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**The inclusion of Full Employment in MDG1,  
What lessons for a Post-2015 Development  
Agenda?**

Rolph van der Hoeven, ISS-EUR, The Hague

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*The Power of Numbers: A Critical Review of MDG  
Targets for Human Development and Human Rights*

## Preface

This paper is one of a series of papers in a research project, *The Power of Numbers: A Critical Review of MDG Targets for Human Development and Human Rights (the “Project”)*<sup>1</sup>. Motivated by a concern with the consequences of the Millennium Development Goals (MDGs) beyond the achievement of the 2015 targets, the Project seeks to explore their broader policy and programmatic implications. It focuses particularly on the reductionism inherent in the way in which these global goals were set and came to be used, as well as the potential for distorting priorities and marginalizing, or even displacing, important human development and human rights concerns inherent in such global goal-setting exercises. A total of 11 studies are included, each analyzing the normative and empirical consequences of a particular MDG goal/target, and considering what other targets and indicators might have been more appropriate. The Project aims to identify criteria for selecting indicators for setting targets that would be more consistent with Human Development and Human Rights priorities, amenable to monitoring impacts on inequality, accountability and consistency with human rights standards.

Although this paper is currently accessible as a free standing working paper, it should be read in conjunction with the synthesis and [background](#) papers of the Power of Numbers Project. These papers provide necessary information about the scope of the Power of Numbers Project, the historical framing of international agreements leading up to the MDGs, and the human rights and human development frameworks referenced in the paper. These working papers are expected to be compiled as a special issue of the *Journal of Human Development and Capabilities*.

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<sup>1</sup> An independent research project coordinated by Sakiko Fukuda-Parr at The New School and Alicia Ely Yamin at Harvard School of Public Health. Support from the UN Office of High Commissioner for Human Rights, UN Development Programme, Frederick Ebert Stiftung, and the Rockefeller Foundation are gratefully acknowledged.

## List of Authors

Goal 1 (income poverty):	Ugo Gentilini (World Food Programme, Rome) and Andy Sumner (King's College, London)
Goal 1 (employment):	Rolph van der Hoeven (Institute of Social Studies, The Hague)
Goal 1 (hunger):	Sakiko Fukuda-Parr and Amy Orr (The New School, New York)
Goal 2 (education):	Elaine Unterhalter (Institute of Education, London)
Goal 3 (gender):	Gita Sen (Indian Institute of Management, Bangalore) and Avanti Mukerjee (University of Massachusetts, Amherst)
Goal 4 (child health):	Elizabeth Gibbons (Harvard School of Public Health, Boston) and Elisa Diaz-Martinez (St. Edwards University, Austin)
Goal 5: (maternal health)	Alicia Ely Yamin and Vanessa Boulanger (Harvard School of Public Health, Boston)
Goal 6: (global diseases)	Nicoli Nattras (University of Cape Town, Cape Town)
Goal 7 (slums):	Michael Cohen (New School, New York)
Goal 7 (water):	Malcolm Langford (University of Oslo, Oslo) and Inga Winkler (German Institute for Human Rights, Berlin)
Goal 8 (partnership):	Aldo Caliari (Rethinking Bretton Woods Project, Center of Concern, Washington D.C.)

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**Rolph van der Hoeven, ISS-EUR, The Hague<sup>2</sup>**

**Preamble**

Employment and especially decent and productive employment has recently become topical in the worlds of development and development cooperation. An indication of this are the events related to the ‘Arab spring’ of 2011. In only a few months various Arab regimes have been toppled by a population, not only wanting more democracy but, perhaps even more importantly, by an educated youth wanting good jobs and prospects of advancement in life. Yet this turmoil took place in countries which scored well on progress in the by aid donors much hailed Millennium Development Goals (See table 0.1).

Table 0.1: MDG progress ranks and other indicators, Selected Countries

Country	MDG progress Rank 2010	Youth Unemployment 2009	GDP Pc 2008	Pc. GDP Growth 1970-2008	Inequality
Egypt	6	24.7 (2007)	1991	2.5	32.1
Tunisia	1	30.6 (2005)	3903	3.1	40.8
Jordan	6	26.9	3596	1.6	37.7
Brazil	5	15.5	8205	2.2	55.0
Vietnam	6	4.6 (2004)	1051	4.2	37.8

Source: GCD (2011), ILO (2011)

*Tunisia and Egypt, as well as Jordan, are among the eight best performing countries with respect to progress in the Millennium Development Goals. Their leaders belonged to the Socialist International and many researchers hailed the progress in Human Development in the Arab world (see for example the blog of Dani Rodrik ‘The unsung development miracles of our time’ Nov.13 2010 which commends the educational policies and access to health which was also argued to have empowered women). Youth unemployment was lower in*

<sup>2</sup> Thanks to Sakiko Fukada-Parr and Amy Orr for useful comments and to Josh Greenstein and Rebecca Cantor for providing background material.

other countries, such as Brazil and Vietnam, with different levels of development but similar achievement in MDG progress to these Mediterranean countries.

After the change in regimes in various Arab countries in the spring of 2011, the leaders of UNDP and other development agencies quickly retorted that something must be done about employment. The Administrator of the UNDP, Helen Clark declared in an article entitled *'Jobs, Equity and Voice: Why both Economic and Political Inclusion matter in the Arab world'* (Huffington Post, 7 April 2011) that *'Inclusive growth in the middle income countries in the Arab States region must also include strategies to generate decent jobs in higher value-added sectors, for which revamped tertiary education and skills training can educate people. The mismatch between the supply of university graduates and the type of jobs available is deeply dispiriting for those who cannot find suitable work'*.

However it was not only in the context of the events unraveling in the Arab world that the view that employment had to become one of the major aims of development, if not the major aim, was increasingly expressed. The devastating earthquake in Haiti engendered a massive increase in aid. Yet in a review of developments in Haiti, Fukuda-Parr argues that in delivery of aid to Haiti all efforts were concentrated on humanitarian aid and longer term provision of social services, but that the aid donors had little or no understanding of the need to stimulate jobs and growth as a means of advance for the population in general. *'While social investments are important, they are not sustainable without investment in the productive base of the economy. Social services are essential for the fulfillment of human rights to education, to healthcare, and social security and a massive investment in these sectors is still needed. But the current allocations are unbalanced; economic growth is needed for the fulfillment of the human rights to housing, to food, and productive work. The growth pillar of the national poverty reduction strategy (DSNCRP or PRSP) is only financed by 20% and is not included in the programs of major donors such as the UN system.'*

### **Employment and the Millennium Development Goals**

Full employment was absent in the original formulation of the MDGs in 2000. This can be explained by the dynamics of the formulation of the MDGs, where the emphasis was put on measurable goals, and perhaps for the same reason that GDP growth was not made a MDG, full and productive employment was not made a MDG (although 2 specific issues on employment, mentioned in the Millennium Declaration, were included in the original

formulation of the MDGs namely: share of women in paid employment and youth unemployment).<sup>3</sup>

Table 1: World Summit for Social Development (Copenhagen, 1995)

Commitments <sup>4</sup>	Quantitative Time-Bound Targets (if included)
(1) Create an economic, political, social, cultural and legal environment that will enable people to achieve social development.	N/A
(2) Eradicate absolute poverty by a target date to be set by each country.	(2a) Formulate or strengthen, as a matter of urgency, and preferably by the year 1996, the International Year for the Eradication of Poverty, national policies and strategies geared to substantially reducing overall poverty in the shortest possible time, reducing inequalities and eradicating absolute poverty by a target date to be specified by each country in its national context.
(3) Support full employment as a basic policy goal.	N/A
(4) Promote social integration based on the enhancement and protection of all human rights.	N/A

Source: UN DESA

Yet full and productive employment was only 5 years before the formulation of the MDGs one of the 4 major subjects (together with an enabling environment for social development, eradication of poverty, and social integration) of the plan of implementation of the Copenhagen Declaration of the World Summit for Social Development (WSSD). However, unlike poverty eradication, the plan contained no time-bound or quantitative goal for employment, as table 1 show.

Five years after the formulation of the Millennium Development Goals, the World Summit 2005 outcome document contains a reference (paragraph 47) to employment issues: *We strongly support fair globalization and resolve to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of our relevant national and international policies as well as our national development strategies, including poverty reduction strategies, as part of our efforts to*

<sup>3</sup> Youth unemployment did not fit in the original scheme of the MDGs and was as a consequence added to MDG 8 (which was originally constructed to deal with global governance but became a mixed bag)

<sup>4</sup> There were 10 total commitments outlined in the WSSD plan of action, but the first four (shown in table 1) were those that received most traction.

*achieve the Millennium Development Goals. These measures should also encompass the elimination of the worst forms of child labour, as defined in International Labour Organization Convention No. 182, and forced labour. We also resolve to ensure full respect for the fundamental principles and rights at work.*

This paragraph in the 2005 Summit Outcome document led to the inclusion of a new sub-goal in 2007 (under MDG1): *Achieve full and productive employment and decent work for all, including women and young people*, with four indicators: (1) Growth rate of GDP per person employed, (2) Employment-to-population ratio, (3) Proportion of employed people living below \$1 (PPP) per day, and (4) Proportion of own-account and contributing family workers in total employment

Why was full and productive Employment not part of the original MDGs, but later on added as goal of the MDGS? A first explanation is the absent of a measurable indicator in the plan of implementation of the 1995 World Social Summit as explained above. However some authors argue that the absence of employment in international policy making had a more fundamental reason: the relative neglect of attention to employment issues resulted from an excessive focus on poverty alleviation.

Amsden (2011) proclaims *‘to slay the dragon of poverty, deliberate and determined investments in jobs above starvation wages must play a central role, whether for self-employment or paid-employment. The grass roots approach to solving poverty doesn’t go far enough, because it aims only at improving the supply side of the labor market, making job seekers more capable, and not the demand side, making new jobs available for them. It acts as though new ways of earning a living emerge (at a positive wage) simply because the supply of job seekers is better clothed, housed, and fed, or enjoys more human rights---which is the same fallacious reasoning behind Say’s Law... Employment generation is different from poverty alleviation because it has a concept behind it, “capital.” This means that the labor market is influenced by, and influences, all flows through the savings-investment nexus, including accumulation, distribution and innovation. It is at the heart of political conflict. Multi-faceted policies, therefore, are required to promote employment growth, from fiscal and monetary, to industrial and trade. Poverty alleviation has its policy rages, too, but they’re more confined, outside the capital accumulation process. Still, the coordination of policies to create employment in the Third World’s most impoverished regions is not*

*impossible even if it is multifaceted. Excellent work in the 1970s was produced on the subject, only to be shelved in the 1980s for political reasons.'*

Mkandiwire (2011) concurs in observing that *'Politically underpinning this has been the social differentiation since independence and the accompanying ideological shifts that have contributed to the shift in focus of state policies away from social and employment policies.'*

Amsden (2011) proposes therefore *'...to revolutionize foreign aid by tying it to jobs. For every dollar spent on poverty alleviation, a dollar should be spent in the poorest regions on employment creation, following the lead in rural employment generation established by China and Taiwan. Some aid donors could concentrate on the investment part of the project and other donors, with hands on experience in business, could provide technical assistance on what is likely to work. Instead of buying a \$100 laptop computer, developing countries could start competing with a \$95 dollar one!'*

In the preparation of the MDG formulation, the ILO was initially also not very active in lobbying for the inclusion of an employment target in the MDGs. The then recently appointed Director General, Juan Somavia, (who was before that the initiator and chair of the WSSD), was introducing, partly based on the WSSD, his own Decent Work Agenda and considered that a too detailed formulation of goals would actually provide a disservice to the development community, as did the exercise of the Third Development decade by formulating unrealistic goals and as such portraying the UN as an organization high on declarations but low on implementation. He furthermore had to deal with a rather divided Governing Body of the ILO, where some labeled the MDGs as Minimum Development Goals.

However, the attitude of the ILO and the DG changed rapidly. The World Commission on the Social Dimension of Globalization (WCSDG), installed by Somavia in 2001 to broaden the debate in the ILO beyond the classical discourse in its Governing Body, adopted, after quite some internal discussion, a strong endorsement of the MDGs, especially because the WCSDG linked the implementation of the MDGs towards the establishment of a global social floor which had more appeal to several members in the ILO's Governing Body<sup>5</sup>:

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<sup>5</sup> World Commission on the Social Dimension of Globalization, 2004 p. 106



476. *At the Millennium Summit, Heads of State and Government agreed to work together to build a safer, more prosperous and equitable world for all by 2015. They adopted eight global goals, all of them to be achieved by 2015. These goals commit the entire global community – rich and poor countries together. We regard them as a minimum for a decent world. We should move, on this foundation, towards a common understanding of a socio-economic floor for the global economy.*

477. *Much of this depends on policies within countries, as we have discussed in section III.1. But the Millennium Declaration also represents a global commitment to international action. Achieving these goals will be important steps towards a fairer world. However, they will not be achieved with current levels of resources.*

478. *Many of these goals reiterate commitments that have been made many times, notably in the programs of action of the major global conferences of the 1990s. 89 They also reflect internationally agreed instruments, which protect the basic rights of peoples necessary to social, economic and cultural development. Such universal human rights are the bedrock. They reflect internationally agreed norms and standards, which are legal expressions of universally shared values and principles. They provide a framework for holding social actors accountable, including governments, citizens, corporations and international organizations.*

Furthermore, in his report to the 2003 ILO conference labeled Working out of Poverty (ILO, 2003), the ILO Director General stressed the link between decent work and poverty alleviation and received, following the deliberations at that conference, a mandate to pursue this link further. Therefore, the ILO became active in the preparations of the 2005 World Summit, and at the Summit the earlier mentioned paragraph 47 of the World Summit outcome, “...to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of our relevant national and international policies as well as our national development strategies, including poverty reduction strategies...” was accepted.

Another reason why the ILO gave more attention to the MDGs since 2003 is what I have labeled elsewhere<sup>6</sup> as the MDG paradox: the fact that that originally the MDGs were designed to set, measure and monitor goals for some important aspects of (social) development, without prescribing a concomitant development trajectory. This was done so that all countries could agree with the goals, without being obliged to adhere to the same policy prescriptions, something developing countries had become very wary of since the introduction of the structural adjustment policies in the 80s and 90s. Yet, despite the intention of not having an underlying prescribing development theory, the MDG's have paradoxically led to a situation where those issues that were not explicitly mentioned in the MDGs, like employment, received less attention from the development aid community, and thus became unintentionally a kind of development theory. Donors thus started to allocate their development aid on the basis of MDGs, especially those that were easily identified with doable projects and programs. Some donor countries even made a checklist to establish which of their programs were most "MDG compatible".<sup>7</sup>

The addition of full and productive employment as a MDG goal in 2007 (following the 2005 Summit outcome document) has been welcomed by NGOs, trade unions and various governments as it brought employment issues more forcefully into the discussion of development, of development goals and of aid delivery. However some still criticize the inclusion of a goal for full employment, as it is not easy to measure and thus deviates from the intentions behind the original MDGs (Vandemoortele, 2011).

But the setting of the goal of full and productive employment leaves many questions about implementation. In recent discussions there has been a growing consensus that, although the goal of full employment has now been established, too little coordinated effort at the national and international level has been undertaken to achieve it.

For example, the review of the MDGs (UNDG, 2010), five years after the acceptance of the (sub) goal of employment, reports on the progress or regress in employment issues globally as well as in some countries by means of a number of employment indicators. It also gives 18 narratives of how particular development projects have contributed to more or better employment in individual countries. The examples include successes of employment

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<sup>6</sup> van der Hoeven, 2012

<sup>7</sup> See for Example the 2010 DFID review on efficiency of Multilateral Organisations

schemes, training schemes for entrepreneurs, training schemes for unemployed youth, improved collective bargaining, social security etc. But looking at the different examples chosen in this review, it is not always clear how these projects have in general contributed to more and/or better employment. Most of the examples don't make use of any counterfactual analysis or even mention whether other schemes *mutatis mutandis* were also contributing to employment creation. Notably absent is any macro analysis of the effects of total volumes of aid on growth and its possible impact on employment. It thus remains difficult to distil from that 2010 outcome review how successful development and development aid efforts have been in respect to creating more and better employment as a result of the inclusion of full and productive employment as an MDG goal.

However, the continuing employment problems after the 2008 crisis have made the employment problem a central topic in many international policy discussions. The ILO, for example, has been able to draw attention to employment internationally on the various agendas of the G-20 meetings and on national agendas through its decent work country strategies. The IMF has given head to one of its oldest objectives<sup>8</sup> and the successive Managing Directors of the IMF have voiced at several occasions the need for more attention to creating full employment. An IMF-ILO seminar in Norway in September 2010, "The Challenges of Growth, Employment and Social Cohesion", brought several world leaders together to support such plea for stronger attention to employment in global and national fiscal and monetary policies.

The World Bank, stimulated by its former economic advisor Justin Lim, devoted its 2013 World Development Report to the creation of Jobs. The report observes that the creation of jobs is not the outcome of labor policies themselves but depends on a larger number of fundamental policies, such as macroeconomic stability, an enabling business environment, human capital and the rule of law and respects for rights. This was a step forward in acknowledging the complexity of the problem but in formulating policy prescriptions the report put the entire onus on benevolent policy makers. It thus ignored that shaping a social agenda often entails an internal political process and struggle between different groups in society (social transformation), which, moreover, is increasingly being informed by external influence such as the outcome of the globalization process. The report confirms that external

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<sup>8</sup> IMF article 2 (ii): *To facilitate the expansion and balanced growth of international trade, and to contribute thereby to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policy.*

influences shape the domestic labor agenda and discusses therefore the international effect of rights and standards, the benefits of liberalizing of trade while managing adverse aspects on labor, the benefits of migration policies and the need for better international statistics on labor to inform all policies. However, what is missing in this is how financial globalization, currently unchecked, is leading to greater precariousness of many workers, to greater inequality between capital and labor share in national income and to greater inequality between workers, all well documented. Financial globalization changes the nature of work as we will show in subsequent sections. The fact that major international organizations and national policy makers have not taken strong measures to revert or counteract the trend of financial globalization (as this was absent from e.g. MDG 8) should not have been an excuse to ignore the strong influence of financial globalization on jobs in such an important World Bank report<sup>9</sup>. Nevertheless, one can conclude that full employment has assumed a more central role in international financial organizations.

How did bilateral donors deal with the issue of full employment? Because of their complexity it remains equally difficult to distill from the DAC statistics how aid flows in general have contributed to employment creation. What statistics<sup>10</sup> have made clear is that the share of ODA commitments for the social sector (3 year moving averages) has greatly and steadily increased: from 16 percent in 1990 to 34 percent at the time of the introduction of the MDGs in the year 2000 to over 40 percent in 2008, mainly driven by substantial increases in the share of ODA commitments to government and civil society and to a lesser extent to health, education and population programs. Commitments to economic activities as well as to multi-sectoral activities all declined over the same period. In all major developing regions, ODA commitments to social sectors were 42 percent or higher in 2009.

Figures I.1 to I.4

Source: OECD DAC secretariat online database

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<sup>9</sup> <http://www.developmentprogress.org/blog/2012/11/16/2013-world-development-report-jobs-elephant-room>

<sup>10</sup> (OECD DAC online,)

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Population  
Programmes

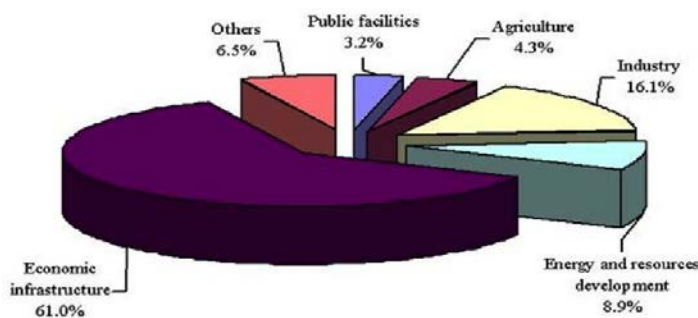
- Water Supply & Sanitation
- Government & Civil Society
- Other Social

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ion  
Trade / Tourism

These ODA statistics relate to the traditional ODA donors. New donors like China and India almost certainly have a higher share of their aid in infrastructure, transport, mining etc. (Fig I.5)<sup>11</sup>. These aid flows<sup>12</sup> and projects may in the long run add to new capacity and to greater generation of jobs, although in the short run the employment effects might be quite limited or even offset domestic employment creation, as projects are often undertaken by contractors and even by temporary imported workers from these donor countries (see also Mawdsley, 2012). These flows are currently still considerably smaller than the flows from the traditional DAC countries, but are increasing faster than traditional ODA and therefore in the future may change the current trend of ODA, which is increasingly benefitting the social sectors.

Fig I.5 Sectoral distribution of concessional loans from China (by the end of 2009)



<sup>11</sup> “Aid tends to be connected to commercial activities, for example infrastructure projects—and most international commentators agree that China's focus on infrastructure fills a gap left by the old donors. Aid is primarily bilateral, and a combination of grants, concessional loans, and debt relief, project investments, training and technical assistance.” De Haan, 2011, p. 885

<sup>12</sup> Brautigam, 2011, argues that it is difficult to speak of Chinese development aid as many Chinese activities do not fall under strict ODA categories.

Source: Information Office of the State Council, The People's Republic of China, 2011 *China's Foreign Aid, Fig.1* April 2011, Beijing

These changes in sectoral allocation cannot *prima facie* be taken as an indication of whether more or less attention is paid to employment in bilateral development aid. Aid programs to the social sectors could, on the one hand, contribute indirectly to employment creation and improving the quality of employment by increasing human capital and governance. On the other hand, by shifting resources away from investment in infrastructure and capital, aid programs to social sectors might also lead to reduced growth of production and thus lower employment.

It is thus difficult to discern from project evaluations and aid allocation figures whether the MDGs led to a greater attention to employment issues. In the next section, we will therefore discuss, through an overview of some major employment trends, how globalization since 1990, when the benchmark figures for the MDGs were established, is leading to more precarious forms of work. The indicators used for measuring the employment goal will also be discussed in the next section. Thereafter, a broad overview is given which (national and international) employment policies seem to be warranted in the light of the earlier mentioned trends of precarisation. A final section discusses how better global governance can support these employment policies to combat precarisation and how global governance and focused employment policies should be an essential element of a post-2015 development agenda

### **Employment trends**<sup>13</sup>

The on-going process of globalization has resulted in many countries in a growing precarisation of labor<sup>14</sup>, which we illustrate through seven labor market trends:

#### *1. A decline in the employment to population rate for most regions in the world.*

For the world as a whole, the employment-to-population ratio seems to have remained rather constant, but there are important regional differences. All three Asian regions (at 73.8, 67.5, 58.7 percent) and sub-Saharan Africa had the highest employment-to-population ratio at the beginning of the 1990's, but experienced declines by several percentage points between then and 2009. In contrast, the employment to population ratio increased slightly from much lower

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<sup>13</sup> For a more elaborated discussion on this see van der Hoeven (2010)

<sup>14</sup> See for example recent issues of the World of Work report published annually by the ILO.

levels in the Middle East, North Africa and Latin America. The lower employment-to-population level in these regions at the beginning of the 1990's can be explained by (very) low female labor force participation. At the global level, we notice two opposing trends, namely, an increased ratio for female labor force participation and a decline of male participation. The first trend can be ascribed to changes in customs and norms, and the second one more to deterioration in employment opportunities as consequence of globalization.

## *2. Changing pattern in production.*

A good indicator of development for developing countries is the size of the manufacturing sector. We notice differing trends over the last two decades. At the world level, the share of employment in industry has hardly changed between 1991 and 2008, remaining at 21.5 percent. But there are important regional differences. The most dramatic increase is in Southeast Asia and the Pacific, where the share increased from 12.7 percent in 1991 to 19.4 percent in 2000, and in South Asia where it increased, over the same period, from 15.4 to 22.4 percent, thereby almost reaching the share in East Asia, where the share remained more or less constant over the period (around 23.5 percent). Noticeable are the very low and stagnant share in Sub-Saharan Africa (at around 8.5 percent) and a declining share in North Africa.

## *3. The increases in non-standard forms of employment.*

In developing countries, precariousness is most clearly manifested in the existence of a pervasive “informal sector” in the economy or the “informal economy”<sup>15</sup>. This phenomenon is not restricted to poor developing countries. There are, however, contradictory explanations of the pervasiveness of the informal sector. Some (e.g. Maloney 2004) argue that the size of the informal sector is determined by the degree of labor market inflexibility. According to them, the more inflexible the labor market, the more incentivized employers will be to act informally. Others (e.g. Kucera, 2008) argue that the major cause of the informal sector activities is the lack of formal jobs. This interpretation has gained ground in ILO, OECD, and other UN organisations.

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<sup>15</sup> It has become common to speak about the “informal economy” rather than the “informal sector,” as increasingly informal activities take place within established enterprises. It would thus be a misnomer to continue to speak about the informal sector.



#### *4. A declining wage share.*

ILO (2008) reports that the wage share declined between 1995 and 2007 in two thirds of the developing countries, including the major ones, as well as in the major developed countries. The only exception was the Latin American region, where some countries witnessed an increasing wage share. The ILO report attributes the declining wage share to increasing trade and globalization and confirms earlier research findings (see Diwan 2001 and Harrison 2002) that, contrary to the conventional wisdom that sees the labor share in GDP as relatively constant, the proportion of GDP that goes into wages and other labor income varies over time.

#### *5. Growing wage inequality.*

Not only has the inequality between wages and other components of gross domestic product increased, but the distribution among wage earners has also worsened. The ratio of the average wage of the top 10 percent wage earners in relation to the bottom 10 percent is found to have increased in 70 percent of the countries (ILO, 2010). Here also, one notices similar regional differences, an almost uniform pattern for most regions, but a mixed pattern for Latin America.

#### *6. The internationalization of the production process.*

Today there are some 82,000 transnational Corporations with 810,000 affiliates in the world. These companies play a major role in the world economy. For instance, exports from foreign affiliates of TNCs are estimated to have grown from about a quarter of total world exports of goods and services in 1982 to one-third in 2007. The number of people employed by these corporations has increased fourfold since 1982, standing at about 77 million in 2008, implying a much faster rate of growth than that of the labor force. These TNCs are dominated by a small number of large firms. The largest 100 TNCs account for 11 percent of all TNC employment and for about 4 percent of world GDP. Over the last 15 years, the largest TNCs have undergone a rapid process of internationalization. There has also been a progressive increase in the proportion of companies operating in the service sector and of TNCs based in developing countries. (UNCTAD 2009, p17-18)

## 7. *International migration.*

Global figures of migration do not show a substantial change: In 1960 the stock of total migrants in the world population was 2.7 percent and in 2005 this percentage had not changed.<sup>16</sup> This has led some commentators to argue that globalization is characterized by increased capital flows and increased trade and services flows but not increased labor flows. However this characterization is misleading. If one looks at more disaggregated (by region) figures, one clearly sees a growing trend in some regions. In Europe, the stock of migrants as part of the population increased from 3.0 percent in 1960 to 8.8 percent in 2005. The same ratio increased from 6.7 to 13.6 percent in Northern America, from 13.5 to 16.4 percent in Oceania, and from 4.9 to 37.1 percent in the Gulf States. By contrast, the ratio of the stock of migrants to the local population declined in Africa, Asia and Latin America as a whole. (UNDP, 2009) The increase in the share of migrants in the local population in developed countries is quite substantial; despite the severe restriction most of these countries have put on inward migration.

### **Indicators for MDG 1b: Employment**

The paragraph in the 2005 Summit Outcome document led to the inclusion of a new sub-goal in 2007. MDG 1, target 1.B. states to *Achieve full and productive employment and decent work for all, including women and young people*, with four indicators: (1) Growth rate of GDP per person employed, (2) Employment-to-population ratio, (3) Proportion of employed people living below \$1 (PPP) per day, and (4) Proportion of own-account and contributing family workers in total employment.

While global economic growth is rebounding since 2010, the global labor market is, in many respects, behaving as anticipated in the middle of the crisis: stubbornly elevated unemployment and slow employment generation in developed economies, coupled with widespread deficits in decent work in even the fastest-growing developing countries. In the developed regions, the employment-to-population ratio dropped from 56.8 percent in 2007 to 55.4 percent in 2009, with a further drop to 54.8 percent in 2010. Clearly, many developed economies are simply not generating sufficient employment opportunities to absorb growth in the working-age population. Again, this reflects an ongoing lag between economic recovery

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<sup>16</sup> This figure excludes the former Soviet Union as after the independence of the former soviet republics remaining soviet citizens are counted as migrants.

and a recovery in employment in this region. This contrasts with many developing regions, some of which saw an initial decline in the employment-to-population ratio but where, with the exception of the Caucasus and Central Asia and Eastern Asia, the estimated employment-to-population ratio in 2010 has changed little since 2007.

In developing regions overall, the majority of workers are engaged in “vulnerable employment”, defined as the percentage of own-account and unpaid family workers in total employment. Vulnerable employment remains characterized by informal working arrangements, lack of adequate social protection, low pay and difficult working conditions. On the basis of available data, it is estimated that the vulnerable employment rate remained roughly the same between 2008 and 2009, both in developing and developed regions. This compares with a steady average decline in the years preceding the economic and financial crisis. Increases in the vulnerable employment rate were found in sub-Saharan Africa and Western Asia.

A slowdown in progress against poverty is reflected in the number of working poor. According to the International Labour Organization, one in five workers and their families worldwide were living in extreme poverty (on less than \$1.25 per person per day) in 2009. This represents a sharp decline in poverty from a decade earlier, but also a flattening of the slope of the working poverty incidence curve beginning in 2007. The estimated rate for 2009 is 1.6 percentage points higher than the rate projected on the basis of the pre-crisis trend. While this is a crude estimate, it amounts to about 40 million more working poor at the extreme \$1.25 level in 2009 than would have been expected on the basis of pre-crisis trends.

#### *The effects of the 2008 crisis*

The crisis of 2008 had great repercussions on labor markets around the world. As in other crises employment did not recover as fast as did GDP growth, but what was unique about this crisis was that most workers in the north and in the south did not benefit in the creation of the bubble.

Source Van Bergeijk, de Haan and van der Hoeven, 2011

Actually poor workers and their families were hurt twice (*table 1.1 of van Bergeijk et.al*): firstly because they were left behind in the run up to the crisis, secondly because they were severely affected during the crisis, and are thirdly now suffering from reduced government expenditure as a consequence of increased public debt, which was to a large extent created to bailout banks and stimulate the economy during the crisis.

Governments did act, during the 2008 crisis, much better than during the crisis of the 1930's.<sup>17</sup> The crisis of 2008 and the initial bold measures taken could have been a signal for an overhaul of financial globalization and of arresting the trend of growing inequality and precarisation at the labor market (van der Hoeven, 2010a). However that did not happen. Most governments shied away from special measures to attenuate the consequences of the crisis on labor. Governments, coordinated by the international organizations acted in the 2008 crisis as a banker of last resort but not as an employer of last resort or protecting workers and stimulating employment.

The current problems with public debt in Europe demonstrate clearly that governments, instead of aspiring for higher growth ( leading to more employment and a reduction in public

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<sup>17</sup> Demand stimulus of 1.7 % of world GDP took place. Banks were massively bailed out, costing Europe and the US an amount equal to one-sixth of world GDP.

debt-GDP ratios) are slashing too aggressively public expenditure and investment thereby diminishing growth and employment prospect and a resolve of the debt problem.

### *Youth unemployment*

A very disturbing development which started before the crisis but which is taking even more momentum now, is that of youth unemployment. Young people have suffered particularly heavily from the deterioration in labor market conditions. The rate of youth unemployment rose globally from 11.7 percent in 2007 to 12.7 percent in 2011, the advanced economies being particularly hard hit, where this rate jumped from 12.5 percent to 17.9 percent over the same period. In addition to the 74.7 million unemployed youth around the world in 2011 – a growing number of whom are in long-term unemployment – an estimated 6.4 million young people have given up hope of finding a job and have dropped out of the labor market altogether. Young people who are employed are increasingly likely to find themselves in part-time employment and often on temporary contracts. In developing countries, youth are disproportionately among the working poor (ILO, 2012). It is somewhat ironic to note that MDGs and targets exist for youth in terms of literacy rates, knowledge, and HIV prevalence but not in terms of how these youths could obtain decent jobs and contribute actively to society.

### *Indicators for an Employment goal*

The discussion above makes clear that, because of the complexities of the employment problem in countries at different levels of development, a dashboard of indicators, as established in the MDG reporting system, serves a discussion on and an assessment of employment better than a single indicator. Yet there is, on the other hand, a need for a single indicator. Kenny (2013) argues therefore that one overarching (additional) indicator might be that of the percentage workers working in a formal regular job. This percentage is low for poorer developing countries and also in developed countries, especially those affected by the current debt crisis where the percentage workers in formal and regular jobs is declining.

## **Policies for Employment Creation**

### *Short-term policies for Employment Creation*

In discussing (national) policies for employment creation, it is important to distinguish between short-term (macroeconomic) policies and longer-term structural policies. The first basically should strive<sup>18</sup> for full capacity utilization, so that all productive forces, including labor, can be fully engaged in the production process, while the second should strive for an expansion of capacity and an increase in the employment content of growth, to the extent that increasing the employment content of growth does not jeopardise growth itself (or at least that it does not jeopardise growth to such an extent that the economy arrives at a declining growth and employment trajectory).

It should be noted that this distinction between the short-term and long-term policies for growth and employment creation were very much on the minds of the original architects of the Bretton Woods system in 1945, to the extent that the IMF and emergency funds of the UN were responsible for assisting and guiding shorter term policies, while the World Bank and UN specialised agencies gave more attention to the long term. However since the debt crisis of the 1980's and the ensuing structural adjustment policies (now frequently labelled Poverty Reduction Strategies), the picture has become more complex. Furthermore, in assessing outcomes of employment policy it is necessary to consider not only the quantity of employment but also the quality of employment, as in poorer countries most people cannot afford to be unemployed and have to be engaged in whatever survival mechanisms are possible (Ghose et. al., 2008).

In developed countries policy debates on employment over the last 30 years have been dominated by the so-called NAIRU, the Non-Accelerating Inflation Rate of Unemployment<sup>19</sup>. The influence of the NAIRU, and the dominance of inflation corrections rather than employment creation as the principle aim of macro economic policy, has also taken hold in policy prescriptions for many developing countries (Freeman, 2007). We argue,

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<sup>18</sup> It may not be possible to get full use of all productive forces given fixed factor proportions in the short run .

<sup>19</sup> see for example : L.M.Ball (2009) *Hysteresis in Unemployment ,Old and New Evidence*, NBER Working paper 14818 ,NBER, Washington

through three examples, that such a policy stance is not appropriate and that greater concern for employment creation is, good macro economic policy.

*The first example of short-term policies for employment is to reject the so-called ‘policy trilemma’* (see Mundell, 1963; Cohen, 1993; Obstfeld, Shambaugh and Taylor, 2004). This states that national economic policy space is circumscribed by the impossibility of pursuing three policies simultaneously: open capital account, fixed exchange rates, and independent monetary policy. The trilemma posits that only two out of these three policies can be combined. The policy restrictions posed by this trilemma do hamper policies for full employment. But the policy trilemma can be relaxed by avoiding the traditional rigid two-corner solutions referred to above, for example by looking beyond the traditional opposing alternatives of fixed versus flexible exchange rates, or open versus closed capital accounts, and to adopt intermediate options in these three policy domains – like a capital account management through the selective application of capital controls, or a managed real exchange rate and so stimulating employment (Rodrik, 2003 and Frenkel, 2004). Another possible, supplementary, element to relax the policy trilemma is *to include one or two additional policy instruments to complement the fiscal and monetary tools* (see also Tinbergen 1970 [1952]). Bradford (2004) suggests, for example, social pacts or coordinated wage bargaining to hold down inflation and so to “free up” other policies aimed at growth and employment creation.

*A second example of employment conscious short-term policies is that of considering central banks as agents of development* –Epstein (2007) argues that an employment-targeting approach to central bank policy has been quite common historically in both currently developed and developing countries. And while sometimes central banks have failed quite spectacularly in this mission, there have been other important success stories, including important periods in the US, UK, France, Germany, Japan, South Korea and India. As for developing countries, Amsden (2001 and 2007) describes the key role that investment banks in coordination with central banks played in the industrialization success stories countries such as South Korea, Taiwan, Malaysia, Brazil, Argentina and others, in mobilizing and directing savings to key industrial sectors, and in particular to those specializing in exports.

*A third example of shorter-term policies stimulating employment and decent work is that of setting minimum wages.* Several ILO studies (Saget 2001, 2008) have observed that, as a consequence of structural adjustment and of a breaking down of trade unions and labor market

institutions, the minimum wage in a sizeable number of countries is so low that it does not contribute to reducing inequalities or poverty reduction and has in effect become meaningless. In a second set of countries, the minimum wages appears to fulfill its objective of reducing poverty without hampering employment creation.<sup>20</sup> But there is also third a set of countries where the minimum wage is too high to be considered as a genuine minimum wage, with the risk of hampering economic growth and thus longer-term employment creation. In this so-called “maxi minimum wage” situation (Saget 2008) minimum wage policies amount more to average wage fixation than to fixing minimum wages. Poorly developed collective bargaining is often a driving factor behind this. Thus both too low and too high minimum wages are an indication of malfunctioning labor market policies.

Misconceived (short-term) macro economic policies can prevent economies from achieving sustained growth and employment. Taylor 2009, gives various examples of how stability in interest rates and foreign exchange can contribute to steady growth, but that with increasing financial openness, pro-cyclical macroeconomic policies have become the rule rather than the exception affecting sustained growth.

#### *Longer-Term Policies for Employment creation*

Although economic growth depends on many factors, one factor contributing to growth is structural change. Although this necessitates labor reallocation and can thus generate (frictional) unemployment, the higher value added created in the growth process results in higher incomes from wages and capital, which, together with increased demand from abroad, can lead to higher growth and employment. This virtuous picture may however be disturbed when structural change and expanded production and productivity increases in some sectors do not lead to higher national productivity. McMillan and Rodrik, 2011, for example, argue that structural change in Asia has led to higher national productivity and growth, but that in Africa and Latin America, until recently, policies were based on capturing comparative advantage in primary products leading to lower labor productivity and lower growth, with negative consequences for employment and wages. Asian countries had, and have, an industrialisation process in which industrial policies have been applied successfully, in contrast to Africa where industrial policies were mainly absent and in Latin America where,

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<sup>20</sup> It has been argued that the existence of minimum wages results in greater informal employment. ILO 1977 shows however that minimum wages up to 2/3 of the level of wages of unskilled workers will not produce substantial increases in informality.



at least until recently, these policies, constrained by the legacy of the Washington Consensus, were not robust enough to be effective. The current debate is therefore not whether public policies for industrialisation are useful or not, but which type of public policies will best work under which circumstances. (Lin, 2011)

It is thus important to consider appropriate policies for structural change and well thought out industrial policies in a meaningful debate on employment creation<sup>21</sup>.

Melamed et. al. (2009), based on the work of Khan (2007) and others, surveyed the literature on findings on the relation between growth, poverty and sectoral employment. In 24 growth episodes detailed information on growth and employment was available, and out of these in 18 episodes, poverty decreased with rising employment in services and in manufacturing in most of them. (See table IV.1). The 6 cases where poverty increased or remained stable were mostly characterised by an absence of increases in employment in every sector. This analysis thus gives support for a link between growth and employment. However the link is far from robust and needs further research.

Table IV.1 Growth, Employment and Poverty, A summary of Evidence

Number of episodes	Rising agricultural employment	Rising industrial employment	Rising services employment
<b>Growth episodes associated with falling poverty rates</b>			
18	6	10	15
<b>Growth episodes associated with no fall in poverty rates</b>			
6	2	3	1

Source: Melamed, C, et. al, 2011

As argued above, policies for employment need to take into account both the quantity of employment and the quality of employment, or as Khan (2006) has put it: policies for employment need to be concerned with the quantity of employment, the factor productivity of employment, the factor remuneration of employment and the terms of employment.

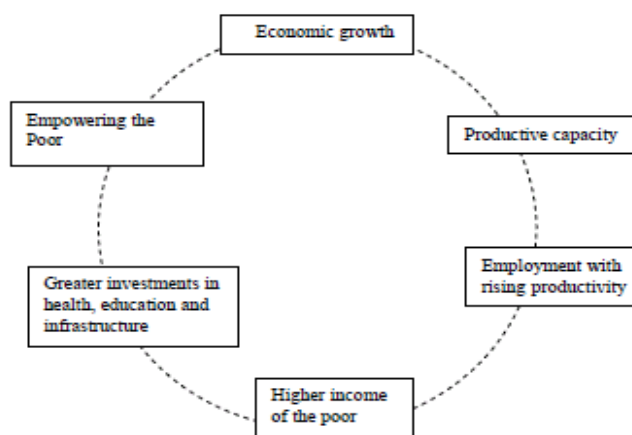
Ernst and Berg (2009) have conceptualized these policy concerns in what they call the virtuous circle of links between growth, employment and poverty reduction, namely

<sup>21</sup> See also the recent e discussion on Growth, Employment and Structural Change in preparation for the 2015 Development Agenda <http://www.worldwewant2015.org/node/301803>

economic growth, productive capacity, employment with rising productivity, higher incomes of the poor, greater investments in health, education and infrastructure leading to an empowering of the poor, all contributing again to economic growth. (See figure IV.1). However there are many obstacles for such a virtuous circle to become effective in practice. Policy interventions are needed to overcome these obstacles and to stimulate employment creation.

Figure IV.1

**Figure 2: Virtuous Circle of Links among Growth, Employment and Poverty Reduction**



Source: Ernst and Berg, 2009,

Khan (2007) gives a useful overview of such policies. He distinguishes between the following five policy areas.

The poor can escape working poverty when policies achieve a combination of the following:

- (a) An increase in wage employment;
- (b) An increase in the real wage;
- (c) An increase in self-employment;
- (d) An increase in productivity in self-employment
- (e) An increase in the terms of exchange of the output of self-employment.

## **Global Governance for Employment**

### *Policy Coherence and Global Governance for Employment*

Although the Millennium Declaration had a special paragraph on strengthening the role of the United Nations and on improved global governance in general, the MDGs did not contain explicit references to global governance, except some vague references in MDG8. Yet, with hindsight, one can conclude that a lack of global governance had a negative impact on the implementation of the MDGs and stood in the way of efforts for full employment. Whether the absence of global governance was the major cause for missing some of the targets and that of full employment in particular is open for debate; but it has been at least one of the major causes.

An important element of an improved global governance system is better policy coherence in areas of employment, economic, social and environmental policies at national and international level (WCSDG, 2004, van der Hoeven, 2010, UN-DESA WESS 2010). Although there is a notion of policy coherence in the current MDG8, all observers agree that a post-2015 framework must place much greater attention to policy coherence, far beyond what is now formulated in MDG8.

However, one needs to be aware of the risk that policy coherence could lead to a ganging up of major international players in the international institutions, dictating a certain development ideology and providing smaller actors less policy space as happened in the 1990's with the Structural Adjustment Programs of the IFI's. (van der Hoeven, 2010b) This fear was still expressed by World Commission of the Social Dimensions of Globalization in 2004, but has since become less. Since the financial crisis of 2008, major emerging and developing countries play an increasingly bigger role in global governance, minimizing the risk of a dominant industrial countries' development model (e.g.. See: G20, 2010).

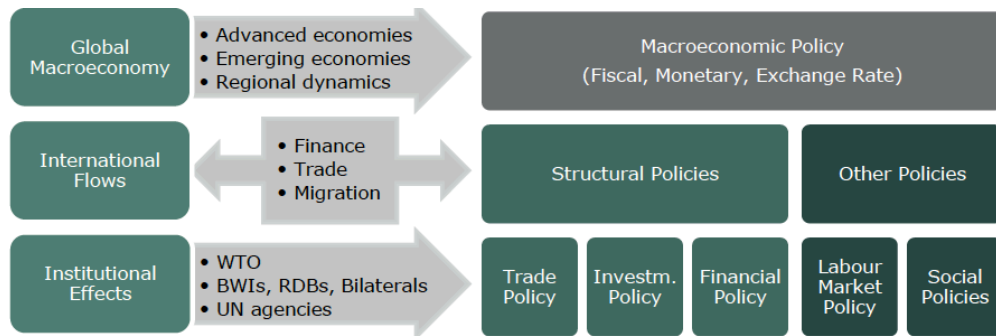
There should therefore by now be a reasonable understanding of major and non-controversial development trends which contribute to achieving the millennium development goals and which need to be made more explicit in a coherent post-2015 development agenda. Nayyar, 2012, lists the following: Necessity of economic growth, institutional mechanisms to translate growth into meaningful development by improving conditions of people, importance of public action, and employment as the only sustainable means of poverty reduction. This

requires coherence between various aspects of economic policy (macroeconomics, trade, investment) social policy and environmental policies. The G20, born out of the 2008 financial crisis, might be seen as a first attempt of improved coherence at the international level, but for various reasons it is neither adequate nor sufficient. It is not adequate because the IMF mainly forms its secretariat and it is not sufficient as it lacks international legitimacy. Ocampo and Stiglitz (2011) suggest therefore using the increased acknowledgment for improved policy coherence and momentum of support for a body like the G20 to strive for a Global Economic Coordination Council which would have more global political legitimacy. A Global Economic Coordination Council (GECC), as suggested by Ocampo and Stiglitz, would be an ideal forum to foster the necessary policy coherence for a post-2015 framework of development.

One important issue on the GECCs agenda of policy coherence must certainly be a global response to national and international financial crises and the inherent financial instability that characterizes the current financial system. Such an increased attention to crises and global financial instability is important in a post-2015 agenda for development. As argued above, the global financial crisis in 2008 caused a major setback in the achievements of the MDGs (World Bank, 2010) and halted the upward trend in development assistance. A formulation of the post-2015 agenda should therefore refer to possible risks of future financial crises, should contain a statement about how resources for achieving goals and targets to reduce poverty should be safeguarded in times of global financial crises, and should indicate how policies for economic recovery should include special measures to reduce poverty and social deprivation. This could take the form of automatic stabilizers at a global level such as global social floor as discussed above or of more specific policy interventions.

Another aim of the GECC is to ascertain that national policy space still can be exercised under a system of increased global governance. Rodrik (2011) argues for a system of global governance that respects as much as possible national policy space, allowing countries and people to choose their preferences in terms of e.g. social policies and social protection. Improved global governance with ample room for exercising national employment policies needs therefore to be a cornerstone of a post-2015 framework of development. Martin and Lucci (2013) provide an overview of how improved global governance can influence national policy making for employment:

Table V.1



Note: BWI (Bretton Woods Institutions), RDBs (Regional Development Banks)

Source: Martins and Lucci, 2013

*International Development Aid and Employment*

As one of the objectives of the MDGs was to have a greater impact of ODA on achieving the MDGs, a separate reflection on the effects of development aid on employment might also be in order. Table V.2 summarizes potential policies directed towards the short-term objective of increased capacity utilization, and towards the longer-term objective of an increase in capacity, both of which might be supported by international aid.

This table includes a number of policies that are favored by current aid donors, but it also emphasizes policies for structural change as well as policies that affect the demand side of the economy. This follows our analysis and is in line with a recent observation by Taylor (2009) that orthodox economists in short-term macro analysis place a great deal of emphasis on the supply side ignoring the demand side, and that in relation to longer-term development, conventional economic analysis favors letting markets work rather than supporting the policies for structural change and industrial capacity building.

Table V.2 Employment policies, which might be supported by development aid.

	<b>Capacity Utilization</b>	<b>Capacity Increase</b>
Policies which might be supported by aid programs and policies	<ul style="list-style-type: none"> <li>• Fiscal policies</li> <li>• Monetary policies</li> <li>• Exchange rate</li> <li>• Trade Barriers</li> <li>• Unemployment benefits</li> <li>• Cash transfers</li> </ul>	<ul style="list-style-type: none"> <li>• Public Investment</li> <li>• Infrastructure</li> <li>• Industry policy</li> <li>• Education</li> <li>• Vocational &amp; management training</li> <li>• Small enterprises</li> <li>• Health</li> <li>• Social security</li> </ul>

As one can observe, the policies that influence employment creation and potentially interact with aid policies span a rather wide spectrum. As various analysts of structural patterns of development of successful countries have observed, there is no single general framework of development policy, like the Washington Consensus, to promote structural change. Policies need to be time and context specific (and calls for ‘best practice’ are often a sign of intellectual laziness). A post-2015 development agenda should acknowledge this.

### **Summary and Conclusion**

It becomes clear (van der Hoeven, 2012) that traditional development aid interventions, as formulated in the MDGs, might not be the most effective response for the poor to grow out of poverty due to the triple crises of nutrition, finance and environment, in addition to the changing geopolitical landscape, where most of the world’s poor are not living in low income countries anymore and where emerging countries are gaining economic power and are increasingly more involved in international institutions. New challenges need therefore to be confronted in a post-2015 agenda, which could be best part of a global social contract in which all concerns should therefore be discussed: precluding certain issues or concerns beforehand, with the argument that these may make a future set of development goals too broad, is for the moment not relevant. If issues are now kept off the table, a future agreement on a post-2015 development agenda might well be seriously be compromised from the beginning. The discussions leading to such a global social contract for a post-2015 framework are as important as the outcome itself. The best way to start these discussions

would be to start from the Millennium Declaration of 2000 and to consider whether and where the various elements of the Declaration need to be actualized (van der Hoeven, 2012). On this basis a (restricted) set of development goals and targets in a post-2015 era could then be formulated. Framing the deliberations for a Post-2015 Development Agenda on (an actualization of) the Millennium Declaration would thus ground its preparations on a set of issues that carry a globally accepted political consensus and would thus avoid a laundry list of badly political formulated good intentions. Table VI.1 provides some elements that could be discussed in the leading up to a global post-2015 agenda for development.<sup>22</sup>

Table VI.1

	<b>MDGs</b>	<b>Post-2015 Development Agenda</b>
Process	Secretariat, donor driven	Wider consultations
Macro-economic framework	Absent	Sustainable and equitable growth
Principle means to achieve goals	Development aid, national public expenditure	Changes in international system, national public expenditure, aid for fragile and low income states
Measurement	Inequalities, sustainability, well being not fully captured	Improved measurements of goals/targets including inequality and sustainability
Target group	Poor in developing countries	Poor in all countries
Employment	Added in 2005	Better approach and indicators
Inequality	Not adequately reflected	Explicit attention, including goals and targets
Environment	Not adequately reflected	Inclusion of sustainable development goals
Human rights	Absent	Reemphasizing existing rights, global social floor, claims for redistribution
Targets	Global	Global and link to national

Table VI.1 is not exhaustive but serves to guide discussions and deliberations for a post-2015 development agenda. It starts from the notion that the preparations should be inclusive and

<sup>22</sup> See for an elaboration: van der Hoeven 2012

not be secretariat driven as were the preparations for MDGs. Also, as argued above, the agenda should include an appropriate macroeconomic framework for development as well as with an agreement for a global approach to macroeconomic stability, in which developing countries have space to pursue macroeconomic policies for development. A global approach for development also implies that the principle means to achieve the goals should extend way beyond development aid and national public expenditure and should take into account changes in the international financial system to reduce volatility as well as systems for fairer collection of taxes and non-traditional forms of development financing (UNDESA, 2012). Closer attention should also be given to measurement issues, including measurements indicating distributional consequences in terms of incomes, gender and cultural minorities of policies and outcomes and measurements reflecting depletion of world's scarce resources as recommended in the *Commission on Measuring Economic Performance and Social progress* (Stiglitz et.al., 2010). The outfall of the 2008 crises once again demonstrated the world's interconnectedness. It makes therefore little sense to target a post-2015 development agenda only to the poor in developing countries as the MDGs did. Developed countries should be equally held responsible for reducing poverty and growing inequality in their respective countries. This would not imply lowering development aid but a refocusing of macroeconomic policies and drawing on other budgetary outlays to reduce poverty and precariousness in developed countries. This would imply that targets on poverty should not only be set a global level but also at country level to hold all countries accountable to their citizens. A consensus is developing that these issues need to be a cornerstone of any post-2015 development agenda. There is also agreement that a post-2015 development agenda should contain much better formulated goals for sustainable development and that human rights aspects of the outcome of the major UN conferences and of goals in a post-2015 development agenda should reflect the basic tenants of human rights in terms of non-discrimination, human dignity, participation and accountability.

As amply discussed above, two issues that were absent from the initial MDG's were employment and inequality. A recent paper (Martins and Lucci, 2013) suggests how various elements of a post-2015 agenda as illustrated above can contribute to goals and indicators for achieving the goal of full and productive employment.



Table VI.2 Employment in a Post-2015 Development Agenda

<b>Issue</b>	<b>Coordination, Standards &amp; Regulations</b>	<b>Goals &amp; Targets</b>	<b>Type of Indicators<sup>1</sup></b>	<b>Data Collection</b>
Employment (Target 1B)	ILO	Global & National	Output & Outcome	ILO & World Bank
Macroeconomic Coordination	G20 & UN	Global	Input & Process	UN & IMF
Finance (Target 8A)	G20 & UN	Global	Input & Process	UNCTAD & IMF
Trade (Target 8A)	WTO & UNCTAD	Global	Input & Process	UNCTAD & WTO

Thus in order to reach the goal of full and productive employment coherent policies both at national and international level are needed which go far beyond concerns of development aid and successful technical assistance projects. The challenge is to have these policies well articulated in a post-2015 development agenda, otherwise full employment would remain a lofty and elusive goal.

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