



OCP Policy Center Conferences series

International Jobs Report

A timely assessment of
global labor market s

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Purpose of this event

- The first public event on the **International Jobs Report**
 - a collaboration of IMF, OCP Policy Center and Economist Intelligence Unit

- What is the **International Jobs Report**?
 - a timely assessment of labor market conditions around the world
 - analysis of unemployment rates in 105 countries
 - detailed analysis of 64 countries, including Morocco

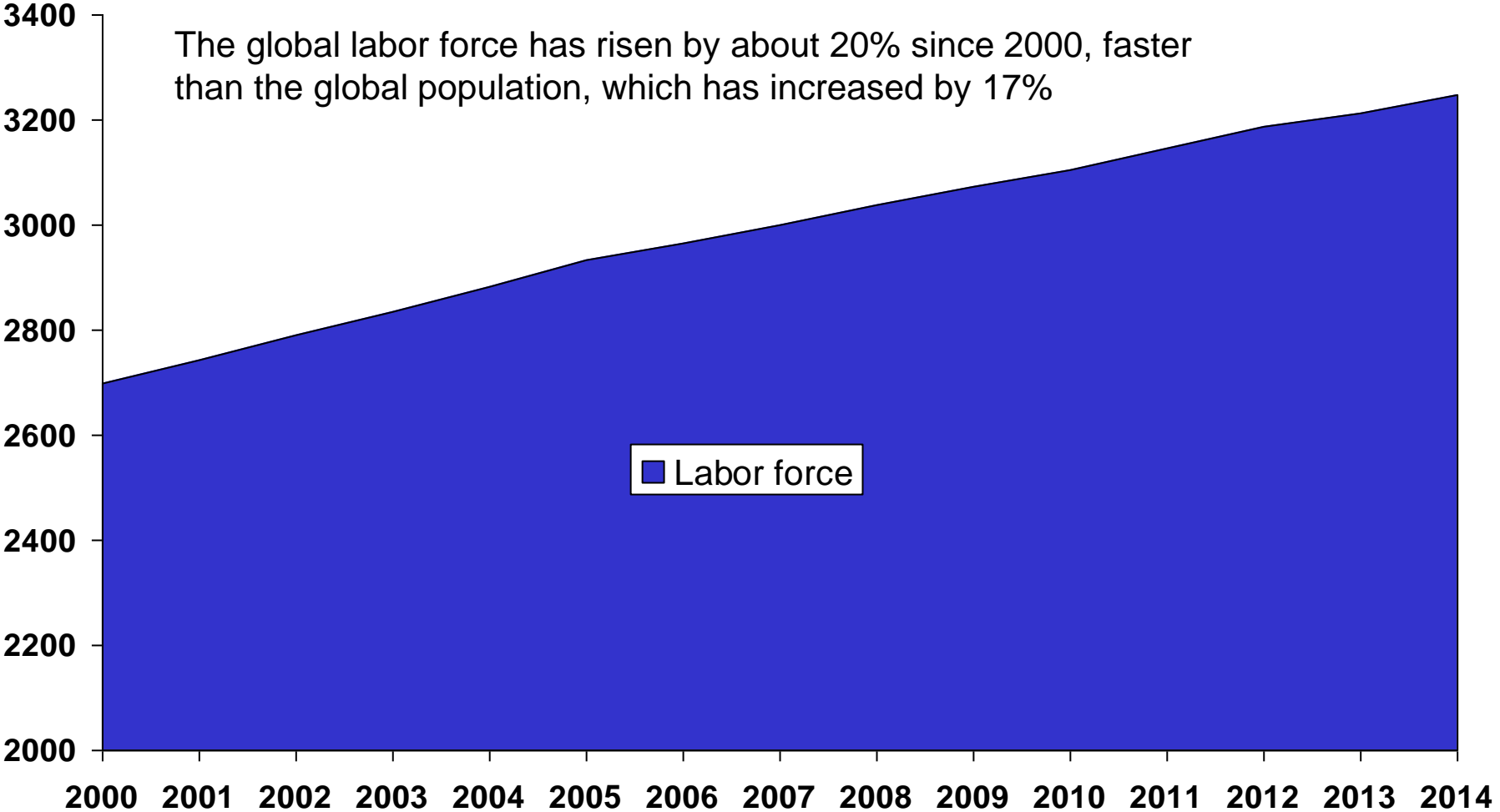
 - goal is to bring the same intense and continuous focus to jobs that we give to stock markets and real GDP

Main Messages

- *Global unemployment has declined* to pre-crisis level: **5.6%**
- *But global employment growth remains sluggish*: about **1.5% per year** compared to over 2% a year before the global financial crisis
- *Growth and jobs are linked*—but the link has not been as strong in Morocco as in other countries in its peer group
- *Latest IMF unemployment forecast for Morocco*:
 - **9 percent** for 2015; 8.9 percent for 2016

GLOBAL LABOR MARKETS

The global labor force is about 3.25 billion

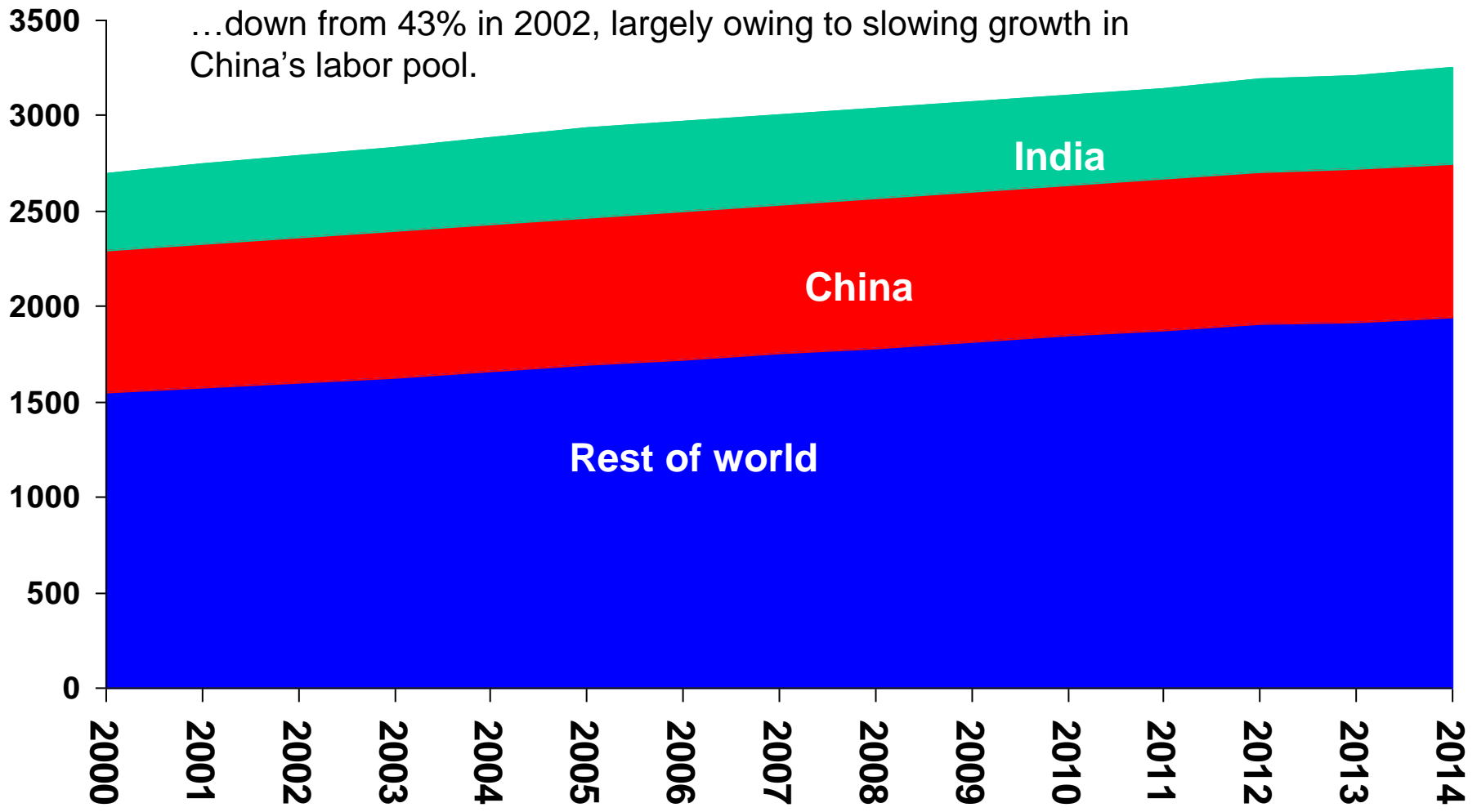


Labor force, millions. Source: Economist Intelligence Unit



China and India make up 40% of the global labor force

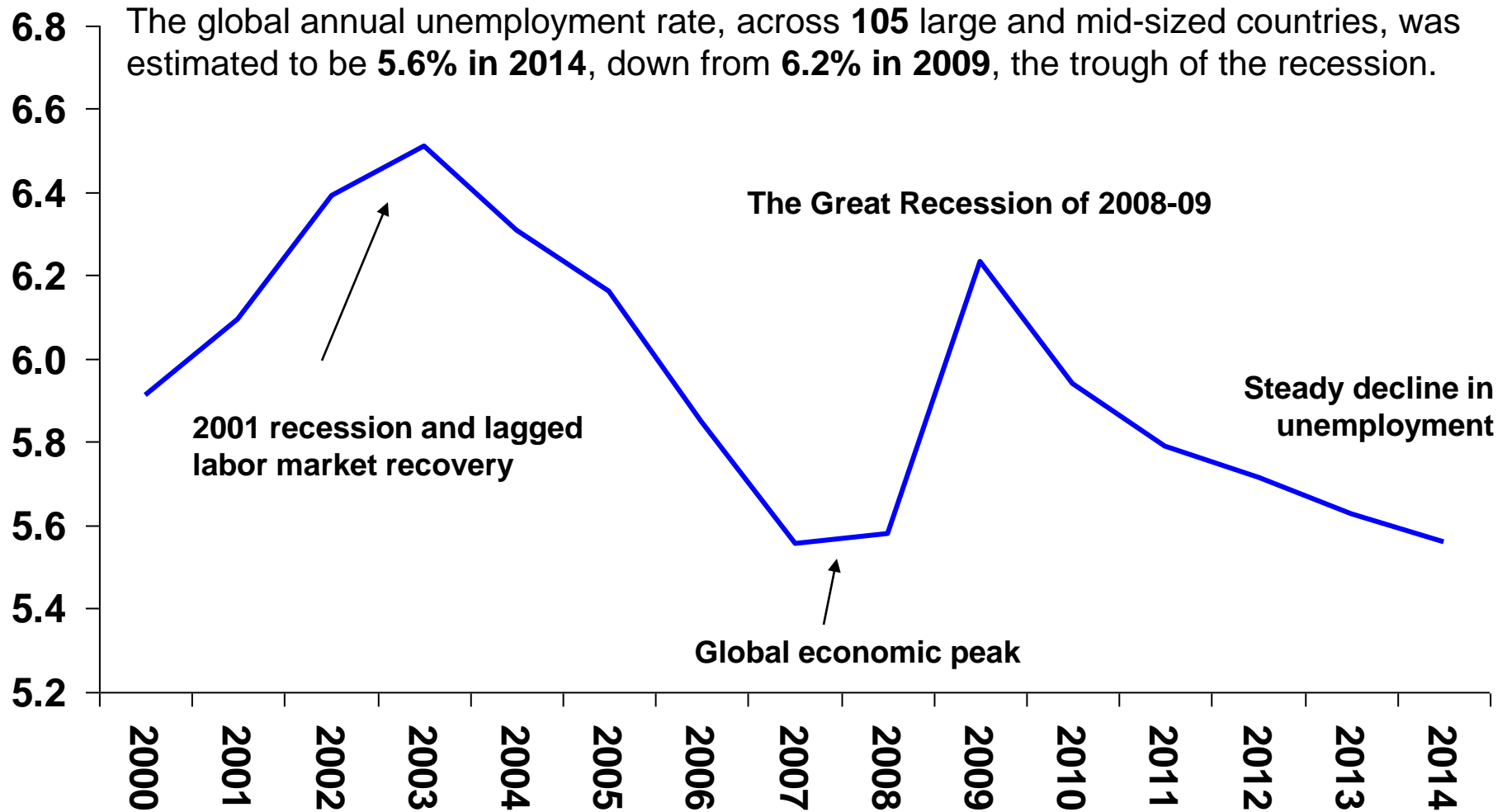
...down from 43% in 2002, largely owing to slowing growth in China's labor pool.



Labour force, millions. Source: Economist Intelligence Unit

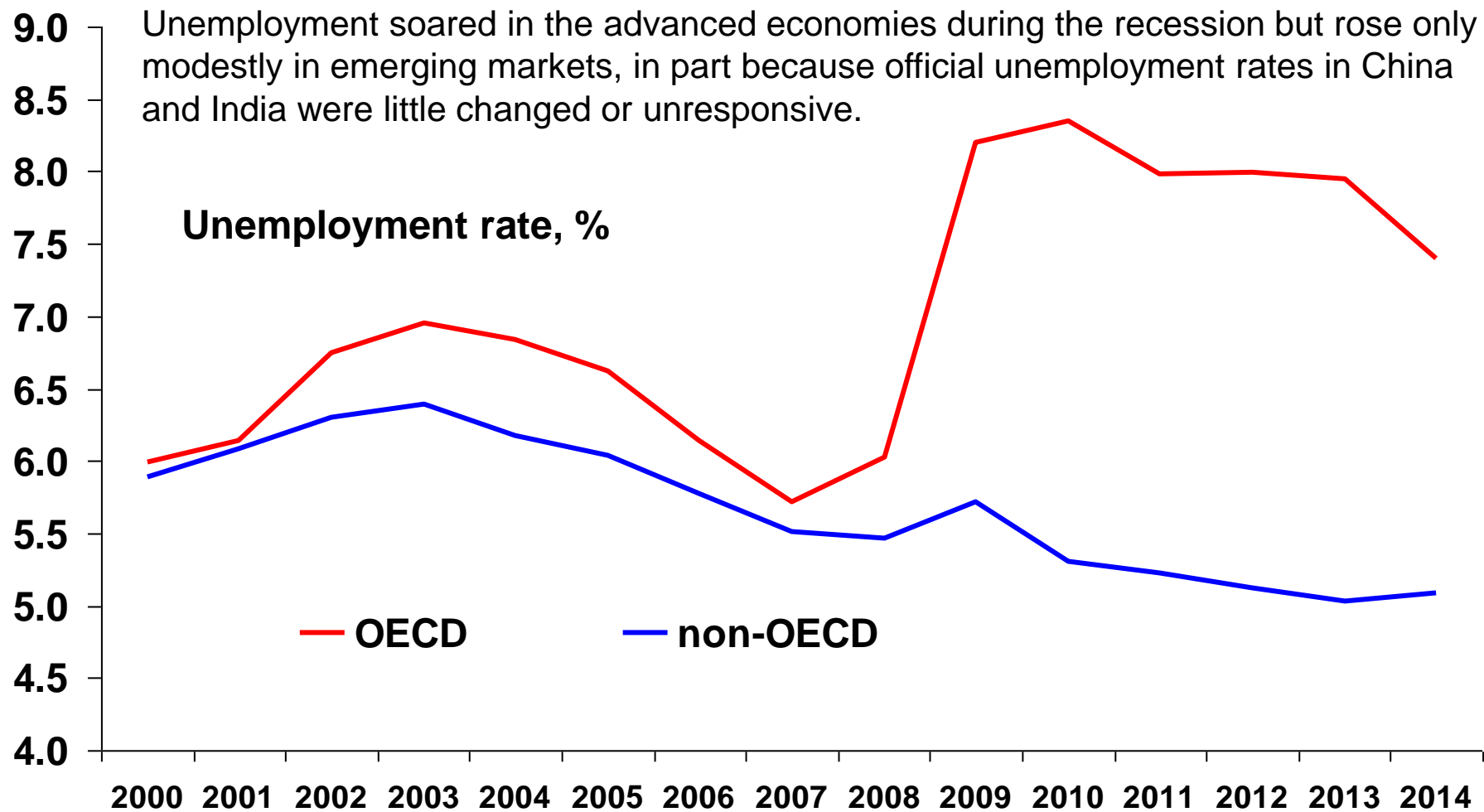


Global unemployment rate has been falling steadily ...



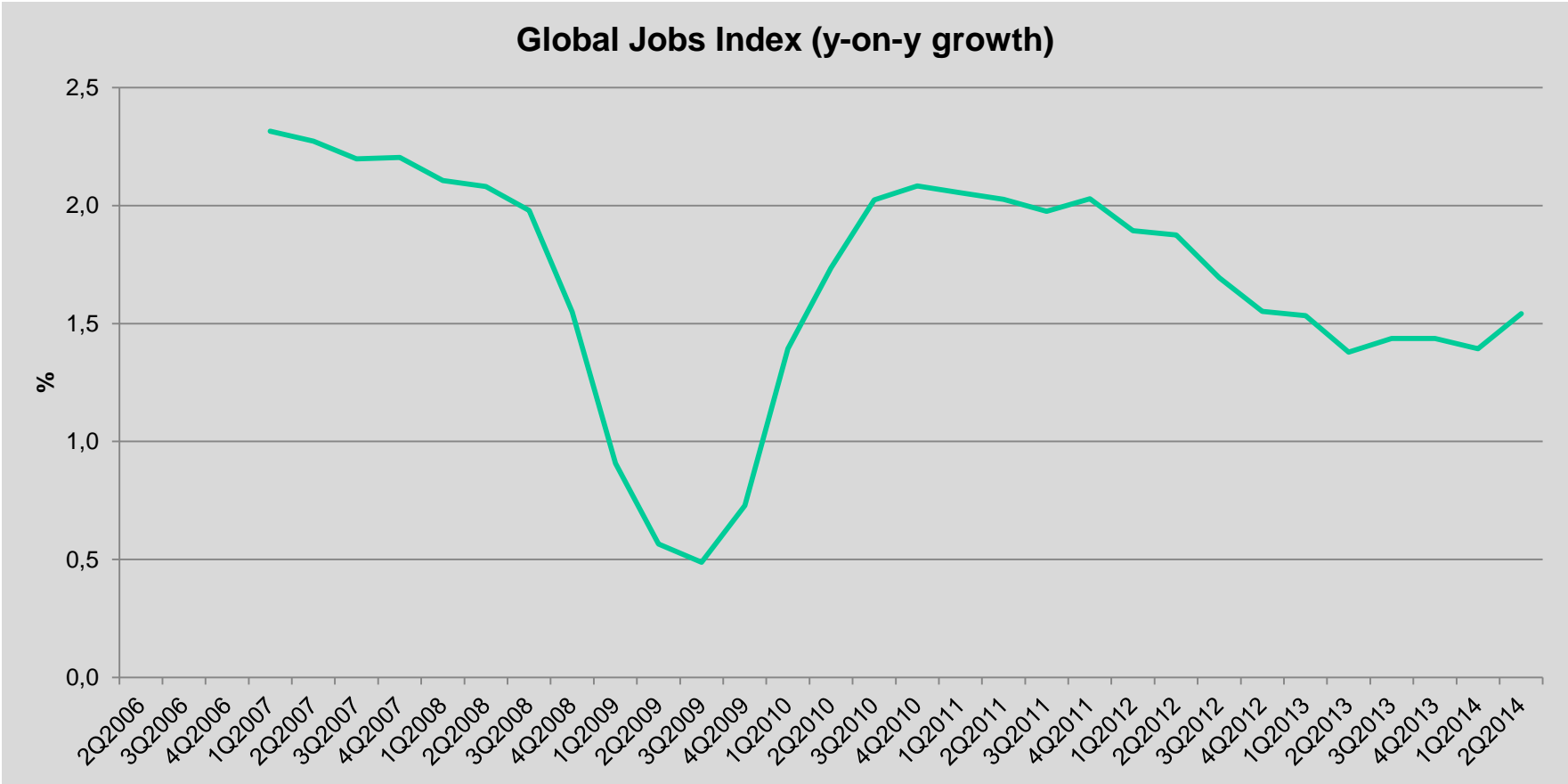
Unemployment rates for 105 countries, weighted by size of the labor force. Official unemployment rates; ILO estimate for India. Sources: EIU *Country Data*; national gov'ts

... but unemployment remains high among OECD countries



Unemployment rates weighted by size of the labor force. Official unemployment rates; ILO estimate for India. Sources: EIU *Country Data*; national gov'ts

Global jobs growth has picked up but remains sluggish



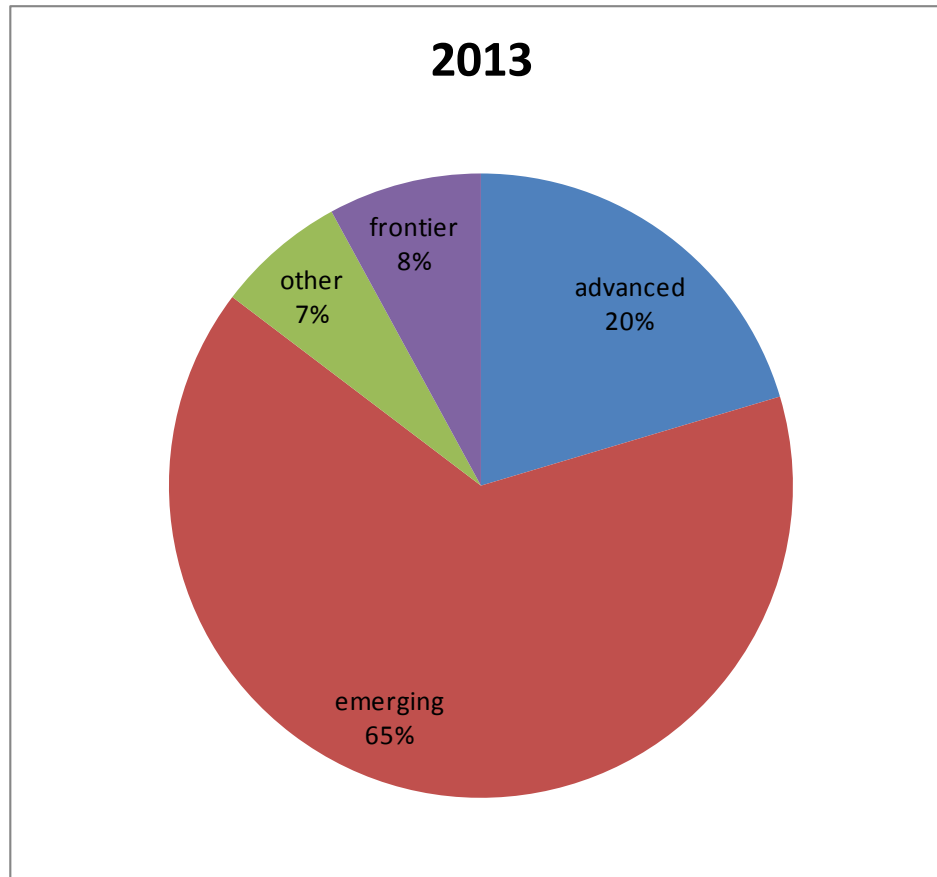
Global Jobs Index will provide timely indicator of labor market conditions

- Global Jobs Index is based on data for 64 countries, including Morocco
 - Countries covered represent 95% of global GDP and 80% of global labor force
- Where quarterly data for employment are not available, the index relies on historical relationships between real GDP and employment
 - Backed by academic research on jobs-growth link (Ball, Leigh and Loungani, NBER Working Paper No. 18668, 2013)
- Index will be updated *quarterly*, using latest real GDP forecasts from IMF and EIU.

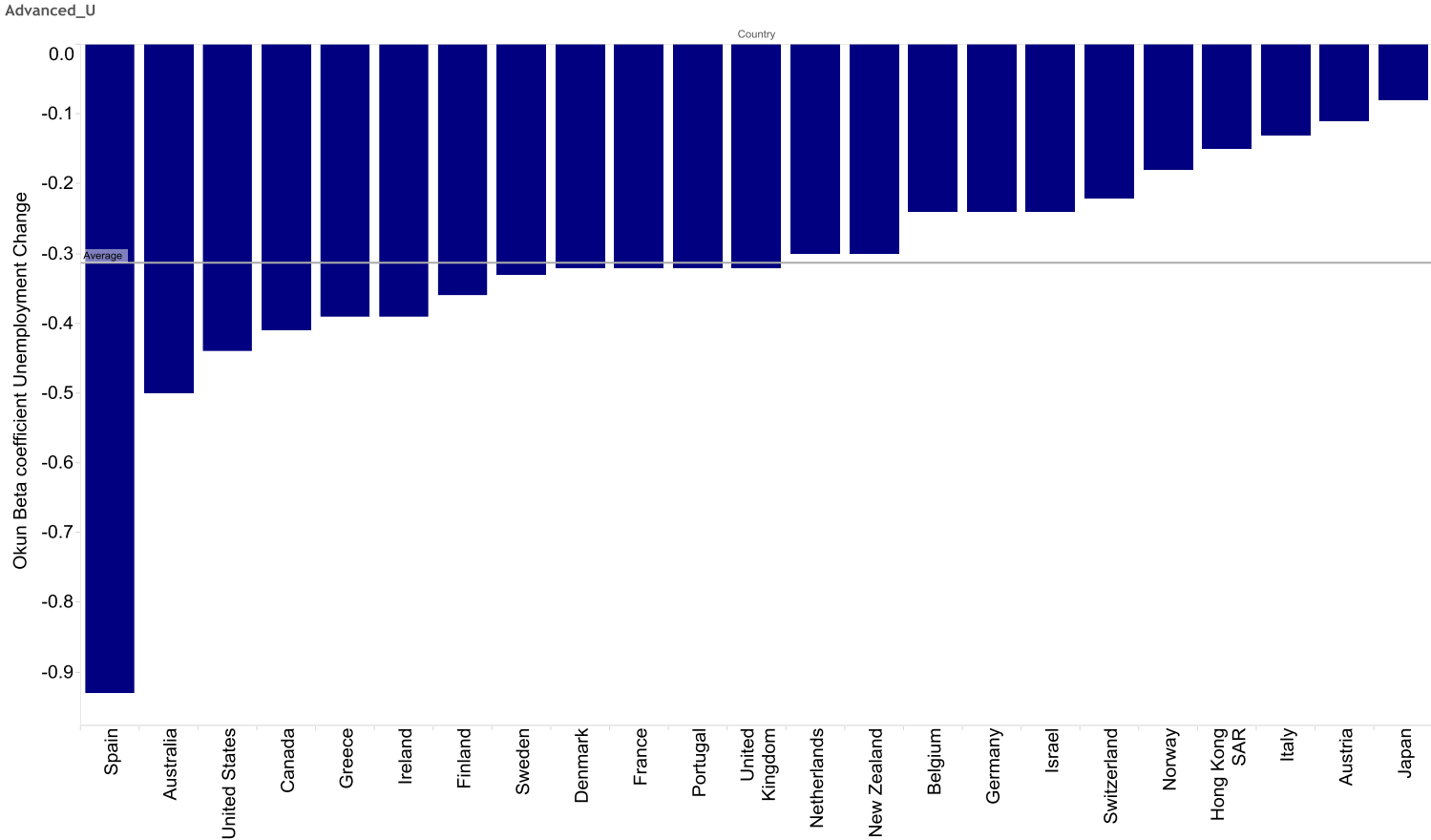
LINK BETWEEN JOBS AND GROWTH

(BASED ON BALL, FURCERI, LEIGH AND LOUNGANI, 2015)

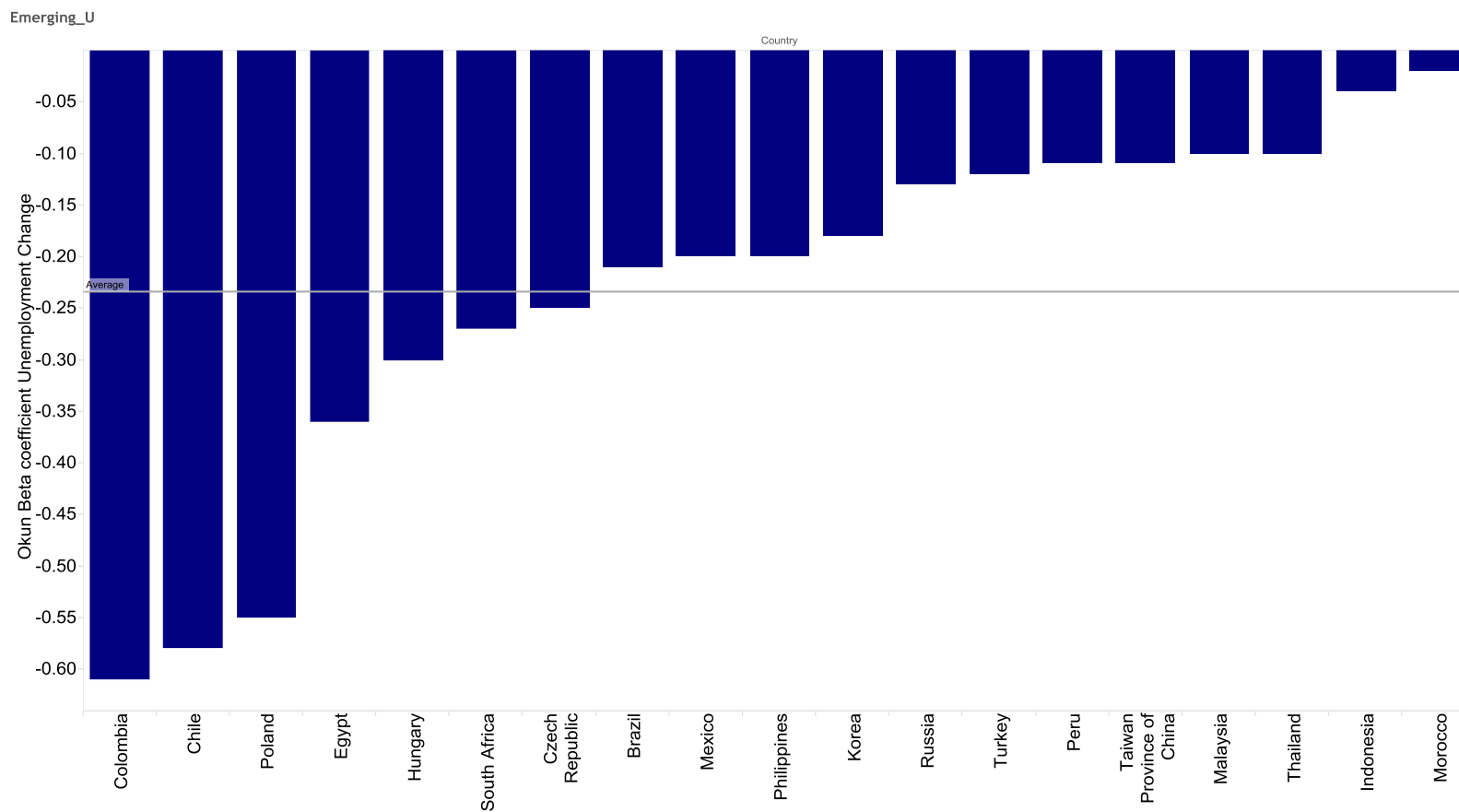
Distribution of global labor force in 2013



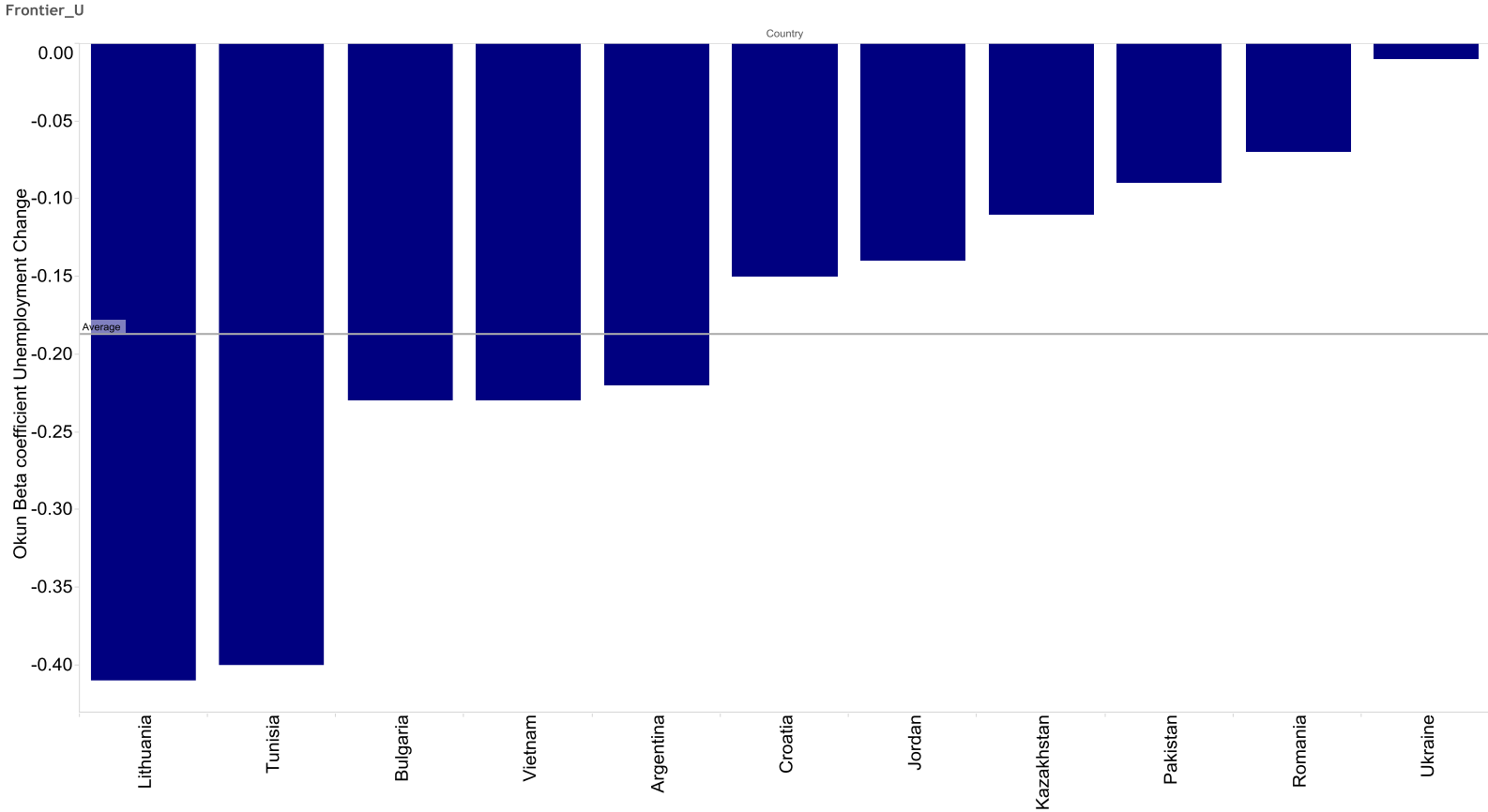
Advanced countries: By how much does unemployment decline in the short run when output growth increases?



Emerging markets: By how much does unemployment decline in the short run when output growth increases?

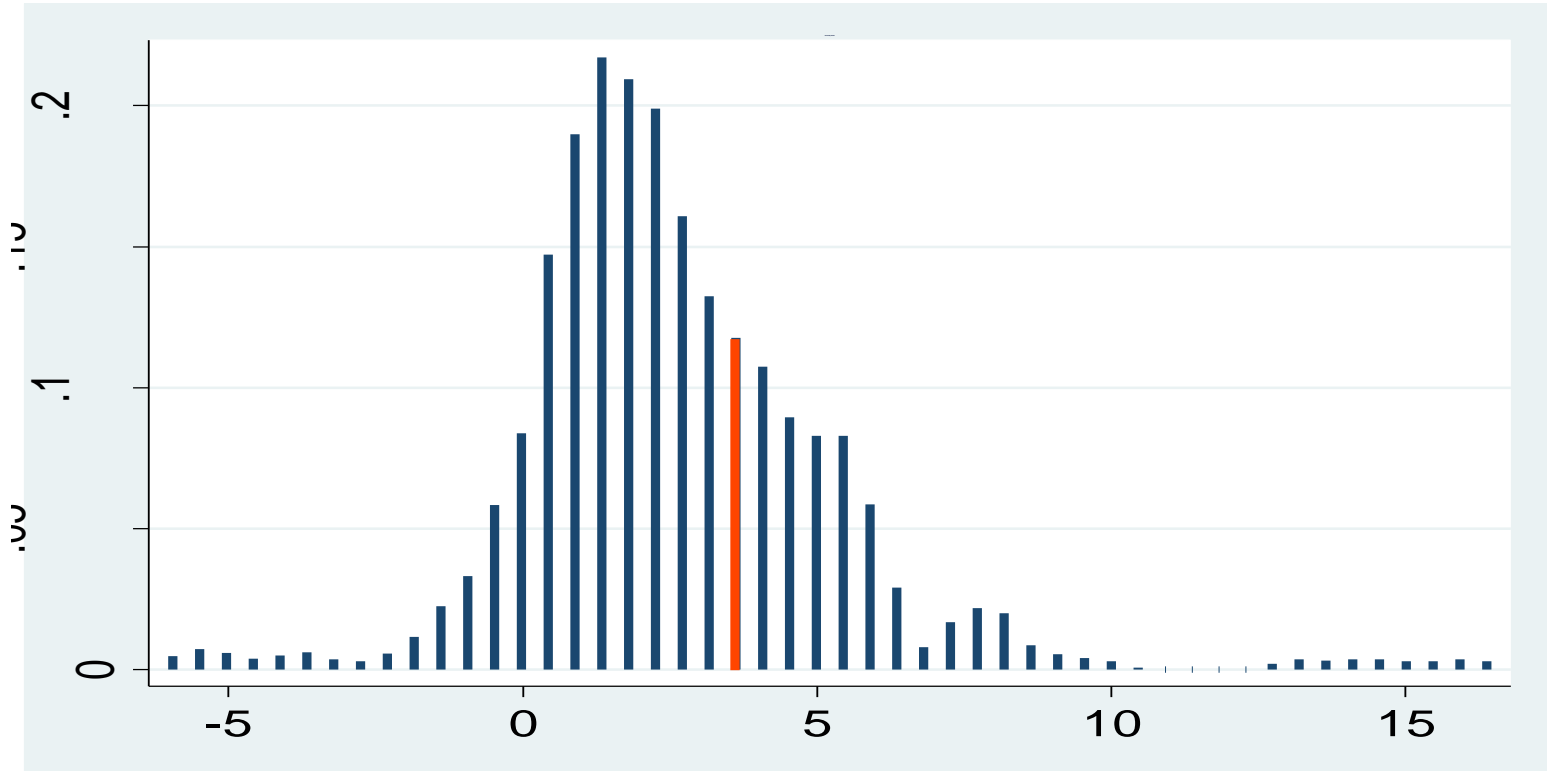


Frontier markets: By how much does unemployment decline in the short run when output growth increases?

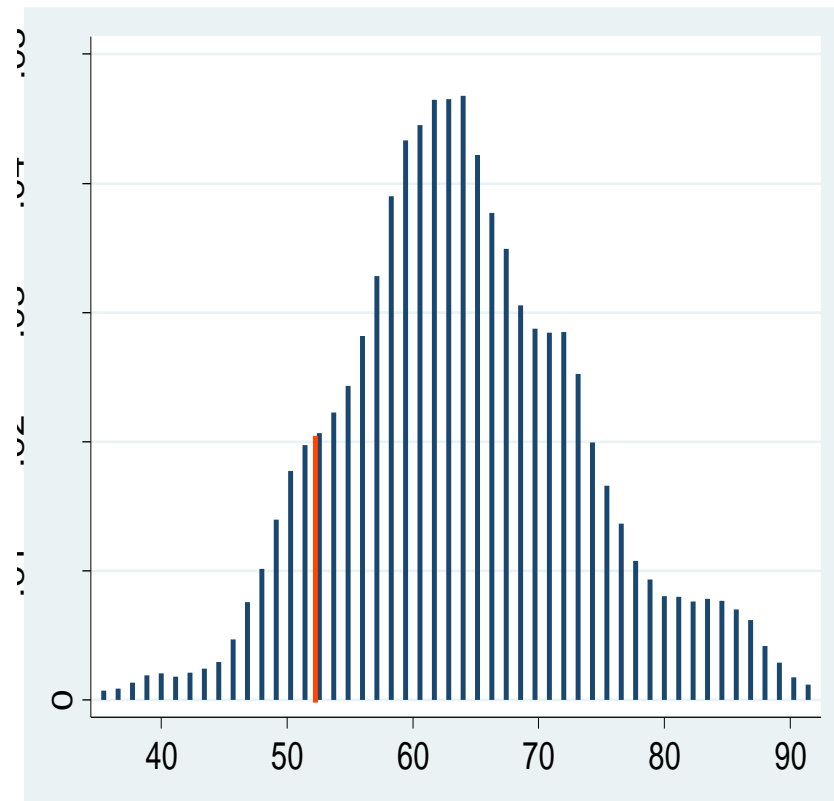
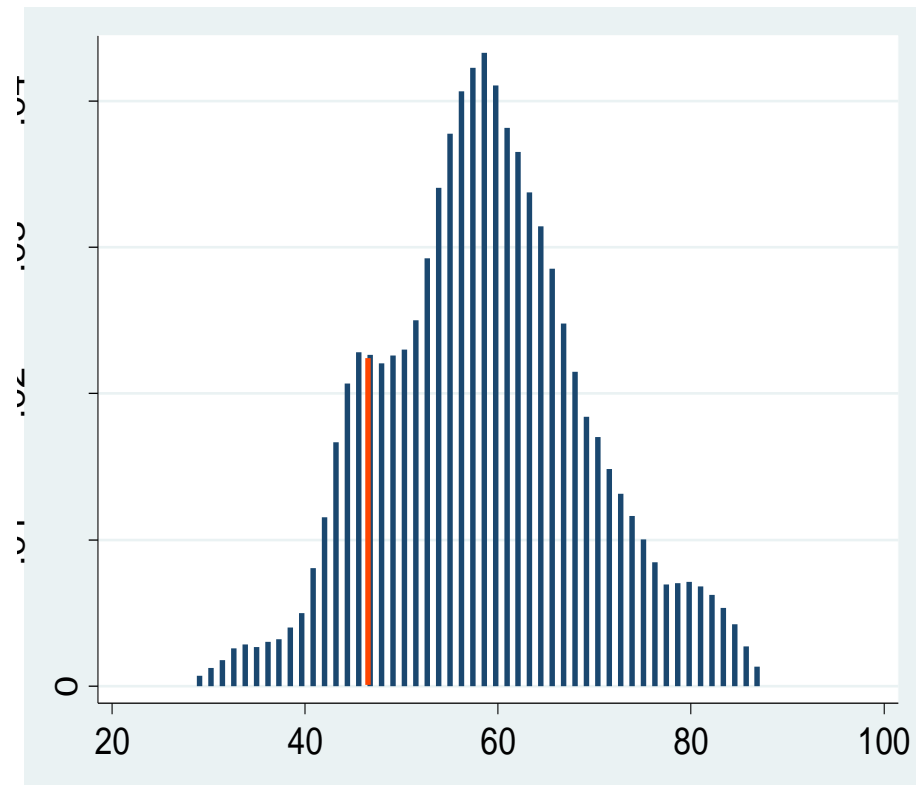


LABOR MARKETS IN MOROCCO: OVERVIEW

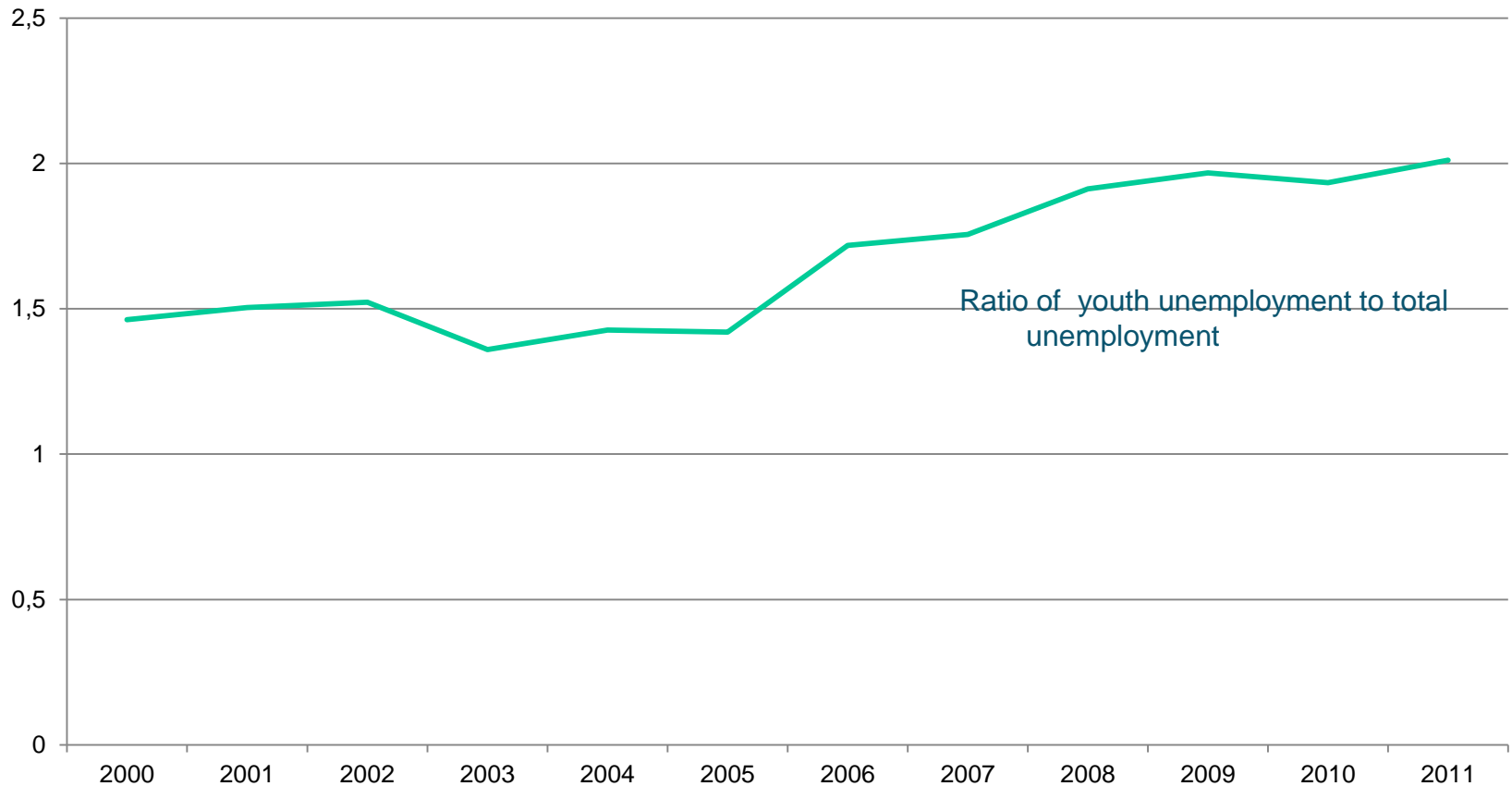
Morocco compared with emerging markets & developing countries: annual growth in average incomes



Morocco compared with emerging markets & developing countries: employment rate (left) and participation rate (right)

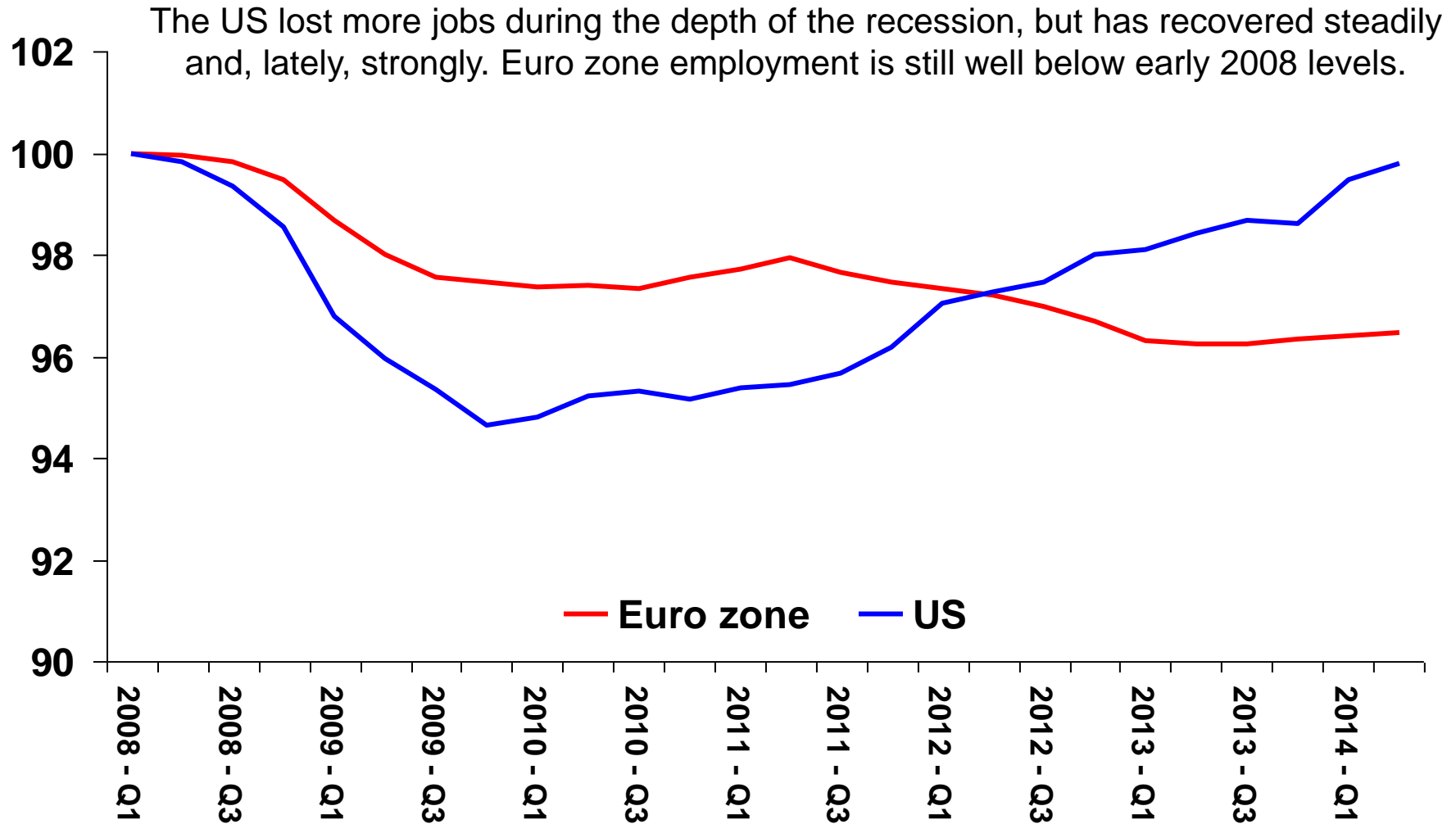


A key challenge: tackling youth unemployment



LABOR MARKETS IN MOROCCO: OUTLOOK

Conditions in Morocco's trading partners: US and EU



Employment, US and euro zone. Q1 2008=100. Source: BLS, ECB, Eurostat, Haver Analytics.

Unemployment rate in Morocco: a steady decline, tapering off ...

