

Jobs with high development payoffs can transform societies, spur prosperity: World Bank

WASHINGTON, Oct. 1 (Xinhua) -- Jobs are a cornerstone of development in developing countries, with payoffs far beyond income alone, but the types of jobs that can contribute the most to development depend on the country context, the World Bank said in a report Monday.

In its World Development Report, the Washington-based global institution stressed the role of strong private led growth in creating jobs and outlined how jobs that do the most for development can spur a virtuous cycle.

"Demographic transitions, urbanization, technological progress, and the migration of people and jobs across countries are rapidly changing the world of work," the report noted.

"Yet a majority of jobs in developing countries remain in very small firms and farms, often of low productivity and modest potential for growth," it added.

According to the report, 200 million people worldwide are unemployed and actively looking for work. An estimated 620 million youth are neither working nor looking for work. Around 600 million new jobs will have to be created over a 15-year period to keep employment rates constant.

"A good job can change a person's life, and the right jobs can transform entire societies. Governments need to move jobs to center stage to promote prosperity and fight poverty," said World Bank president Jim Yong Kim.

The report finds that jobs drive development by raising people's living standards and productivity and promoting social cohesion.

However, the ways in which jobs contribute to development vary with a country's level of development, demography, endowments and institutions, it added. Making smallholder farming viable matters to agrarian countries because of high poverty rates, while avoiding urban congestion and moving up the value added ladder are top priorities for urbanizing countries.

The report highlighted jobs with the greatest development payoffs are those that raise incomes, make cities function better, connect the economy to global markets, protect the environment, and give people a stake in their societies.

"Jobs are the best insurance against poverty and vulnerability," said Kaushik Basu, World Bank chief economist and senior vice president.

"Governments play a vital enabling role by creating a business environment that enhances the demand for labor."