



Just Jobs

A Center for American Progress Program

John D. Podesta and Sabina Dewan | October 7, 2010

The global economy today is inexorably intertwined—sometimes for better and sometimes for worse. This fact was driven home anew to workers worldwide by the recent global financial crisis, the ensuing global economic slump, and the subsequent efforts by governments to recharge their economies. But facing political pressures to “do something” about the widespread job losses, governments are tending to inward-looking policies that impede economic integration and trade. This is cause for deep concern because economic globalization has come with benefits, as unevenly spread among workers as they are.

Just Jobs, a new program at the Center for American Progress, seeks to extend the benefits of economic integration and trade to all of the workers who power the global economy. The moral reasons for providing workers with “just jobs,” including labor rights, appropriate compensation, social protections such as healthcare and pensions, and opportunities for economic mobility, are well understood. Less understood is how promoting these policies in developing countries alongside developed ones benefits both in a world that is closely connected through technology, flows of people, goods, services, and capital.

Just jobs policies would:

- Allow the gains from global economic integration and trade to be spread more widely among workers worldwide by raising living standards and therefore generating new, sorely needed sources of aggregate economic demand.
- Level the playing field in labor markets worldwide, thereby preventing any one country from leveraging poor labor practices for economic gain.
- Enhance global economic and national security by building a basis for greater confidence within a more integrated global economy.

In essence, just jobs policies are critical for doing economic integration and trade right.

Increasing economic integration and free and unrestricted trade in goods and services contributes to worldwide economic growth, but it is also blatantly clear that tighter economic integration and increased trade leads to a restructuring of economic activity that leaves some workers better off and others worse off. Today the world knows all too well that when

workers are out of work they tighten their belts, consuming less so businesses earn less, leading to more layoffs—creating a vicious downward spiral. These shocks transmit across the globe through changes in trade and investment flows, capital flows, and migratory trends.

To have a well-functioning economy, people need jobs that are just. They need to be able to work in acceptable working conditions, with appropriate protections and compensation, and with the right to organize and bargain collectively. In the event that people do lose their jobs, as in times of economic crisis, there is a need for government institutions, policies, and programs that help people adjust to changes in the labor market. These social protections include access to unemployment insurance and pensions to ensure workers are able to maintain a certain level of consumption if they lose their income. And they include access to health care so workers can maintain a basic level of well-being to continue to be contributing members of the economy.

All of these facets together help raise living standards. Better standards of living mean that workers in other countries can afford to buy more goods and services, creating global demand and invigorating the global economy. But to be effective, policies have to be implemented. It is not enough for countries to just have these policies and laws on their books. Ensuring the enforcement of labor standards and social protection helps create a more

even playing field so that countries with lower levels of development than other countries cannot leverage poor labor standards as a competitive strategy.

Simply put, higher standards of living in developed and developing economies alike cannot be achieved without an appropriate strategy for creating and implementing just jobs around the globe.

Just jobs would in turn help alleviate problems that lead to economic insecurity and global instability. Poverty and economic underdevelopment provide fertile ground for pollution, unsafe working conditions, and for disease, lawlessness, and violent conflict to spread—to the benefit of international crime and global terrorists. By helping to raise living standards, just jobs serve as instruments for promoting global stability and security.

The Center for American Progress's Just Jobs program seeks to demonstrate that supporting an increase in just jobs in developing countries is a win-win for developed countries as well. Standards of living converge on an upward trajectory. Rules and regulations ensure this happens across the globe. And the resulting economic and political stability rebounds to benefit developed and developing countries alike. Our Just Jobs project will help policymakers develop pragmatic and specific steps to power forward a virtuous circle for workers worldwide.

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