
Jobs, Diagnostics and Solutions Community of Practice (JDS CoP) News Digest

Edition #5, September 2020

Dear members,

Welcome to the fifth (5) Edition of the Jobs, Diagnostics and Solutions CoP **News Digest**. We share and exchange knowledge with fellow jobs practitioners. Many thanks to all of you who have shared their knowledge and resources. We welcome your engagement and the wealth of knowledge that you can share.

With warm regards,
Dino, Ian and Teuta

At a Glance:

We have **130** members. If you have not yet registered please click at [JDS CoP Website](#)

Action Call to All < Nominate a New Member



It's that time of the year! Time to expand our community of practice circle with new members. All current CoP members are encouraged to nominate a member or two to join our community. Please submit member nominations to [Teuta](#) and [Dino](#) via email.

The **JDS CoP** is open to anyone working on Jobs Diagnostics or Jobs Strategies and those who have previously done so. Membership is also open to scholars and others with specialized expertise of relevance to this community.

JDS CoP Engages and connects community members to share information, insights and best practice to help solve the problems they face in the field. It provides members with knowledge, resources and access to leading experts for informal learning and capacity development.

Having problems accessing JDS CoP? [You must be logged in as an JDS CoP member](#)

Featured < Member Blogs



[The Zoology of Writing Jobs Diagnostics that Breach the Gap Between Diagnosis to Policy](#) by Alvaro Gonzalez

I helped write three Jobs Diagnostics and read quite a few of them as well. I have seen what in my opinion makes a JD useful or less so, and because of this, I was asked to share my lessons to help anyone in the midst of writing a JD or thinking about doing so.

More specifically, two of the three JDs I contributed to contained recommendations incorporated into policy lending and opened the door to a deep dialogue on supply and demand issues in the economies on which these were written. How we breached the gap between diagnostic to policy recommendations is the lesson most demanded by teams writing these diagnostics and, not coincidentally, the biggest challenge. Read the blog [“The Zoology of Writing Jobs Diagnostics that Breach the Gap Between Diagnosis to Policy”](#) to learn more.

In Focus < Blog Series



[Jobs and Structural Change Blog Series](#)

Our [Jobs and Structural Change blog series](#) started with stylized facts about how the type of Jobs created in the economy changes with economic transformation.

Blogs 9 to 11 of our [Jobs and Structural Change blog](#) series start to look into global evidence on how **country type** affects the path of jobs with economic transformation. In [Jobs Diagnostics](#) we make a very important distinction between **country characteristics** (which don't change over time) and **country conditions** (which do).

For example, a high-income country (HIC) in recession is still a rich country. It may share some short term conditions with low- and lower-middle income countries (LICs and LMICs) in recession, like rising unemployment, falling labor earnings, a decline in labor force participation for youth, but it would differ fundamentally in other aspects such as its human and physical capital stock, its youthfulness, its exposure to volatility, the size of its domestic market, the share of agriculture in GDP and in employment, its urbanization rate, etc. Whereas macroeconomic demand management policies for a rich country and a poor country may be similar in recession or during a period of growth, their longer-term jobs and economic



transformation strategies would not. Throw in other characteristics, like country population size, geography, resource endowments, youthfulness, and the path of jobs and economic transformation differs again. In the Jobs Group we are developing new [benchmarking tools](#) for Jobs Diagnostics that will adjust for country types when presenting average indicators across countries.

[Blog 9](#) kicks off the assessment of country types by looking at the different characteristics of jobs challenges in resource rich LICs, about whom much more has been written about the [resource curse](#) to economic growth, than has been documented about their jobs outcomes and jobs challenges. We find that on average, resource-rich LICs created less opportunities for waged employment than resource-poor LICs between 1991 and 2016. More interestingly, comparing countries that experienced *similar* average labor productivity growth, we find that resource-rich LICs require twice as much productivity growth as resource-poor LICs to generate the same increase in the waged-to-non-waged employment ratio. Resource-rich economies do not only tend to grow more slowly, they also create fewer waged jobs as they grow. So, what should a jobs strategy in resource rich LICs promote? We conclude one possibility is to focus on strengthening sectoral links with more labor-intensive sectors of the economy, and to boost productivity growth in the services sector.

[Blog 10](#) maintains the focus on LICs and LMICs, differentiating fast-growing and transforming countries from some slower growing regional averages. That is, it contrasts countries with different conditions that share similar income characteristics. To inform jobs strategies, the blog seeks to identify what explains labor productivity growth and structural change in the faster growing LICs and LMICs. We show that four drivers seem important for success in driving better jobs outcomes with economic transformation: (i) structural change (the movement of labor out of agriculture); (ii) capital deepening (the augmentation of labor with machinery and equipment); (iii) technical change (demonstrated through agriculture); and (iv) productivity growth in the tradeable sectors (proxied by real GDP per worker in agriculture and industry). We conclude that a country's per capita income and its endowments of human and physical capital will determine which of these processes to support with policy reforms and investment for better jobs. Our conclusion, consistent with [growth accounting studies](#) for LICs and LMICs, is that factor accumulation (both skills and capital deepening) is an important drivers of jobs and structural change in LICs and LMICs.

Member Spotlight

❖ **Lisa Ortiz** holds a Ph.D. in economics from the University of California at Berkeley where her work



concentrated on international economics, economic growth, and open-economy macro. Currently, she is the Division Chief for Economic Analysis in the office of Economic Policy at the U.S. Agency for International Development (**USAID**). Dr. Ortiz first joined USAID in 1999 as a Diplomacy Fellow with the American Association for the Advancement of Science (AAAS) where she served as the Trade Economist in the Africa Bureau and, later, as the Bureau Economist before moving to the Department of

Treasury's International Affairs unit where she focused on international monetary policy and economic development. From 2008 to 2010, she was the Lead Economist for Compact Implementation at the Millennium Challenge Corporation (MCC), overseeing the economic analysis of over 20 MCC Compact countries. Dr. Ortiz has also taught economic theory and quantitative methods at both the undergraduate and graduate level, most recently at Georgetown University's Public Policy Institute (GPPI) where she taught a course on global financial imbalances. She has also served as a Special Advisor on Sudan's economic transition. Her most recent work focuses on development of a jobs diagnostic methodology for USAID and the development of fragile states analytical framework that focuses on defining and understanding the economic dimensions of state fragility.

❖ **Birgit Wagner** is currently working for **GIZ** as an Advisor for the Sector Project Employment Promotion. She is responsible for developing methods for measuring employment effects (direct effects, indirect effects, rigorous evaluation, estimation), refining indicators, monitoring and evaluation of employment effects; developing topics of the Sector Project Employment Promotion as well as managing expert reports and studies; advising the German Federal Ministry for Economic Cooperation and Development and disseminating the results through webinars, trainings, manuals, professional events, lectures.



Her earlier focus was on employment methods and strategies in both Hessen, and Rhineland-Palatinate, Germany. She has more than 20 years of experience as Research Associate at the Institute for Economy, Labour and Culture (IWAK) a Center for Applied Research at Goethe

University, Frankfurt, where she prepared the results of her research for the Ministries of Social Affairs in Hessen and Rhineland-Palatinate, and the Ministry of Economy in Hessen, as well as for its municipalities. Her main focus was on the following projects: "Scientific monitoring and consulting on the Hessian labour market policy" (Ministry of Social Affairs and Integration Hessen); Evaluation and reporting of the "IAB Establishment Panel" a nationwide representative company survey on behalf of the respective ministries in Hessen and Rhineland-Palatinate; Developing "Training and labour market strategies" for municipalities in workshops with local stakeholders; Monitoring, evaluation and reporting on "Regional Well-Being" (based on objective indicators on regional level); Evaluation and

reporting on "Chance 50 plus", a project to promote recruitment and employment of older people at regional level in cooperation with the Federal Employment Agency.

Upcoming Online Events

The 2020 Annual Meetings of the Boards of Governors of the World Bank Group and the International Monetary Fund will take place from Monday, October 12, through Sunday, October 18. At the heart of the Annual Meetings are the [Annual Meetings plenary speeches](#) on October 15, the joint World Bank Group/IMF Development Committee, and the IMF International Monetary and Financial Committee which discuss progress on the work of the institutions. Other featured events include regional briefings, press conferences, and fora focused on the global economy, international development, and the world's financial markets. The format of the meetings will be virtual and related events will take place the week of October 5 and the week of October 19. Learn more here:



<https://www.worldbank.org/en/meetings/splash/annual/schedule>

- **Making it Big: Why Developing Countries Need More Large Firms**
New Book Presentation, Friday, October 9, 2020 | 9:30 am - 10:30 am EDT

WEBEX INFORMATION:

[Click here to join using WebEx](#)

Meeting ID: 173 492 6382

Event Password: 2SitaX2akm8 (27482922 from phones)

Other events can be accessed at: <https://www.worldbank.org/en/events>

Contact Us

Should you have any interesting and relevant resources, suggestions or activities to share in the **next JDS CoP Monthly Digest**, please contact [Teuta Gashi](#) (CoP facilitator) and, [Dino Merotto](#) (CoP chair). Please feel free to share this digest and invite new practitioners in the field to join [JDS CoP](#).

About the JDS CoP

The Jobs Diagnostics and Solutions Community of Practice (JDS CoP) is a knowledge sharing and learning platform for officials, development practitioners, researchers and World Bank Group staff involved in developing cross-sector Jobs Strategies for countries, regions, and municipalities within countries.

For more information, visit the [JDS CoP Website](#)