

Jobs for a Globalizing World:
World Bank Labor Market Policy Core Course
March 31 – April 11, 2008
Washington, D.C.

The World Bank core course on labor market policy is an intensive exploration of the labor market challenges facing developing and transition countries and evaluation of appropriate policy responses. The course covers the following 5 modules over two weeks. Group presentations during the second week allow course participants to apply knowledge gained and receive feedback from peers and resource people on particular policy challenges in their country.

Module 1: Understanding Labor Markets

This module sets the scene by describing *global and regional labor market trends* as well as providing participants with a grounding in labor market analysis and an analytical framework based on the concept of social risk management. Basic labor market concepts will be reviewed as well as what happens when the standard model does not seem to apply in the cases of labor market segmentation, discrimination, and barriers to entry.

Module 2: Creating Jobs: Investment Climate and Skills Development

The best way to make labor markets work better is to ensure a vibrant economy in which new and better jobs are created. This module first examines the *climate for job creation*, including the constraints to investment in the private sector and the effects on employment creation, drawing on the findings from the 2005 World Development Report on investment climate. Participants will break into groups and consider a strategy for improving the investment climate based on the perspective of small and large investors, workers, and government. Second, the module delves into issues surrounding *human capital development and training policy*, including the relationship between human capital and economic growth; the training market; skills development and its consequences for earnings and productivity; and alternative policies for financing and delivering training to formal and informal labor markets.

Module 3: Balancing Flexibility and Security: Labor Market Institutions

Labor market institutions encompass a wide range of legal and institutional elements that are primarily put in place to protect workers. However, they can have a wide range of social and economic consequences. This module provides an overview of different modes of *labor market regulation* including core labor standards and their impacts on the labor market. Participants will participate in a role-playing exercise that simulates a labor code reform. The module also discusses *core labor standards* and their role in globalization. This issue of informal labor markets, conceptually and empirically, will be explored.

Module 4: Supporting Workers: Active and Passive Labor Market Policies

Various interventions are available to policy-makers to assist workers who experience job loss. This module addresses both *active labor market policies* such as retraining, job search/matching, and direct employment creation and *passive labor market policies* such as severance pay and unemployment benefit schemes. Participants can choose between sessions that provide hands-on experience with a new Unemployment Insurance Simulation modeling tool and sessions that explore the basics of a labor market information system and lessons learned in design and implementation of public works programs. The module examines the specific case of labor adjustment in the face of *privatization/restructuring of state-owned enterprises*, including a tool for simulating severance pay in downsizing operations allows participants to analyze the costs and benefits of various policy options. Finally, monitoring and evaluation techniques of labor market programs are discussed.

Module 5: Labor Market Challenges

This module addresses a number of emerging issues and longstanding policy challenges, including the special cases of particular groups of workers who may require additional assistance in the labor market. Sessions are offered on *child labor, youth employment, international migration, disability, and HIV/AIDS*. These sessions will address the difficult data and measurement issues involved in addressing these groups of workers, review various policy options, and highlight best practices based on international experience.