium Enterprise support
4	54	Social Safety Nets/Social Assistance and Social Care Services
5	20	Analysis of economic growth
6	24	Other economic management
7	53	Poverty strategy, analysis and monitoring
8	76	Rural non-farm income generation
9	103	Urban Economic Development
10	99	Other Private Sector Development
11	25	Administrative and Civil Service Reform
12	40	Regulation and Competition Policy
13	45	Export Development and Competitiveness
14	49	Trade Facilitation and Market Access
15	58	Conflict Prevention and Post-Conflict Reconstruction
16	59	Gender

Each product obtained through this query was associated with the name of a Task Team Leader (TTL), i.e. the person who was in charge of its delivery. We thus decided to implement a quick survey designed to directly ask each TTL about (Table 2): i) the actual coverage of jobs-related issues inside the document; ii) the relative importance of the jobs topic in the whole document; and iii) the specific jobs-angle eventually adopted.

Table 2 – TTLs' Survey on selected WBG's Knowledge Products

WB DOCUMENT DETAILS				QUESTIONS									
Country	Project ID	Report Title	Year Delivered	Were you the TTL for this product?		Did the product cover jobs/labor-related issues?		How would you evaluate the relative importance of this issue in the overall task?			Which was the specific jobs/labor angle adopted	Further comments
				YES	NO	YES	NO	Low	Medium	High		

ii. **Comprehensive search of WBG's jobs-related documents in the World Bank's Image Bank Database.**
ImageBank is a WBG's database containing most of the World Bank's Reports produced since 1946. With the aim of being as exhaustive as possible in our search for jobs-related documents we thus decided to run an extensive query on the ImageBank database resorting to a specific software called "Teragram". The time-span covered, as in the previous step, the period ranging between 2007 and 2014. In particular, our Teragram query was carried out using a predetermined list of 37 different keywords related to jobs and labor market issues. More specifically, we asked the software to run our query with a minimum occurrence of 5 times for every keyword appearing in the documents.

3.2 Selection criteria

The first step of our search strategy (i.e. selection of theme codes + TTLs' surveys) enabled us to select a significant number of products[3] that, not only according to the associated code but also according to the opinion of their TTLs, have been deemed to address jobs-relevant issues. In particular, the TTLs' answers allowed us to re-group all selected documents into three main groups: i) WB's products with low coverage of jobs-related issues; ii) WB's products with medium coverage of jobs-related issues; iii) WB's products with high coverage of jobs-related issues.

In this context, our first selection criteria was to include in our review only those products which, according to our survey, turned out to have either "medium" or "high" jobs-related content.

The second step consisted in merging this selection of jobs-relevant documents with the results of our more general Teragram query. This enabled us to extract from the wide and still too general database obtained from the Teragram query a subsample of products with a double-proved relevance for our review.

This subsample will represent the first set of documents to be analyzed and evaluated in our project. However we will also go back again to the results of the Teragram query with the aim of re-running a second, more specific search on all those documents which were put aside by the merging procedure.

3.3 Analysis and evaluation methods

The analysis begins with a systematic desk review of the products selected. For consistency, the common templates presented in Tables 1-3 in the Appendix will be used during the review. Each able refers to one of the standard elements of a typical WBG analytical product: diagnostics, policy advice, and monitoring. The questions vary to reflect differences in the nature of the issues covered in each of component.

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[3] At present, about 200 knowledge products have been selected, but the survey is still going on and we do not have a final number yet. Final results will be available at the end of January.

The findings will then be summarized using qualitative as well as standard statistical and econometric techniques. Detailed basic statistics, disaggregated by region, sector of activity and country typology, will be used to describe trends over time in the importance of job related issue in the WBG portfolio and the distribution of these activities across regions and type of country. While a pike in job focused tasks around the time of the crises is expected, we will be looking for stable upward trends in the share of the portfolio with a strong focus on jobs, especially in the less obvious sectors—social protection, poverty, gender—as a sign of increased relevance. The hypothesis that the occurrence of the financial crises and the innovative approach of the WBG have changed the views of WBG team on the desirability of particular policies, and of targeting jobs with higher intrinsic social, will be tested using regression analysis—mainly Probit—allowing for variation across different factors as well as over time. Similar technique will be used to test the extent to which variations in the policy advised provided reflects differences in country priorities, in line with the conclusions of the WDR.

3.4 Synthesis: methods and first results

This is still a work in progress. Final results of our TTLs' survey will be ready at the end of January, so that during the month of February we will be able to review the selected documents according to the described methodology. Final results and a complete paper will thus be available in March.

APPENDIX

Table 1 - Jobs Stock-Taking Exercise on WB work - Template #1: Diagnostics

WB DOCUMENT DETAILS							JOBS DIAGNOSTIC FRAMEWORK							
Country	Sector	URL	Report Title	Year Delivered	TTL	Reviewers	Jobs relevance overall	Specific jobs angle adopted	Questions asked	Methodological approach	Short description	Key Indicators	Data sources	Main conclusions/Policy advice

Table 2 - Jobs Stock-Taking Exercise on WB work - Template #2: Policy Advice

WB DOCUMENT DETAILS							POLICY ADVICE FRAMEWORK				
Country	Sector	URL	Report Title	Year Delivered	TTL	Reviewers	Main conclusions from diagnostic	Factors of strength	Factors of weakness	Policy recommendations	
										Fundamentals	*Labor market policies*

Table 3 - Jobs Stock-Taking Exercise on WB work - Template #3: Monitoring

WB DOCUMENT DETAILS							MONITORING/EVALUATION/FOLLOW-UP				
Country	Sector	URL	Report Title	Year Delivered	TTL	Reviewers	Main target of monitoring/evaluation activity	Methodology	Indicators	Data source	Results of monitoring/evaluation activity