Structural Change & Employment in a Globalizing World: Creating Jobs for all?

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Whose Jobs?

Out of every 10 Africans (15-64): 3 have wage earning jobs, 1 is unemployed, 6 are in vulnerable unemployment

- **Men**: Unemployed, underemployed, not looking
- **Women**: low participation, mostly in vulnerable employment
- **Youth (15-24)**: 38% working age, double unemployment

- Competition
- Exclusion
- Vulnerable jobs
- Equal opportunity
- Disadvantaged
Where are these new Jobs?

- **AGRICULTURE (plus F&F)**
  - Agricultural transformation
  - Agro-industrialisation
  - Rural non-farm economy

- **MANUFACTURING**
  - Structural transformation
  - Private Sector/SMEs
  - Long term sustainability?

- **NR EXTRACTION**
  - Linkages/Diversification
  - Sustainability

- **SERVICES**
  - Retail & Hospitality
  - *Entrepreneurship (digital)*
  - Mobility
How to create Jobs?

- **DEMAND**
  - Structural Transformation = Job intensive growth (productivity)
  - Consumers create jobs!

- **SUPPLY**
  - Remove barriers to entry
  - Skills - continuous
  - Skills matching – PPP
  - Social security
Opportunity
Just Ahead
How to keep Jobs?

❖ Infrastructure
- IT, Energy, Roads, Rail, Ports
- More digital entrepreneurs
- Educate, Retain, Fund
- Financial services, education, health, retail, agriculture, and government.

❖ Innovation
- Social investments: education/health
- Target/empower
- Financial inclusion
- End discrimination

❖ Inclusion
- Governance: economic, political, env.
- Security & Stability
- Regulations, Rule of Law, Taxation
- Regional integration
FIGURE 13: Value added by economic activity for selected countries 2010 (% GDP)

Oil-exporting countries have less diversified economies

Source: UNCTAD 2012.
Exhibit 17
Segmenting Africa in this framework yields four groups of countries

Exports per capita, 2008, $1000

- Libya
- Equatorial Guinea
- Gabon
- Angola
- Congo, Rep.
- Chad
- Algeria
- Nigeria
- Sudan
- Mali
- Senegal
- Ghana
- Kenya
- Tanzania
- Mozambique
- Uganda
- Egypt
- Namibia
- Tunisia
- Mauritius
- Botswana
- South Africa
- Côte d’Ivoire
- DRC
- Madagascar
- Rwanda
- Cameroon
- Zambia

Oil exporters
Diversified
Transition
Pre-transition

Size of bubble proportional to GDP
- <$500
- $500–1,000
- $1,000–2,000
- $2,000–6,000
- >$5,000

Economic diversification
Manufacturing and service sector share of GDP, 2008, %

Note: We include countries whose 2008 GDP is approximately $10 billion or greater, or whose real GDP growth rate exceeds 7% over 2000–08. We exclude 22 countries that account for 3% of African GDP in 2008.

Source: Organisation for Economic Co-operation and Development; World Bank World Development Indicators; McKinsey Global Institute