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Open Society University Network Economic Democracy Initiative
Harvard Law School and CLJE Democratizing Work Initiative

The Need for a Universal Job Guarantee: The Launch of the UN Special Report

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Address by Olivier De Schutter

Special Rapporteur on extreme poverty and human rights, UN
Professor of Law, University of Louvain, Belgium
Professor of Law, Sciences Po, Paris

Introduction by Pavlina R. Tcherneva

Director, OSUN Economic Democracy Initiative
Professor of Economics, Bard College
Research Scholar, Levy Economics Institute

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The Economic Democracy Keynotes feature scholars, public intellectuals, activists and policy makers, who are recognized for their work on fundamental human rights and economic rights in particular. These speakers remind us of the economics profession's duty to promote and defend the public good and demonstrate that the means for effective action toward economic justice are at our governments' disposal.

I am very pleased to introduce the keynote presentation hosted by the Economic Democracy Initiative (EDI) and the Democratizing Work Initiative (DWI) on the 2023 United Nations report investigating a topic that is central to EDI's work: namely, securing the right to decent employment to all. Dr. Olivier De Schutter, the United Nations Special Rapporteur on extreme poverty and human rights, gave us a first look at the UN Report on the Job Guarantee which was released this summer.

As the [Democratizing Work Manifesto](#) makes clear: "All people [should] have access to work and the dignity it brings. One way to do this is with the creation of a Job Guarantee. Article 23 of the Universal Declaration of Human Rights reminds us that everyone has the right to work, to free choice of employment, to just and favorable conditions of work and to protection against unemployment. A Job Guarantee would not only offer each person access to work that allows them to live with dignity, it would also provide a crucial boost to our collective capability to meet the many pressing social and environmental challenges we currently face. Guaranteed employment would allow governments, working through local communities, to provide dignified work while contributing to the immense effort of fighting environmental collapse. Across the globe, as unemployment skyrockets, Job Guarantee programs can play a crucial role in assuring the social, economic, and environmental stability of our democratic societies."

I was pleased to provide expert opinion during the preparation of the report and participate in the official launch of the report at the 53rd session of the UN Human Rights Council. Read the [full report here](#).

Below are De Schutter's remarks at the EDI-DWI panel featuring the report. Please watch the [recording of the live-stream](#) for the full discussion with Jean Drèze, visiting professor of Economics at Ranchi University, and with Rania Antonopoulos, Senior Scholar and Program Director of the Levy Economics

Institute at Bard College, chaired by Adelle Blackett, professor of Law at McGill University and core member of Democratizing Work Initiative.

As always, I welcome your comments and feedback.

Pavlina R Tcherneva

Olivier De Schutter

Special Rapporteur on extreme poverty and human rights, UN

Professor, University of Louvain, Belgium

Professor of Law, Sciences Po, Paris

The Right to Work: Legal Frameworks and Practical Demonstrations

The right to work is a human right. However, in the way the right to work is described in international human rights law, it still corresponds to an obligation of means of the government, not an obligation of result. Therefore, it is not an enforceable right. Article Six of the International Covenant on Economic, Social and Cultural Rights refers to the right to work, as well as ILO Convention Number 122, The Employment Policy convention of 1964. It refers to a duty of governments to adopt an active policy designed to promote full productive and freely chosen employment. And of course, Sustainable Development Goal #8 refers to, as one of its targets, full and productive employment and decent work for all women and men. But none of these recognize the duty of governments to provide work to those who seek to work and can find no employment.

This report is about whether the world should move from an obligation of means to an obligation of result, whether governments should ensure that the right to work becomes an enforceable right, allowing people to claim a right to be provided with a job on public works programs. To examine this issue, the UN report was prepared on this topic, at the suggestion of a friend, by noting that this is an area in which the North could learn from the South—an area in which rich countries, OECD countries, could learn from experiences in countries such as India, Ethiopia, South Africa, for example. And yes, there is a history behind public works programs and the Job Guarantee that, for example, includes a very important chapter under the New Deal of Franklin Delano Roosevelt in the 1930s, when the Works Progress Administration developed a series of programs. But today, the most extraordinary and large-scale experiments are being conducted in countries such as India, with the National Rural Employment Guarantee Act launched in 2005, the Productive Safety Net Program in Ethiopia, the Expanded Public Works Program in South Africa and now the South African Presidential Stimulus, or Argentina's *Plan Jefes y Jefas de Hogar*, launched in 2002 as a result of the economic crisis facing the country. In France, ATD Fourth World, is the NGO that, in the French-speaking world, works most closely with people in

deep poverty. It has launched the “Territories Without Long-Term Unemployment” that covers 60 municipalities, and seeks to show that it is workable to provide the Job Guarantee in the French context.

The Global Employment Paradox

So, what does the report try to achieve against this background? First of all, it points to what it calls the Global Employment Paradox. On the one hand, the world still has large-scale underemployment. As the world is recovering from the pandemic, the global figures of unemployment have been improving significantly over the past couple of years. In fact, the ILO projects that in 2023, global unemployment will fall below the pre-pandemic levels at around 191 million people, which is an average unemployment rate globally of 5.3%. But the recovery is not shared equally across all regions. It is expected that in 2023, in North Africa, 11.2% of the workforce will be unemployed, and in Sub-Saharan Africa the rate will be at 6.3%. In the Arab countries, it will be at 9.3%. In other words, the recovery is still uneven.

Moreover, beyond these official unemployment figures, there are many people who are unemployed or underemployed but who do not appear in the statistics because they are not actively looking for a job anymore. They are discouraged or they cannot find facilities providing childcare and therefore are not looking for a job. Thus they disappear from the global statistics even when these people need jobs in order to improve their standards of living. It is also important to acknowledge that whilst economic growth is regaining strength, that alone will not suffice. Much of the growth today is the result of technological advances including artificial intelligence and automation, which may result in strong growth going hand in hand with net job losses. And of course, it is known that unemployment significantly increases the risks of poverty. Globally, only about 20% of people who are unemployed receive cash benefits. Even in high-income countries only about 52% of people without employment receive cash benefits, and in low income countries the share is much lower. So, there is not enough employment for all, and projections show that in the next few years there will be many more people seeking employment particularly in developing countries. It is expected that an additional 470 million people will be seeking work in developing countries by the year 2035.

So, on the one hand we have the current situation, and on the other – it is becoming clear that important societal needs are not being met. There is not enough employment being created, but there is no shortage of work to be done either. The greening of the economy and the growing care economy—care of dependent persons, education, healthcare—these will require a substantial workforce in the future. In a

report I presented to the General Assembly in October 2020, I tried to show that in order to meet the targets of the Paris agreement on climate change and biodiversity targets, and in order to provide care to those who need support (early childhood, older persons, etc.) many more jobs will have to be created. In fact, the ILO estimates that the health, education, and care capacity needed to meet the Sustainable Development Goals in 45 countries, representing in total some 60% of the global population, will require 117 million additional jobs.

So, that is the Global Employment Paradox: structural unemployment and underemployment on the one hand, and on the other hand, societal needs that remain unsatisfied and the need to create jobs in certain sectors that for the moment, are under-supplied. Thus, looking at the national experiences that have been documented, learning from those experiences and trying to address this paradox, this report tries to highlight a series of benefits from the introduction of Job Guarantee programs.

The Job Guarantee

Now, this paper should list perhaps the six or seven most important contributions such Job Guarantee programs can provide. First, of course, access to decent work supports social inclusion, allowing individuals to gain self-confidence and a sense of purpose. Secondly, an employment guarantee scheme raises the bar of labor standards across the whole economy by giving precarious workers a fallback option, strengthening their bargaining position. In other terms, these workers may find it easier to refuse jobs that do not provide a decent wage or decent working conditions given that they have the option of finding a public job in the Job Guarantee programs. Thirdly, a Job Guarantee scheme provides an opportunity for participants in the scheme to build skills, receive training, thus improving their prospects to find a job after leaving the program and even starting a successful business. There are examples of such cases in countries such as Ethiopia or South Africa.

Fourth, the Job Guarantee can ensure the integration of those who, today, are most disadvantaged in the labor markets, including those who are displaced by technological developments and the decarbonisation of the economy, persons with disabilities, women, ethnic minorities, the long-term unemployed—all categories of workers who face discrimination in the employment market. They could be granted an improved chance of participation in the job market. Some programs are specifically designed to generate this positive outcome. For example, the National Rural Employment Guarantee Act in India has quotas for women and provides childcare services at the site of employment in order to

encourage women to benefit from the program. Public works programs can also break down gender stereotypes, for example, by training women into jobs that are traditionally male jobs, such as in the construction sector, or by drawing more men into the care sector. So that is a fourth important contribution of Job Guarantee programs.

A fifth contribution is that the participants in such programs can build assets and provide goods and services that are under-supplied by markets, either because they are public goods that everyone benefits from but no one wishes to pay for, or because the services in question benefit primarily low-income households (people who have no ability to pay for the services), despite the very important positive externalities from such services being provided, for example, in early childhood education and care or for support to older persons. In other terms, the Job Guarantee program can create public goods and services that have huge positive externalities for society as a whole but will be under-supplied by the market if left to private sector mechanisms.

Sixth, the Job Guarantee program ensures that in times of economic downturn, and in order to support a transition to private sector and other jobs in terms of growth, an employment guarantee will be an automatic stabilizer for the economy, mitigating the impacts of economic shocks. And seventh, the Job Guarantee can improve resilience to shocks and contribute to social stability by protecting household incomes, ensuring, for example, that households will not have to sell assets in times of crisis because they will have this income security provided to them by access to a job.

Finally, where projects to be supported by public employment schemes are identified by the communities, this can strengthen local democracy and civic participation, like in public budgeting programs. Communities can choose which projects should be supported by the Job Guarantee program. It can be very empowering for local communities and can strengthen local democracy.

Implementing a Job Guarantee

The report highlights a number of choices that should be made in designing the Job Guarantee based on the experiences of countries such as South Africa, Argentina, India, or others. This paper will not go through the different variations and models of the Job Guarantee programs, but it will highlight some concerns that have been expressed around the implementation of these programs. And it will, in particular, highlight three risks that have been identified in the design and implementation of these programs.

Firstly—and this is very important for economists, legal experts, and policymakers—fears have been expressed that the introduction of a Job Guarantee program may accompany a shift from welfare to workfare. After all, once a country provides support to households by ensuring that they have access to work, if they seek to work, for example, with a minimum wage, it may be tempting to reduce social protection benefits or to make access to social protection conditional upon taking a job. As is already seen, governments are increasingly tempted to make access to social protection conditional upon following certain training programs or, indeed, accepting some forms of employment provided the employment is reasonably related to the qualifications of the worker. That, of course, should not be allowed to happen. And the report is very clear that the introduction of Job Guarantee programs should not be used as a pretext to impose a retrogression in social protection or to make access to social protection conditional upon accepting a job. This is a risk that policymakers should be aware exists, and it needs to be addressed when introducing a Job Guarantee program.

The second risk is that it can be costly to introduce a Job Guarantee program. There are many debates about how the cost-benefit analysis of Job Guarantee programs should be conducted. What this paper would like to highlight here is the fact that in many countries people who are unemployed receive certain unemployment benefits, which will not have to be paid anymore once people take up jobs that are remunerated. Plus, many costs of unemployment are difficult to quantify, but they are important and should be computed in providing this cost-benefit analysis: shorter lives, the psychological distress of people who are long-term unemployed (the negative impact on health including depression and anxiety), and the reduced future employability of long-term unemployed people who, as the research shows, are discriminated against in their access to employment if the period of unemployment lasts for a long time. In general, the effect on families and communities of long-term unemployment should be taken into account. And in the assessment of programs like the “Territories Without Long-Term Unemployment” in France, for example, there are many debates as to the cost-benefit analysis of this program. Certain orthodox economists only look at the budgetary consequences of financing those jobs which they compare with what it costs to pay unemployment benefits. But that, of course, misses a huge (and this paper would argue possibly the most important) part of the picture, which is the social cohesion and the gains in terms of well being for those benefiting from the program.

The third consideration or risk is that in the implementation of Job Guarantee programs there are risks of corruption and discrimination, and the public funds dedicated to these programs in some cases

may be misused at the local level. Many reports to that effect exist. This is why the rights-based approach is important to ensure that the program is implemented without discrimination, without leakage, without corruption—in a way that is transparent, that is controlled by the local community, including by community social audits, as is practiced, for example, in countries such as India, and in a way that people who could benefit from the program are adequately informed about the program itself and about their rights under the program.

Conclusion

A rights-based approach to the design and implementation of the Job Guarantee seems to be essential if economists and policymakers want it to reach people in poverty, if they want it to make a serious contribution to the reduction of poverty, and if they want this to contribute, ultimately, to the right to work becoming an enforceable human right.