For a Full and Decent Employment in Africa: The Role of a Job Guarantee

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Abstract

This article argues for a development strategy based on the mobilization of domestic resources, in particular, on full and decent employment, instead of the dominant approach that consists in making job creation a goal derived from the growth of the existing productive capacity. To this end, the author recommends the implementation of a job guarantee in African countries in the same vein as the literature inspired by Modern Money Theory (MMT) that defends its desirability and feasibility in peripheral countries. However, the article stresses the importance of adapting this public policy instrument to contexts where underemployment is a more prevalent reality than unemployment in the strict sense. The case of Senegal is used to highlight the relevance of this type of program, the contextual specificities that should be taken into account, and the way in which it could be implemented.

Keywords: Unemployment, Employment, Informal Sector, Modern Money Theory, Africa, Senegal.

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Introduction

Most of the countries that are generally considered "poor" are not objectively so, that is to say when their economic potential is taken into account. They often have abundant human and material resources that enable them to provide the conditions for a decent life for their populations. However, the way in which they were inserted into the capitalist system, particularly during the colonial phase, and the constraints imposed on them by the global economic and financial system have not enabled them to put their economic potential at the service of their populations, most of whom live in poverty. These so-called poor countries are in reality "underdeveloped". Their "underdevelopment" is manifested in particular by the waste of the most abundant economic resource at their disposal: their labor force. The majority of their workers are unemployed or in low-productivity jobs, while a minority of them are in productive jobs of an extractive nature that meet the needs of foreigners rather than those of the domestic economy. For these countries, the challenge of "economic development" is to reduce the underutilization of the workforce through the mass creation of productive jobs. This is the particular challenge facing the African continent.

Despite the intentions and sometimes laudable efforts of governments, the situation of workers, especially the youngest, remains worrying. Their responses to date have been far too timid in relation to the scale of the problem. Often, their strategies to promote employment depend on the questionable idea that, under current conditions, more economic growth = more decent jobs = less unemployment. But even if economic growth is occurring and is significant, it generally does not create a sufficiently large volume of decent jobs to have a lasting impact on the underutilization of the labor force. Moreover, public employment programs, when they exist, are often small in scale. (UNDP 2010; Dadzie 2013).

In place of the dominant approach that makes job creation a *derivative goal* of economic growth (of the existing productive capacity), this paper argues for a development strategy based on the mobilization of domestic resources, and in particular on full and decent employment - that is, the full mobilization of labor capacity in socially useful jobs that offer economic security. For such a strategy, there is an indispensable instrument that is not yet included in the palette of African governments' employment programs: a job guarantee (JG).

A JG program (or employer of last resort program) is an essential component of any domestic resource mobilization strategy (Kregel 2009). The idea is that the government would guarantee a job paying the minimum wage to any working-age person who wants to work at that rate. Those interested would be hired as they are (with the productive characteristics they have) and where they live. They would be entitled to job training opportunities and benefits. In principle, the jobs offered should not compete with the private sector. They would be targeted around activities that would enhance productive capacity and community services. The communities themselves, in each locality, in an inclusive framework, would determine the needs in terms of job creation. The government would intervene primarily to provide the necessary funding and technical supervision. Unlike other public employment schemes - such as temporary recruitment for public works and direct job creation programs - the JG creates a legally binding right for eligible individuals (Ayala 2022).

The JG is an important pillar of Modern Money Theory (MMT) (Tcherneva 2021). According to MMT, behind the idea of a JG is the recognition not only that unemployment causes significant economic losses, apart from its psychosocial and political consequences, but also that a capitalist economy (driven by private investment) cannot guarantee full employment unless the state intervenes to provide employment opportunities to those who become involuntarily unemployed. Moreover, MMT links the JG to the issue of monetary sovereignty. Starting with the idea that the currency is a public monopoly, MMT points out that the levying of taxes is a cause of unemployment, a phenomenon it interprets as a situation of unsatisfied demand for paid employment in the state's unit of account. The JG, according to MMT, is the instrument that makes it possible to materialize the constitutional promise of the "right to work/employment" and that transforms the minimum wage from a nominal legal norm to an effective national norm (for unemployed workers, the minimum wage is zero). It has the advantage of being "a minimum spending approach to full employment" (Mitchell 2017: 60). MMT thus goes further than heterodox economic approaches promoting an "employment-centered development" strategy that do not necessarily advocate for a JG program (Pollin et al. 2006; Heintz et al. 2008).

MMT's relevance in the context of peripheral countries is twofold. On the one hand, MMT shows that countries that issue fiat currency can afford everything that is sold in their own unit of account, which includes unemployed labor. They face an inflation/real resources constraint rather than a financial constraint. Actually, everything that is technically and materially possible at the national level can be financed in the national currency. In other words, African countries that issue fiat currencies have no intrinsic financial constraints for projects requiring locally available human and material resources (Sylla, forthcoming; Sylla 2023). On the other hand, MMT makes full employment and price stability two complementary rather than conflicting objectives. The JG, beyond allowing full employment, also acts as a stabilization tool. The JG pool is supposed to function as a buffer stock that fluctuates with economic activity. These jobs allow the provision of new goods and services. Since they are not supposed to compete with the private sector and their remuneration is fixed, they do not create inflationary pressure (Mosler 1997-1998; Mitchell 1998).

This article argues for a JG in African countries (Philip 2012). It echoes the MMT-inspired literature that argues for its desirability and feasibility in peripheral countries (Wray 2007; Kaboub 2007, 2012; Tcherneva 2012; 2020; Murray & Forstater 2013). However, it emphasizes the importance of adapting this public policy instrument to contexts where underemployment is a more pervasive reality than unemployment in the strict sense, owing to the prevalence of survival jobs. A proper JG program that pays a decent basic wage is likely to be larger in peripheral countries than in rich ones.

Indeed, for all of humanity, wage employment offering economic security has never been the norm under capitalism. It is rather the exception. According to the International Labour Organization (2021), 53% of the world's population has no access to a social safety net (83% in Africa). In other words, 4.1 billion people are in a situation of worrying economic insecurity. Outside of rich countries, especially their white male workers, the most common condition, especially among women, is that of self-employment in the informal sector (self-employed and family workers). In such cases, the very term labor market is not appropriate, given the impossibility of separating labor supply from labor demand[1]. Wage earners in peripheral countries often work in informal sector enterprises and in households. As a result, they rarely enjoy adequate social protection. In Africa, only 7.3 percent of the working-age population is legally covered by a comprehensive social protection system (ILO 2021: 56)[2]. In such a context, the unemployed are not necessarily the most vulnerable workers, as for many workers without social safety nets, “open unemployment” (zero hours worked during the reference period) is not an option. This explains why poverty in such a context is more correlated with underemployment than with unemployment (Sylla 2013). The fact that open unemployment is not the most prevalent form of labor force underutilization in the periphery must therefore be taken into account in the design and implementation of a JG program.

The remainder of this article is organized into five sections. Section 2 shows that economic growth in Africa is usually incapable of creating net decent jobs and that it is futile to expect it to achieve full and decent employment, even when it is high and driven by unprecedented industrialization dynamics, as has been the case in China. Hence the importance of a JG. Section 3 discusses the myths that need to be dispelled in order to achieve a full and decent employment strategy based on a JG program. Section 4 shows why the JG is likely to be of greater potential size in African countries, at least at the beginning of its implementation. Section 5 highlights the importance of a number of public policies that complement a JG program. Finally, section 6 uses the case of Senegal to illustrate the relevance of a JG program in African countries, the specificities and difficulties that are observed in this type of context, and the need to make certain adjustments with respect to the conception of a JG program in rich countries.

2. Economic Growth is not enough

How do we create decent jobs *en masse* in Africa? The answer to this question is clear to African governments (and international financial institutions, when they happen to be interested): increase the rate of economic growth. The idea is that a high rate of real GDP growth should translate into a sustained rate of job creation in the modern sector, which in turn will help reduce unemployment. This common view among African policymakers assumes a belief in the existence of Okun's law - which links the rate of economic growth to changes in unemployment - and the belief that it would not operate differently in the African context. Unfortunately, the empirical evidence is rather circumspect on Okun's law (Lee et al 2020).

The problem in Africa is that real GDP growth has sometimes been low, barely keeping up with population growth, especially during the period of structural adjustment policies (1980-2000). When economic growth has been high, as in the period 2000-2015, it has often been driven by a

[1] In this article, for lack of a better and more intuitive term, the expression “labor market” is used with this reservation in mind.

[2] To qualify this observation, we can say: fortunately, family and community solidarities continue to function according to logics that escape statistical measurement.

primary commodity boom and/or increased indebtedness in foreign currency. However, this type of economic growth often does not create decent jobs owing to its capital intensity. Moreover, it tends to be associated with some financial fragility: the accumulation of foreign currency debts often leads to subsequent phases of austerity and thus to a slowdown in economic activity. As a result, economic growth has been mostly *jobless* in Africa (Economic Commission for Africa & African Union 2010). In other words, most of the net job creation happened in the informal sector.

While economic growth can lead to an improvement in the average quality of informal sector jobs, increase the incomes of some segments of the workforce, and reduce poverty, it does not necessarily create decent jobs en *masse*. In the context of countries that are less industrialized and dependent on external demand for their primary products, the *nature* of growth may be more important than its *level*. To promote the creation of decent jobs, growth under primary specialization, a fact common to nearly 9 out of 10 countries in Sub-Saharan Africa (UNCTAD 2019), must give way to growth under transformed economies that increasingly rely on domestic demand.

In most African countries, the modern sector is unable to create jobs *en masse* despite its large share of market output (Fox et al 2013). The low employment elasticity of value added often reflects the small size of the manufacturing sector, which has traditionally been a mass job creator. African governments made many efforts between the 1960s and 1980s to stimulate the structural transformation of their economies. However, in the context of the international debt crisis, the imposition of deflationary policies and economic and financial liberalization policies by the International Monetary Fund (IMF) and the World Bank reversed industrial progress achieved until then. As an UNCTAD report (2005: 29) noted

> *In 1980, there had been seven countries in SSA with per-capita manufacturing comparable to, and often higher than, Thailand; by 2002, with the exception of Mauritius, all had been overtaken. Various cross-country studies have traced this trend to the sharp slowdown of output growth under adjustment programmes. Moreover, these studies also show that differences in productivity and export performance in the industrial sector explain much of the variance in growth performance within Africa over the post-debt crisis period […]*
>
> *Based on this record, it is clear that most adjustment programmes have done little to alter the region's pattern of structural change and integration into the global economy, and, in the case of manufacturing, have almost certainly been regressive […]These programmes were essentially designed on the assumption that import-oriented growth strategies could effectively be switched to market-driven, outward-oriented strategies simply by eliminating inflation, downsizing the public sector and opening up to foreign trade and capital. While reporting some degree of success on these measures, most programmes have failed singularly to re-establish a pro-investment, proemployment economic climate.*

Indeed, the neoliberal recipes that overtook the developmentalist policies of the 1960-1980 period articulate what Thandika Mkandawire (2010: 46) has called "socially and employment blind macroeconomics".

External trade liberalization, under the combined pressure of the World Trade Organization (WTO) and rich countries, has left the agricultural sector vulnerable in many African countries

(UNCTAD 2008). This is reflected in a high level of food dependency (Iloh et al 2020) as well as in the rural exodus dynamics that feed the urban informal sector. While financial liberalization has led to a boom in foreign direct investment (FDI) since the 1990s (Kvangraven et al 2021:7), it has not yet produced the structural transformation and job creation hoped for. FDI has been captured by the continent's large countries and has been located mainly in the extractive sector - mining and hydrocarbons - which usually functions as an enclave with little connection to the rest of the economy. Contrary to the generally optimistic expectations of African governments, the volume of jobs created by FDI is a drop in the bucket. Over the period 2007-2016, FDI projects on the African continent created between a minimum of 111 thousand and a maximum of 238 thousand jobs (Ernest Young 2017: 10). The privatization and internationalization agenda of African banking systems promoted by the World Bank has not favored the allocation of credit to the manufacturing and SME-SMI sectors (Stein 2010; Koddenbrock et al 2022). Policies to improve the "business climate", like the recommendations associated with the World Bank's *Doing Business* approach, leave the problem of job creation unresolved. They focus mainly on regulatory aspects, excluding the most important constraints that SMEs generally face - access to bank credit and to outlets for their products. Above all, they tend to favor reforms that weaken workers' rights and the bargaining power of unions (Bakvis 2009; 2017). Moreover, the focus of African central banks on fighting inflation, which is often the result of supply-side problems, has not created an environment conducive to job creation (Heinz and Pollin 2008; Anwar and Islam 2011).

A full and decent employment strategy in Africa should therefore break with policies inspired by the "Washington Consensus" and its recent avatar, the "Wall Street Consensus" (Gabor 2021).

That said, it must be emphasized that even well intentioned and successful industrial policies - which are still far from being implemented across the African continent - will not be enough to absorb all the labor force that wants to be employed in decent jobs. In this respect, the case of China is undoubtedly instructive for Africa.

In 2020, China's real GDP (per capita) was 63 times (36 times) its 1970 level. This extraordinary feat would not have been possible without an equally remarkable industrial performance. Between 1990 and 2020, its share of global manufacturing value added rose from 2.1% to 28.6%[3]. While this prodigious economic progress has led to the creation of decent jobs on a massive scale and a dramatic transformation of employment relationships, it has not been enough to end the underutilization of human resources. The share of China's labor force in unemployment or underemployment fell from over 59 percent in 1990 to 38 percent in 2011 (Majid 2015: 35; see also Xie et al, 2018). In 2013, the ILO estimated the proportion of informal employment at 54.4% (48.4% filled by the informal sector and 6.1% by the modern sector), accounting for 36.2% of total employment in urban areas versus 82% in rural areas (ILO 2018: 95).

By comparison, Africa accounts for a very small share of world manufacturing value added, around 1.3%. Moreover, it will face significant demographic growth by the end of this century; a

[3] GDP figures are taken from the World Bank's international development indicators online database. Figures on manufacturing value added come from the United Nations Industrial Development Organization's online database.

noteworthy difference with China, which has industrialized with a demographic pressure contained by a drastic birth control policy. According to the median scenario of the United Nations population division, the world population, currently at 8 billion, should reach 10.3 billion by 2100. This demographic growth will be mainly driven by sub-Saharan Africa, which will see its population increase by 2.2 billion. By the end of the century, the continent could be home to more than a third of humanity and more than a third of the world's potential labor force, i.e., those aged 15-64 (see Figures 1 and 2).

The lesson that China offers Africa is that high rates of economic growth driven by unprecedented industrial dynamism are not enough to ensure full and decent employment at the periphery. Even the most dazzling development model will still leave millions of workers out in the cold without a JG[4].

3. Ideological/Mythical arguments against the State as an employer of last resort

While a strategy for full and decent employment at the periphery requires the establishment of a jobs guarantee, it also requires breaking with three myths that together form an incapacitating trinity for policy action.

The first myth is that the role of the state is to foster the conditions for private sector job creation rather than to implement direct job creation programs itself. This view obscures the fact that the role of the private ("for profit") sector is primarily to make a profit, and secondarily to create jobs. Without the prospect of profits, private investment declines, as does the volume of private employment. Moreover, subsidies to firms to create or maintain jobs are not enough to curb unemployment, while efforts to reduce labor costs penalize the purchasing power of workers while having mixed results in terms of decent job creation (Heintz and Pollin 2008: 9-10). Only a JG can maintain a situation of full employment in *all circumstances*.

The second myth is that unemployment, especially among certain segments of the population, is due to a problem of "employability". It is true that training programs can improve the chances of finding a job for some people with limited qualifications or who have been unemployed for a long time. But if there are not enough jobs for everyone, employability policies amount at best to a redistribution of working hours within the labor force. They do not in themselves increase the volume of employment to the level of full employment.

The third myth is that government deficits should generally be avoided or minimized. This view often reflects a failure to recognize that government deficits are offset by surpluses in the non-government sector. It amounts to sacrificing the achievement of legitimate socio-economic objectives on the altar of arbitrary financial balances derived from the ideology of "sound finance".

[4] Alongside its low level of industrialization and demographic dynamism, the challenge of achieving full and decent employment in Africa may be further complicated by the specter of "technological unemployment," i.e., "unemployment due to our discovery of means of economising the use of labour outrunning the pace at which we can find new uses for labour." (Keynes 1963: 364)

A state committed to a policy of full and decent employment cannot decree in advance a public deficit ceiling. Rather, it must be guided by the principles of "functional finance": its spending and fiscal operations must be evaluated according to the purposes they serve and not according to arbitrarily defined financial criteria.

Adherence to the criteria of "sound finance" sometimes results from exchange rate regime choices. Governments that operate under fixed exchange rates will have difficulty ensuring full and decent employment unless they have a comfortable cushion of foreign exchange reserves. In their case, defending the fixed exchange rate reduces the ability to adjust to shocks and generally implies macro-financial conditions that can discourage economic activity (high real interest rates; exchange rate overvaluation) and constrain government spending (fiscal austerity). A floating exchange rate regime does not magically solve the problems of developing countries because it can exacerbate existing constraints (manifested in erratic exchange rate movements, higher imported inflation, higher domestic currency burdens on foreign currency debt, etc.). But in combination with effective capital controls, it could provide a more appropriate macroeconomic framework for the pursuit of full and decent employment in African countries. From the MMT perspective, it is economically inefficient and socially unjust to seek price and exchange rate stability through increased unemployment/underutilization of the labor force. As Wray (2007:3) wrote:

> *There are strong ethical arguments against using poverty and unemployment as the primary policy tools to achieve price and exchange rate stability—especially given that costs of poverty and unemployment are not shared equally across the population. And even if price and currency stability are highly desired, it is doubtful that a case can be made for their status as a human right on par with the right to work.*

It is important to note here that the implications of a JG program for the external balance of peripheral countries are not necessarily different from those of policies that would help raise their standard of living. Indeed, economic development in principle stimulates import growth. For some countries, which are not industrialized, which are net importers of energy and food products, and which have a large foreign currency debt, a recurrent deterioration in the current account balance may be a problem and give rise to periodic austerity measures. But this is not always necessary.

There is an unexplored development path that allows peripheral countries to strengthen their productive capacities while minimizing possible negative impacts on the balance of payments and the external value of their currency. This is the development strategy based on "locally resourced projects" - that is, projects that essentially require real resources (land, labor, raw materials, equipment, technologies, and organizational capacities) that are available or can be developed locally. Indeed, MMT makes it possible to understand that everything that is possible locally from a technical and material point of view could be financed in domestic currency without the need to issue a foreign currency debt. For foreign currency debt is not justified for projects for which peripheral countries have (or can create) the required real resources (Sylla 2023).

This development strategy based on "locally resourced projects" differs from the "import substitution" strategy. Substitution of imported products with local (final) products can rely on foreign technology and capital. It can be inflationary (monopoly pricing for imported inputs and the final goods sold on the domestic market) and can further widen the current account balance (technology imports, royalty payments, profit repatriation, etc.) (Sylla, forthcoming). An "import substitution strategy" does not necessarily correspond to the broader "domestic resource mobilization" strategy.

The good news is that even African countries classified as least developed countries (LDCs) have significant potential for "locally resourced projects". These countries need to build schools, health infrastructure, roads, etc., to increase and diversify their food production, etc. With good ecological and economic planning (which includes judicious allocation of their foreign exchange reserves), they can choose appropriate technologies - which optimize the use of their local resources - so as to stimulate economic development with a moderate footprint regarding foreign real and financial resources. They could even further support local innovation for the development of "liberating techniques", i.e., technologies, instruments, and methods that allow them to better mobilize their domestic resources and reduce their dependence on foreign resources (Sylla 2022).

The other good news is that this space for development around "locally resourced projects" is the preferred terrain for a JG program. The latter could be designed from the perspective of making available goods and services that are not very intensive in foreign real resources and that stimulate domestic technical innovation and creativity[5].

The point here is not to deny that peripheral countries face an "external constraint", but rather to specify its nature: a constraint of real external resources that is expressed in financial form, insofar as they must be purchased in foreign units of account. It is therefore possible to design policies, such as a JG program, that mitigate or do not increase the need for foreign real resources. It must also be recognized that adherence to neoliberal dogmas prevents most African countries from using the policy space available to them to transform their economies and reduce the underutilization of their labor force (Assa 2022).

4. The Job Guarantee Potential Pool is higher at the Periphery

In rich countries, the JG is supposed to act as a counter-cyclical tool. The pool of workers on JGs increases in periods of economic downturn or recession and contracts in periods of growth. In both cases, the relevant workforce must constitute a limited share of the labor force. It is also assumed that there is significant mobility between the guaranteed job pool and the private sector.

In the peripheral countries, the implementation of the JG must be considered differently. This is because the nature of excess labor supply is not the same as in rich countries. On this point, Neil (2017) has suggested an interesting formulation. He refers to the type of unemployment in "capital-rich" countries as "Keynesian". To deal with this type of unemployment due to an aggregate demand deficit, the JG can play the expected role to the fullest. In contrast, in "capital-poor" countries, unemployment is of the "Marxian" type. The challenge here is not only to absorb open unemployment but also to absorb the industrial reserve army. In this scenario, the size of the JG

[5] Sylla (2022) gives the example of Burkinabe architect Francis Kéré, a pioneer in sustainable construction, who built modern and comfortable schools and health posts in his home village primarily from local materials.

potential pool is likely to be large at all times, and the existing modern private sector, because of its small size, will hardly be able to deflate it, even when it is operating at full capacity.

Two points can be made here. First, this line of reasoning is correct if the objective of the JG is to establish a standard based on the minimum wage[6] rather than the "market wage" - which does not exist because average labor compensation varies across segments of the informal sector and by gender, and does not always take the form of wage income. Second, instead of "Marxian unemployment", a concept that is probably more appropriate to the industrial phase of development in European countries, we should perhaps speak of "peripheral unemployment". "Capital-poor" countries often export their economic surplus to "capital-rich" countries through unequal ecological exchange (Hickel et al 2022). Moreover, workers in peripheral countries have little or no social safety nets. Unlike the "surplus" European laborers in the nineteenth century, they do not have the option to migrate *en masse* to countries with abundant resources where they can expect higher incomes (Patnaik & Patnaik 2016: chap.4; Amin 2017).

In the case of most African countries, it is reasonable to assume that the JG as a stabilization tool would attract a higher share of the labor force. This is because the size of the modern private sector in terms of employment is much smaller and the growth of the labor force is much higher. The weakness of the modern private sector - the main provider of decent jobs - and demographic dynamism are the main reasons for the very high rate of "vulnerable employment" in Africa, an ILO category that refers to self-employed workers - own-account workers and unpaid family workers. The following triptych mostly characterizes these jobs: inadequate income, low productivity, and difficult working conditions (ILO 2010: 18).

According to ILO estimates, more than three-quarters of workers in Sub-Saharan Africa are self-employed. Often exposed to extreme poverty, their numbers are out of all proportion to the number of unemployed (see Table 1). This finding underscores the fact that unemployment is not the main form in which excess labor supply manifests itself in the peripheral countries. As a result, the unemployment rate is not an appropriate indicator of either excess labor supply or the lack of decent jobs in this context (Sylla 2013).

In Africa, it is likely that the potential JG pool will include not only the unemployed in an ILO sense (zero hours worked despite job search efforts), but also some discouraged unemployed (people who want to find a job but are classified as inactive), some disguised unemployed (workers who hold jobs for lack of anything better or who are not significantly different from the unemployed), and some unpaid workers.

It should be remembered that early theorizations of the informal sector in the mid-1970s conceived of it as a "staging area" designed to temporarily accommodate people (especially from rural areas) who wanted to work in the modern sector, and as a provider of jobs of last resort for workers who could not afford the "luxury" of unemployment (Fields 1990). Subsequently, with the rapid growth of the informal sector in the global South, the "sponge" metaphor has often been used to describe

[6] See ILO (2012: guidance note 5) on the advantages and disadvantages of two modes of determining wages in public jobs: applying below-market wages (to target the poorest who will self-select) or applying a base rate that becomes the norm.

its function of absorbing the growing mass of workers that a sluggish modern sector cannot employ.

All this suggests that the expected mobility between guaranteed and private sector jobs will certainly be less than in rich countries. It is likely that for a significant proportion of workers the JG program will be the best opportunity they can hope to obtain for some foreseeable time (Dadzie 2013).

The JG is not intended to be a substitute for the informal sector. However, to the extent that it involves the setting of a minimum standard for pay and working conditions, it can help raise the average quality of jobs and eradicate the most vulnerable forms of employment. Although the potential pool of a JG may be relatively large at the outset, it may decrease over time depending on the degree of structural transformation of African economies and progress in social policy.

5. Why complementary policies are important

A JG program is not a substitute for development policies. Its long-term success will depend on the implementation of a number of complementary policies in different areas. Let us mention a few by way of example.

In the educational sphere, universal access to quality education for minors is a desirable policy. It is the institutional condition that makes compulsory schooling possible until a certain legal age. It helps to create more knowledgeable citizens and to raise the average "human capital" of the potential labor force. At the same time, it helps combat child begging, labor, and exploitation, and generally reduces early participation in the labor market. In contexts of high poverty, the fight against school dropouts requires, among other things, the construction of appropriate community infrastructure and the provision of free meals.

Although the JG can be considered as a social safety net, as it guarantees a basic activity income, it is desirable to strengthen the social coverage of workers, particularly with regard to illness, disability and old age. In most African countries, meaningful social protection is a privilege reserved for those with good jobs in the modern sector. A social protection system built around labor market status necessarily leaves out the overwhelming majority of the population. A universal social protection system is a necessary pillar of decent work. It has the virtue of strengthening the economic security of workers regardless of the segment of the labor market in which they operate.

In the agricultural sector, it is important to have policies that allow for a sustainable increase in productivity levels and to curb the proletarianization of the peasant masses. The latter generally involves the dispossession of their land, the degradation of their working conditions and the exodus to the cities. The granting of stable and remunerative prices for agricultural products and a better redistribution of land could, for example, be envisaged. Progress in food sovereignty will also be an important complement to a JG program. Indeed, a strategy of full and decent employment will likely increase food expenditures. If food is mostly (or increasingly) produced domestically, the potentially adverse effects on the balance of payments (the import bill), the exchange rate, and inflation will be reduced.

It is also important to emphasize that the JG does not absolve African governments from the need to increase the recruitment of competent civil servants and agents who ensure the delivery and continuity of public services across their countries. During the period of structural adjustment programmes, the ideology of the international financial institutions was "less government, better government". The delusional project of a "state without civil servants" (Copans 2001) has as its concrete expression the decrease in the number of civil servants per capita. A trend that reinforces socio-spatial inequalities, since state employees often prefer to reside in the regions most attractive economically and in terms of infrastructure[7].

In sum, as a complement to a JG program and to policies designed to stimulating the structural transformation of economies, it is crucial to implement policies aimed at (i) discouraging forms of participation in the labor market that may be considered undesirable, (ii) strengthening the rights of workers and small rural producers, (iii) offsetting possible undesirable economic effects of a strategy of full and decent employment, and (iv) strengthening the administrative capacities of the public sector.

6. An illustration with Senegal

The case of Senegal will be used to illustrate some of the above developments. Subsection 6.1 provides a brief description of Senegal's exchange rate regime and the consequences of structural adjustment plans on the situation of workers. Subsection 6.2 highlights the limitations of statistical information on key labor market indicators, the joblessness of economic growth over the past two decades, and the limitations of job creation strategies for youth. Section 6.3 draws on the responses of three trade unions to a questionnaire on the desirability of a JG program to suggest a gradual rollout using a regional approach that initially focuses on the most vulnerable regions.

Exchange rate regime, structural adjustment and deteriorating living conditions of workers

Senegal is a country of 18 million people in West Africa that gained independence from France in 1960. After forty years of Socialist Party rule (1960-2000), under Léopold Sédar Senghor (1960-1981) and Abdou Diouf (1981-2000), the country experienced a first political changeover with Abdoulaye Wade (2000-2012) and then a second with Macky Sall, the current president.

Senegal faces particular macroeconomic constraints due to its lack of monetary sovereignty. It uses the African Financial Community franc (CFA franc)[8], a currency inherited from colonization,

[7] In Senegal, for example, it is not uncommon to find entire regions where certain medical specialties are non-existent. As a result, patients must travel to Dakar, the country's capital. The daily *Enquête*, in its January 23, 2023 edition (page 6) reported on the department of Ranérou, one of the poorest in Senegal, where 11 of the 17 health posts have no midwives.

[8] There is another CFA franc - Franc of the French Cooperation in Central Africa - which groups six Central African countries and operates in the same way as its West African counterpart.

which still operates according to colonial principles, and is under the tutelage of the French Treasury and the political and monetary authorities of the euro zone (Pigeaud and Sylla 2021). The CFA franc was pegged to the French franc from its birth in 1945 until 1999, when the euro became its new nominal anchor. The CFA franc is issued by the Central Bank of West African States (BCEAO) on behalf of the eight states that form the West African Monetary Union (WAMU). As a member of this monetary union, Senegal does not have monetary sovereignty in an MMT sense. While the BCEAO aligns its monetary policy with that of the European Central Bank, WAMU governments have been subject to the "Maastricht criteria" since the mid-1990s, with ceilings on public deficits and public debt set at 3% and 70% of GDP respectively, which they do not always respect.

Like most countries that use the CFA franc, Senegal's economy has stagnated over the long term (Pigeaud and Sylla 2021; Zafar 2021). It was only in 2015 that the country recovered its best level of real GDP per capita achieved in 1961 (see Figure 3). This economic decline, which dates back to the late 1960s, was exacerbated by the implementation of structural adjustment policies between 1980 and 2000, after which Senegal joined the group of least developed countries (LDCs).

The lack of exchange rate adjustment in the early 1980s reinforced the economic crisis and made workers the main adjustment variable. Difficulties in the manufacturing sector led to "massive job losses" equivalent to 14 percent of wage employment between 1981 and 1989 (Diouf 1992: 74). With a significant growth of the labor force, the result was an accelerated informalization of employment relationships, fueled in particular by a massive rural exodus against the backdrop of a crisis in the agricultural sector.

The devaluation of the CFA franc against the franc finally occurred in 1994, the first time since 1948. It was brutal. With a uniform devaluation rate of 50 percent for all WAMU countries, Senegal saw its inflation rate jump dramatically, from less than 1 percent in 1993 to more than 30 percent in 1994 (see Figure 4). Since most of the products consumed by urban households are imported, a devaluation of this magnitude practically doubles their price overnight in the absence of government subsidies.

The 1994 devaluation took place against a background of global recovery. It ushered in a period of higher economic growth than previously experienced by Senegal and the WAMU countries. It also accelerated the continuing decline in the purchasing power of urban and rural workers. Since 1980, Senegal has implemented a guaranteed minimum interprofessional wage (SMIG) and, in the case of agricultural workers, a guaranteed minimum agricultural wage (SMAG).

In 1980, the annual full-time SMIG and SMAG were respectively 70% and 40% higher than nominal GDP per capita. These ratios began to decline from 1993 onward, so that by 2020, the annual full-time SMIG and SMAG were only 80% and 50% respectively of nominal GDP per capita (see Figure 5). This trend has gone hand in hand with an erosion of the purchasing power of the lowest paid workers, which has not yet been compensated for by the revaluations observed in the meantime. The purchasing power of the SMIG and SMAG has suffered from the devaluation of the CFA franc and, above all, from the fact that they did not benefit from a nominal increase between 1996 and 2018. Over the entire 1980-2020 period, the SMIG lost 45 percent of its purchasing power, compared with 96 percent for the SMAG (see Figure 6). This evolution of minimum wages reflects the deterioration in the living conditions of the most vulnerable Senegalese workers.

With a rigid and usually overvalued exchange rate, import-dependent consumption patterns, and low purchasing power for the vast majority of the employed population, it is easy to understand Senegal's difficulties in achieving an economic growth driven by domestic consumption of local products that is creating decent jobs *en masse*.

The employment puzzle: statistical aspects and limitations of public policies

Although successive Senegalese governments have always claimed to have made job creation a major goal, the fact is that they have been slow to equip themselves with appropriate monitoring instruments. Between 1991 and 2015, no national employment survey was conducted. The only information available came from the "employment" modules of household surveys (ANSD 2011: 120). Since 2015, with the support of the World Bank, the Agence Nationale de la Statistique et de la Démographie (ANSD) has been producing nationwide employment surveys, which it is trying to roll out on a quarterly basis. For modern private sector firms, ANSD regularly publishes data on their financial statements (ANSD 2022a) and estimates of employment, hours worked, and wages (ANSD 2021a). The ANSD's definition of the modern private sector covers firms in industry, construction, trade, and services that are listed in the General Census of Enterprises (RGE) and the Single Information Collection Center (CUCI).

Despite these statistical collection efforts, it is often difficult to get an accurate picture of trends in the Senegalese labor market. Data on inactivity, labor force participation, and unemployment are generally quite crumbly because these universal categories are not as watertight in the developing country context. The seasonality of agricultural activities, the prevalence of informal employment relationships (especially within the family), the statistical invisibility of women's economic activity, etc. are all potential sources of bias. In addition, the absence of long-term surveys using comparable methodologies does not facilitate the study of changes in the sectoral composition of employment, labor compensation, the degree of informality of jobs, etc. It is important to keep these limitations in mind in order to prevent statistical fetishism and to remain open to qualitative approaches and case studies-approaches that often better document the experiences of the most vulnerable groups (Bauman 2016). See Table 2 for a summary of key labor market indicators.

Surveys on poverty and household living conditions show that employment, especially youth employment, is the number one priority of Senegalese households (ANSD 2013: 42). Indeed, 83% of them cite "lack of jobs" as one of the causes of poverty (ANSD 2021a: 144).

Like most African countries, Senegal is not immune to the phenomenon of jobless growth. In 2021, the modern private sector accounted for 37.8% of GDP, compared to 44.1% for the informal sector, 12.9% for the non-market sector (public administrations and non-profit institutions) and 5.2% for imputed household rents (ANSD 2022b:8). Its share of total employment[9] is around 13 percent, while its annual contribution to net job creation is rather marginal.

Over the period 2001-2009, one of the most dynamic periods in terms of real GDP growth, the modern sector (private and public) created an annual average of only 1,261 net jobs. The annual average is 4,500 if we exclude 2003, a year of high economic growth but also of massive job destruction (see Table 3). In other words, the informal sector was responsible for more than 99% of net job creation during this period.

Subsequently, over the 2012-2019 period, an improvement in the terms of trade and increased public spending on infrastructure (financed mostly by foreign currency loans) enabled Senegal to achieve an annual real GDP growth rate of 6 percent, a record high in its post-independence history. However, job creation has not kept pace. Employment in the modern sector even appears to have declined slightly during this period (Cepod 2012; ANSD 2019). With its new status as a petro-gas country, Senegal could record economic growth rates of 8.3% in 2023 and 10.9% in 2024, according to IMF (2022) projections. Given the capital-intensive nature of the hydrocarbon sector, this recent development is unlikely to change the employment picture.

Yet Senegal needs to create decent jobs *en masse*. This will be the best way to achieve shared prosperity and poverty eradication. It will also be the best way to defuse the social time bomb that is the growing marginalization of its youth. The 15-34 age group constitutes the bulk of new entrants to the labor market and about two-thirds of the unemployed population (ANSD 2020: 135). Most of them aspire to the well-paid jobs in the modern sector that are generally not available to them, being in short supply and often requiring above-average qualifications and work experience.

Faced with the headache of youth unemployment, successive Senegalese governments, lacking inspiration, have often relied on public funding of youth-led projects. However, the limits of this strategy are well known. In addition to bureaucratic constraints and clientelist practices, the enterprises created through these projects have a high mortality rate due to, among other things, a high sectoral concentration (i.e. high competition), the narrowness of domestic markets, poor protection and support from the State in terms of tax incentives, access to public procurement, protection against foreign competition, etc. In addition, funding beneficiaries sometimes lack the skills required for the success of their business. A memorable example is the "*Operation maîtrisards*" in the early 1980s. The government of the time provided funding to young graduates to start up businesses outside their field of expertise, such as trade, bakery, transport, etc. The experiment was not successful (Diouf 1992: 75; Bauman 2016: 231-237).

In response to the violent protests of March 2021, which were largely carried out by young people under the age of 25 (Sylla 2021; Amnesty International 2022), the government launched the "Programme d'urgence pour l'insertion socio-économique et l'emploi des jeunes *Xëyu Ndaw Ñi"*. This nationwide program covers the period 2021-2023 and has a total budget of 450 billion CFA

[9] In the fourth quarter of 2022, the number of employees in the modern private sector was more than 340 thousand compared to more than 160 thousand in the public sector. The total volume of employment is about 4 million (see Table 2).

francs ($744 million), equivalent to an annual average of just under 1% of Senegal's nominal GDP in 2021. It restructures various existing mechanisms around (i) training and the promotion of youth employment and (ii) support for project leaders and informal sector actors. It has five components. Two components concern support and vocational training measures for informal sector actors and young people - various reforms, training and recruitment of young people to create organizations involved in the non-profit sector. Two components aim to facilitate job creation and consolidation of existing jobs - agreements with employers to facilitate youth access to internships and employment; promotion of labor-intensive development projects. A final component - called “special recruitment” - provides for the direct creation of 35,400 public jobs in the health, reforestation, cleaning, and volunteer sectors (Ministère de l’Economie 2021).

This program is a step in the right direction. The efforts to coordinate and rationalize the various structures in charge of employment issues are commendable, as is the establishment of “employment poles” throughout the 46 departments of Senegal[10]. Nevertheless, the program lacks ambition. It is not permanent and seems to be linked to President Sall's current term of office, which ends in 2024. Moreover, the total volume of direct jobs expected over three years (65,000) is too low to have a significant impact on youth unemployment and underemployment. Each year, the number of entrants into the Senegalese labor market increases by at least 150,000, two-thirds of whom are between the ages of 15-34. There is a need for more ambition in the direct creation of public jobs and for greater involvement of grassroots communities in defining priorities in this area.

For a gradual implementation of the job guarantee

A JG program in Senegal would certainly have many supporters. As a public policy aimed at combating unemployment and underemployment, strengthening workers' rights and promoting price stability, it has the support of Senegalese trade unions with whom the author had the opportunity to exchange views (see box).

However, as the unions pointed out, a universal JG, which applies to all potential job seekers, would likely have a very large perimeter. Indeed, given the magnitude of the decent jobs deficit, many workers in vulnerable or low-productivity jobs might be tempted by the JG. In such a case, we would no longer be dealing with jobs of “last resort” but rather with “preferential” jobs. This cannot be avoided in a context of “peripheral unemployment”. And it is probably desirable that guaranteed jobs gradually establish a standard for workers without social protection coverage and for whom unemployment is not an option.

Far from invalidating the relevance of a JG, the existence of a “peripheral unemployment” rather underlines the need for the complementary policies mentioned above and the fact that states at the periphery have an important responsibility in developing a viable private sector. They cannot be content to be “passive” or “hands-off” until the private sector has reached a critical threshold

[10] Administratively, Senegal is divided into 14 regions, 46 departments and over five hundred urban and rural communes.

and/or when the profitability standards of the private sector become antisocial. Otherwise, certain "irrationalities" are likely to persist for a long time. For example: on the one hand, children out of the educational system because of their parents' lack of economic means, and on the other hand, unemployed teachers. Or: on the one hand, patients deprived of basic health care because of their poverty; on the other hand, unemployed health workers.

It is possible to design a JG program in such a way that it is not "saturated" at the outset. One can imagine a gradual rollout in three phases: a first pilot phase; a second phase of gradual expansion of the program; a third phase in which the program becomes universal. The first two phases will give a concrete idea of the potential scope of the JG, as the official unemployment statistics, because of their notorious limitations, cannot be a good guide in this direction.

As long as the JG is not universal in coverage, problems of distribution will arise. Different criteria could be used. For example, guaranteed jobs could be distributed according to the demographic weight of regions or departments. Another approach would be to give priority to certain social categories or certain regions. It is also possible to adopt an approach that combines these two logics. The final choices will undoubtedly depend on the consensus among the stakeholders - grassroots communities, unions, civil society organizations, government, etc. - as to the best way to achieve the desired results.

In my opinion, the most interesting option is to gradually roll out the JG with a view to correcting the significant regional disparities in development that exist in Senegal. In other words, the choice could be made at the very beginning to put in place JG schemes targeting regions that suffer greatly from poverty and the under-utilization of their human resources. The approach would be to guarantee a job paying the minimum wage to all those who are eligible in the regions concerned. The objective would be to "liberate" the territories from underemployment and unemployment. The JG program could be implemented as part of a public policy "package" that would aim to strengthen the social protection coverage of the inhabitants, increase the supply of public services, further integrate local economies and provide them with basic infrastructure. In one fell swoop, several moves could be made. Then, following the same logic, new regions would be included in the national JG program.

This approach would significantly reduce the economic marginalization of particularly vulnerable regions and their inhabitants and thus strengthen community cohesion. The experience of Sahelian countries shows that the most marginalized regions are a breeding ground for terrorist movements and criminal networks (Oumarou 2019). In the case of rural areas, a JG scheme could deter the exodus of their workers to the cities. On the other hand, if wealthier regions, often the largest in terms of population, such as Dakar, provide the majority of guaranteed jobs, it is possible, in the absence of residency requirements, that this could encourage rural-urban migration and thus the growth of urban informal jobs. Another reason for starting with the least privileged regions is that the base wage offered by the JG program is likely to be less attractive in the wealthiest regions, which tend to contain the bulk of unemployed graduates and the "cream" of informal sector workers.

A significant advantage of this regional approach is that it helps reverse the colonial economic pattern of draining human and material resources to the coastal areas for the needs of metropolitan accumulation. One of the consequences of the trading economy (*économie de traite*) has been to impoverish the interior regions to the benefit of the coastal regions, which are the main transit points with the rest of the world. The tax system has been a key instrument for draining resources. “The levying of taxes in money has had the function of driving the peasants towards the coast” (Amin 1974: 95; Fall 2011). Today, Dakar, the former headquarters of the French colonial empire in West Africa, suffers from its “macrocephaly”. Dakar represents less than 0.3% of Senegal's surface area but is home to more than a fifth of its population and centralizes most of the economic activities that contribute to the formation of GDP. As a result, it is the region with the largest share of the labor force, both unemployed and employed (ANSD 2022d). A JG program could certainly help “decolonize” the Senegalese economy through “relocation” to the interior regions and the promotion of their economic development. Deployed from a functional finance perspective, it could contribute to address the historical legacies resulting from the application of colonial “sound finance” (Sylla, forthcoming).

Last but not least, this gradual and regional approach facilitates the financing of a JG program. Since the most vulnerable regions represent a small share of the potential national JG pool, this implies that the “cost”[11] of a national JG program will increase over time. The pilot phase, a learning and trial-and-error phase, should not require significant financing. For the second phase, that of gradual expansion, the following principle could be adopted: 1% of nominal GDP devoted to the implementation of the JG program. Why 1% of GDP? Because this is the net figure that emerges from some studies that have estimated the cost of public employment programs (see for example Wray 2007).

A quick simulation based on IMF projections of Senegal's GDP, government revenues and expenditures would yield the following over the period 2020-2027 (see table):

- 1% of GDP would represent between 5 and 4% of government revenue (including grants) and around 4% of government expenditure.

- Based on current minimum wages, and assuming that the jobs created would be divided equally between rural and urban areas, the number of full-time equivalent jobs that could be created over this period would increase from 248,000 to 465,000.

- Based on minimum wages adjusted for the loss of purchasing power since 1980, and assuming that the jobs created would be divided equally between rural and urban areas, the number of full-time equivalent jobs that could be created would increase over this period from 157,000 to 293,000.

Given that the average time spent by Senegalese on “productive” activities, as defined by the System of National Accounts (SNA), is 4 hours (ANSD 2022e), a JG program will have a significant impact on nominal GDP. It will increase the number of hours worked in the economy

[11] Policies such as a JG should be viewed more as an investment/a benefit to society than a "burden”.

in a non-negligible way. In this way, taking into account possible multiplier effects, the program can be said to "pay for itself".

Even for countries with limited monetary sovereignty, finding financial means is not complicated when there is the "political will", especially in the face of recurring reports of superfluous public spending, waste of public resources and corruption. A policy of rational management and allocation of public resources is therefore necessary and possible. However, it can only be fully effective within an institutional framework of monetary sovereignty that allows for an optimal coordination between the central bank and the government. In the case of Senegal, this implies a reform of the exchange rate regime and, certainly, the adoption of an independent national currency.

From this perspective, one can think of the following financing scheme for a JG program. In phase II: 1% of GDP covered through taxes and grants. In phase III: 1% of GDP covered by taxes and donations; a variable part financed through deficit spending.

As the unions suggested, it will be important to promote broad-based consultations in Senegal on a JG program. This will be a good opportunity to study how to institutionalize this public policy instrument once and for all, with a view to protecting it from electoral contingencies, political rivalries or attempts at regional or ethnic manipulations.

Conclusion

In the realm of (economic) policy, it is always premature and risky to say that there is no alternative to this or that. However, it is safe to say that African governments concerned with promoting full and decent employment have no alternative to a JG program. Indeed, the jobs that economic growth generates, regardless of their quality, are not enough now and, even under the best of assumptions, will not be enough in the decades to come. This is a fact that African governments, their economists, and their development partners need to be transparent about to the general public. Therefore, it may be time for a JG to be part of the policy mix, especially in the context of the need to move towards an ecological transition and to reduce class, gender, racial and spatial inequalities.

At its core, the JG is an instrument to serve the goals of full employment and price stability. However, its benefits are not only macroeconomic, but also extend to other areas. First, providing decent employment opportunities to unemployed or underemployed workers is probably one of the most effective ways to eradicate income poverty and to address some of the consequences that it typically induces at the psychosocial (deterioration of physical and mental health, loss of self-esteem, depression, suicide, etc.), social (crime, prostitution, begging, isolation and loss of community ties, etc.) and political (vulnerability to various forms of fanaticism) levels.

Second, the transition from chronic underemployment of the labor force to a situation of full and decent employment leads to an increase in the activity income of the most vulnerable workers, who generally devote most of their expenses to local goods and services. This creates new opportunities for domestic enterprises. Even if this is not its main objective, a JG program can thus mitigate at the margin the demand constraint, one of the major obstacles to the development of integrated job-providing SMEs in the periphery.

Third, a JG program cannot fail to generate "institutional multipliers". That is, its implementation goes hand in hand with institutional and regulatory innovations in related areas. A few examples help to illustrate this point. The administrative and financial monitoring of the JG pool will require comprehensive, reliable and up-to-date civil status files. This is a challenge in many African countries (Economic Commission for Africa 2017). Similarly, payment of wage income to guaranteed job holders can facilitate financial inclusion of populations, another common challenge in many African countries (Asuming et al 2019). Furthermore, observing the evolution of the workforce mobilized by a guaranteed job provides a good measure of the temperature of the economy and its cyclical changes. This type of information makes it possible to set up tailor-made policies.

Finally, the JG can be considered a "constitutional project". Most constitutions affirm the right of every citizen to a job that allows him or her to live in dignity. This is the case of the Senegalese constitution, which lists "the right to work" as one of the "freedoms and rights" (Article 8) and specifies that "everyone has the right to work and the right to claim a job" (Article 25). However, this right remains essentially theoretical in the absence of a JG, which logically should be its institutional foundation. The fact of raising the issue of how to implement the right to decent work recognized to each citizen as such opens a horizon of struggles and democratic debates on the institutional modalities of its implementation and certainly also on related aspects such as the content of the notion of citizenship, the definition of political priorities, etc.

Between on the one hand proclaiming the desirability of a public policy and on the other hand adopting and implementing it successfully, there is a significant distance to travel. The aim of this paper has been to convince that African countries need this instrument as much as others and at the same time should try to adapt it taking into account the specificities of their context.

Box: The job guarantee as seen by the Senegalese trade unions

In order to initiate the conversation around a JG in Senegal, the author developed a short questionnaire for three nationally representative unions: the Confédération Nationale des Travailleurs du Sénégal (CNTS), the Confédération des Syndicats Autonomes du Sénégal (CSA) and the Confédération Nationale des Travailleurs du Sénégal/Forces du Changement (CNTS/FC).

Created in 1969, CNTS brings together 111 national and professional trade unions present in the different branches of activity and in all sectors - public and parapublic, private and informal. CNTS/FC was born in 2022 from a split with the CNTS. It has about 50 thousand members and 50 affiliated organizations. CSA was created in 1997. It has 61 affiliated organizations and more than 45 thousand members.

The questionnaire addresses a number of issues, including the relevance of a JG program, the role that unions could play in implementing such a program, the pitfalls that could be identified, the workforce that could be involved, etc.

In general, the unions interviewed are in favor of a JG program. They believe that it is "an innovative initiative, a desirable program and a need for African countries". Actually, it would "effectively fight unemployment and considerably reduce underemployment and job insecurity" by contributing to the creation of "decent jobs and the broadening of the trade unions' base". A possible implementation of a JG program would require a number of legal and regulatory changes that unions have identified. These include changes to the labor code, the social security code, the national interprofessional collective agreement and the code of civil and commercial obligations.

A JG program is bound to encounter operational difficulties. This is a common feature of public policies. In their responses, the unions emphasized two aspects. On the one hand, the success of such a project requires a strong commitment from the government as well as significant coordination efforts between the different ministries and structures involved. On the other hand, reluctance or rejection by Senegalese employers and development partners (including international financial institutions) cannot be ruled out.

In light of these foreseeable pitfalls, the unions interviewed say they are ready to get involved individually and to work together for the successful design and implementation of a JG program. They are willing to conduct awareness and advocacy campaigns with management and workers to explain the ins and outs of the program and to get them on board. In case of implementation of a JG program, they would ensure "respect for the four pillars of decent work: job creation; respect for workers' rights; social protection; and social dialogue".

To the question "what proportion of the working population is likely to be covered by a JG program?", the trade union responses suggest a very wide range of 35-60%. This indeterminacy is probably normal in the absence of systematic surveys and pilot experiments. However, the orders of magnitude suggested are challenging. They point to the importance of complementary policies that will allow the JG to effectively play the role of employer of last resort.

Finally, with respect to the financing of a JG program, one union believes that it should be financed primarily by public funds. Another suggests a mix of social contributions, public funds (e.g., mobilizing part of the revenues from oil and gas), and contributions from development partners.

Source: Trade unions responses to the author's questionnaire.

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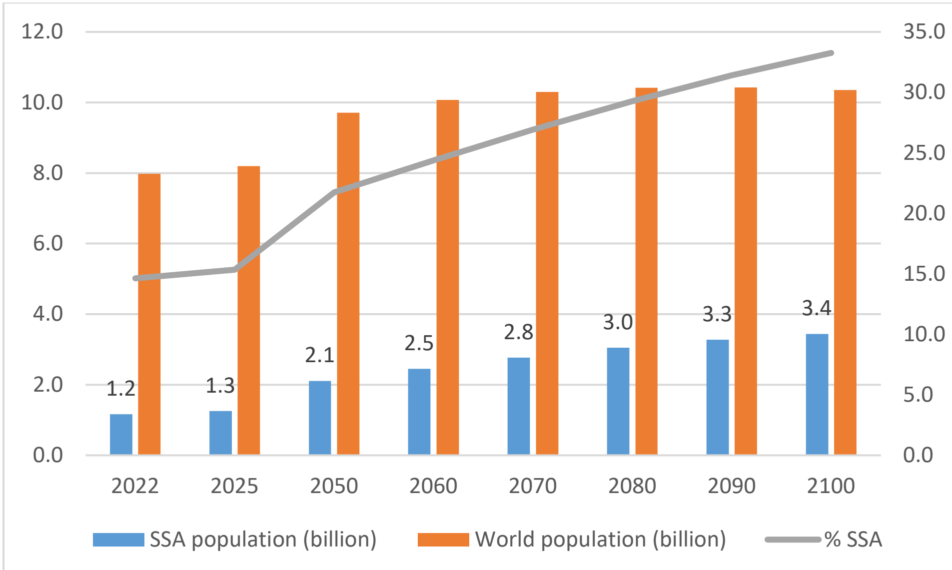
Annex: Illustrations

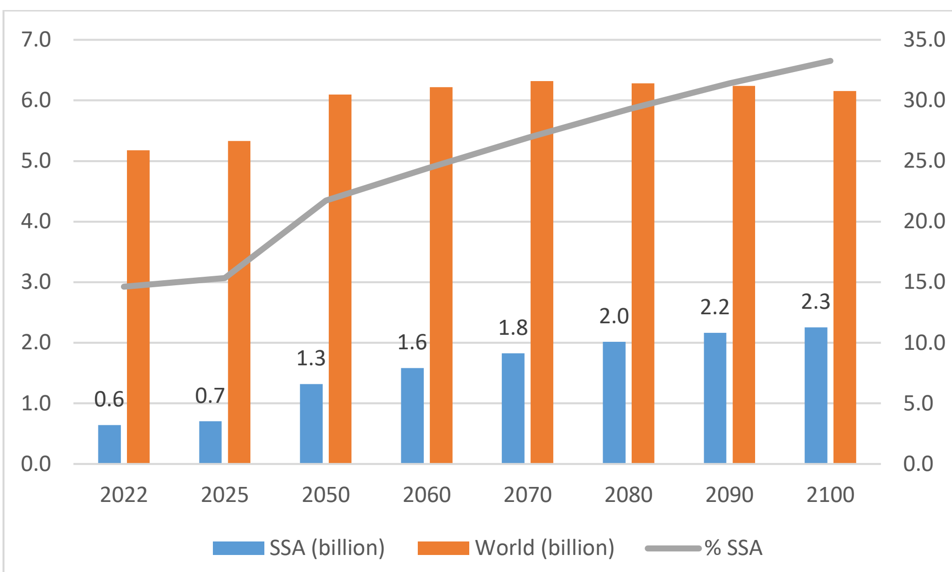
Figure 1: World and Sub-Saharan Africa population projections (2022-2100)



Source: UN population division, median scenario, accessed January 13 2023

The left axis refers to World and sub-Saharan African populations in absolute numbers; the right axis applies to the share of sub-Saharan African in World population.

Figure 2: Projections for Potential active population (15-64 years) in sub-Saharan Africa and the World (2022-2100)



Source: UN population division, median scenario, accessed January 13 2023

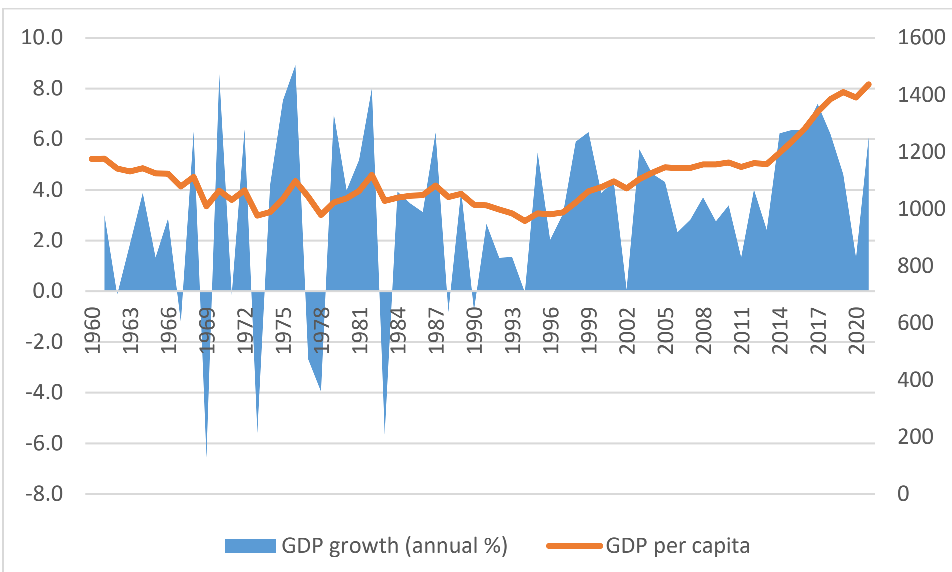
The left axis refers to the potential labor force in absolute numbers; the right axis applies to the share of SSA in World potential labor force

Table 1: Labor market indicators for sub-Saharan African (2005-2020)

	Unit	**2005**	**2015**	**2020**
Labor force	Million	287.4	368.9	418.3
Labor force participation rate	%	70.5	67.8	66.1
Employment	Million	270.3	348.7	389.4
Employment to Population ratio	%	66.3	64.1	61.5
Unemployment	Million	17.2	20.2	28.9
Unemployment rate	%	6	5.5	6.9
Wage and Salaried workers	Million	53.3	79.9	87.5
Self-employed workers	Million	217	268.8	301.9
Share of self-employed workers	%	80.3	77.1	77.5
Extreme working poverty	Million	136.9	137.4	147.8
Share of extreme working poverty	%	50.6	39.4	38

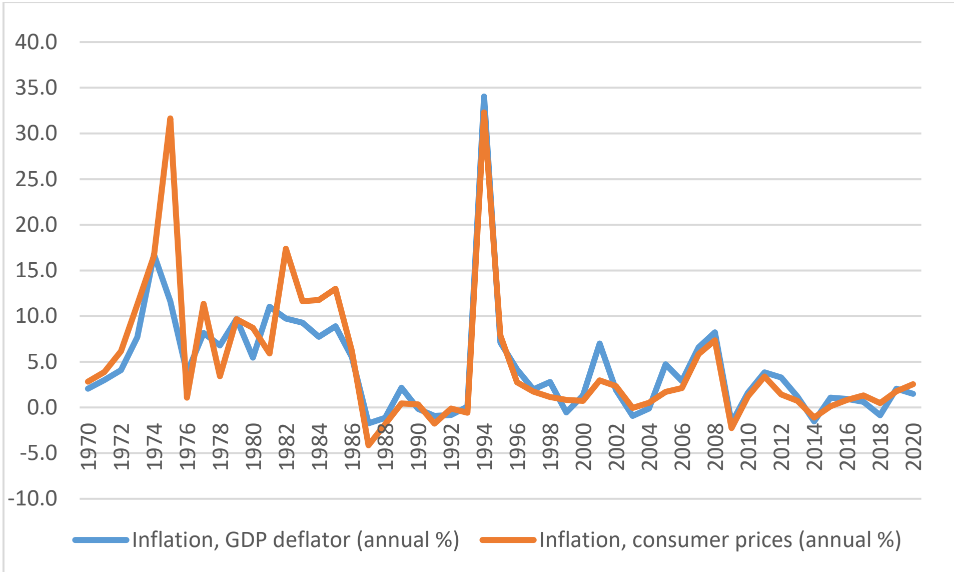
Source: ILO (2022), *World Employment and Social Outlook. Trends 2022*, p.113

Figure 3: Real GDP growth (%) and evolution of real GDP per capita (constant 2015 $) (1960-2021)



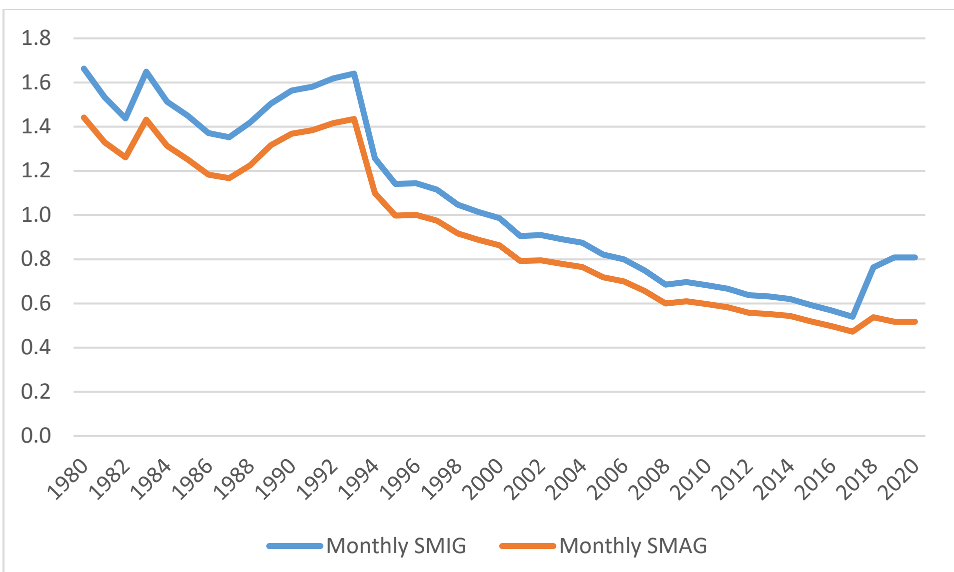
Source: World Bank development indicators, accessed on January 12 2023; the axis for GDP growth is on the left; the axis for real GDP per capita is on the right.

Figure 4: The inflation rate in Senegal (1970-2020)



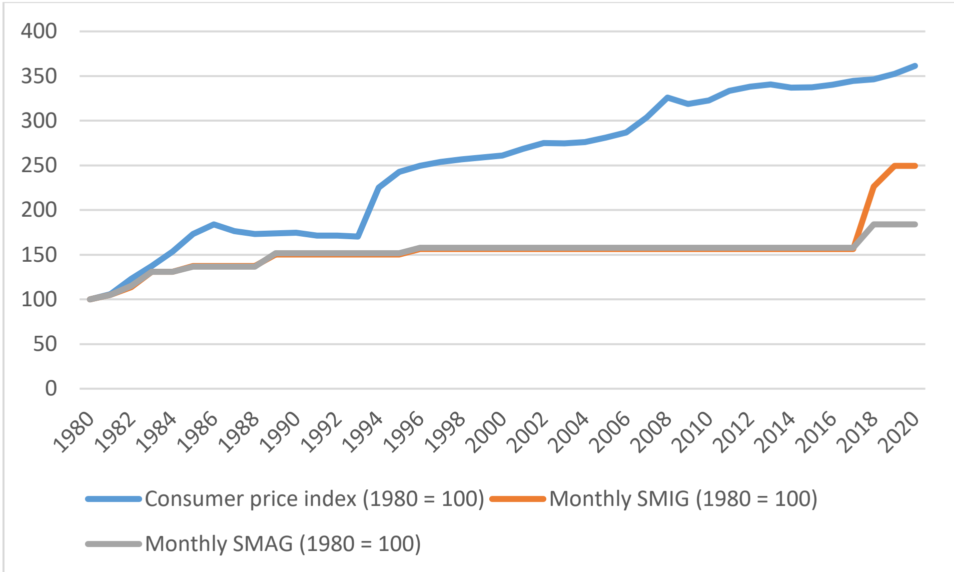
Source: World Bank development indicators, accessed on January 12 2023

Figure 5: Evolution of the ratio of monthly full-time minimum wages to nominal monthly GDP per capita (1980-2020)



Source: World Bank development indicators, accessed on January 12 2023; official data on the SMIG and the SMAG are available online; the monthly full-time minimum wages have been calculated by the author.

Figure 6: Evolution of the monthly minimum wages and inflation in Senegal (1980-2020)



Source: World Bank development indicators, accessed on January 12 2023; official data on the SMIG and the SMAG are available online; the monthly full-time minimum wages have been calculated by the author.

Table 2: Labor Market Indicators for Senegal

Population and Working Age Population*	2013	2023				
Population (million)	13.5	18.3				
Working Age Population (WAP) (million)	7.3	10				
15-24 (% WAP)	36.7	35				
25-34 (% WAP)	26.3	26.3				
Employment and Unemployment 2021**	**National**	**Urban**	**Rural**	**Men**	**Women**	
Labor participation rate	55.8	57.2	54.3	64.5	48.8	
Employment rate	39.3	45	33	53	28.2	
Wage and salaried employment rate	39.4	48.5	25.9	46.1	29.4	
Unemployment rate	24.1	19.1	29.8	13	35.8	
Sectoral composition of employment****	**2000**	**2010**	**2019**			
Agriculture	46.3	38.2	30.1			
Industry	12.3	12.7	13.1			
Services	41.3	49.1	56.8			
Share of informal jobs by sector and gender ****	**Total**	**Agriculture**	**Industry**	**Services**	**Men**	**Women**
Informal jobs (%)	91.2	99.1	90.8	86.1	89.5	93.7
Number of modern sector workers*****	**2022**					
Modern private sector	340,656					
Public sector	167,218					

Sources: *ANSD demographic data and projections; ** data for the fourth quarter of 2021, ANSD (2022c); *** ilo.org/wesodata; **** ILO (2018: 116);*****ANSD (2022f) for the modern private sector; Senegalese national Assembly for the public sector: http://www.assemblee-nationale.sn/rapport-de-la-commission-relatif-a-l-examen-du-projet-de-budget-2023-du-ministere-de-la-fonction-publique-et-de-la-transformation-du-secteur-public-a310.html

Table 3: Net job creation in the Senegalese modern and informal sectors (2001-2009)

Year	Modern Sector	Informal Sector	Total	Share of the Informal Sector (%)	Real GDP growth (%)
2009	9846	123260	133106	92.6	2.2
2008	1581	117523	119104	98.7	3.2
2007	6332	112125	118457	94.7	4.9
2006	5724	107046	112770	94.9	2.5
2005	10687	102263	112950	90.5	5.6
2004	7983	97757	105740	92.5	5.9
2003	-25024	93511	68487	136.5	6.7
2002	-1797	77132	75335	102.4	0.7
2001	-3976	91899	87923	104.5	4.6

Source: MEF (2011: pages 31 and 85)

Table 4: Simulation of the financing of a "Phase II" of a JG program using the 1% of nominal GDP criterion.

		2020	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
Nominal GDP	billion CFA franc	14,101	15,319	17,093	19,093	21,497	22,974	24,613	26,388
Government revenue*	billion CFA franc	2843.0	2978.0	3587.0	4061.0	4805.0	5378.0	5779.0	6256.0
Government expenditure	billion CFA franc	3746.0	3943.0	4642.0	5002.0	5669.0	6,059	6,517	7052.0
JG expenditure - 1% GDP	billion CFA franc	141.0	153.2	170.9	190.9	215.0	229.7	246.1	263.9
Share of government revenue*	%	5.0	5.1	4.8	4.7	4.5	4.3	4.3	4.2
Share of government expenditure	%	3.8	3.9	3.7	3.8	3.8	3.8	3.8	3.7
Derived employment** - current minimum wage	in thousands	248	270	301	336	378	404	433	465
Derived employment** - inflation adjusted minimum wage***	in thousands	157	170	190	212	239	255	273	293

Source: author's calculations based on IMF (2023: 25; 28); *grants included; ** the hypothesis is that guaranteed jobs are shared evenly between agricultural and non-agricultural workers; ***minimum wages compensated for loss of purchasing power since 1980.