

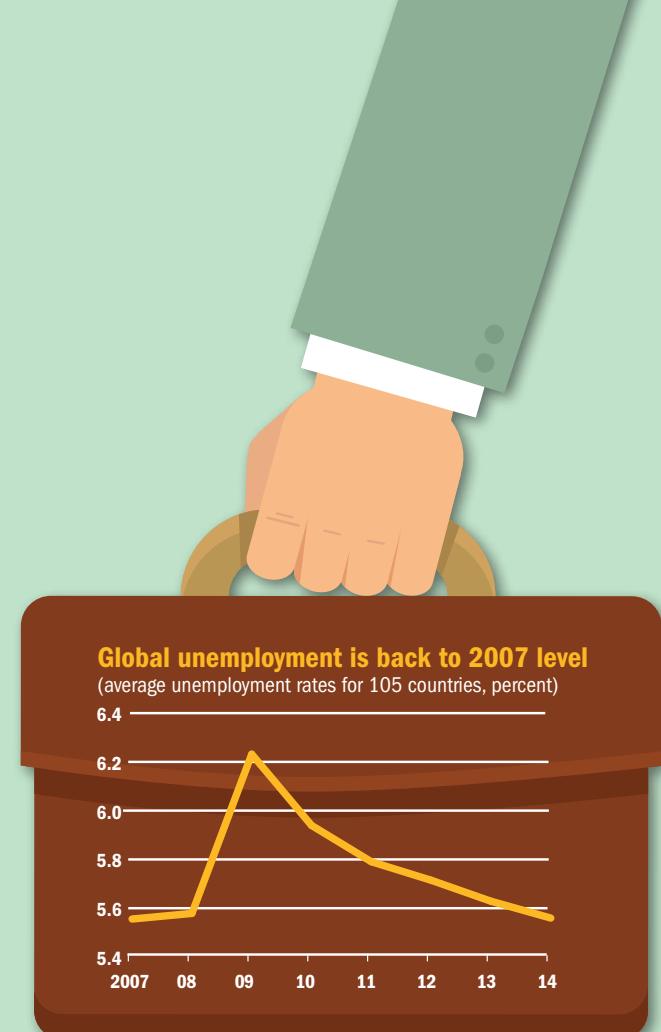
Back to Work

Global unemployment has fallen, but job growth remains sluggish

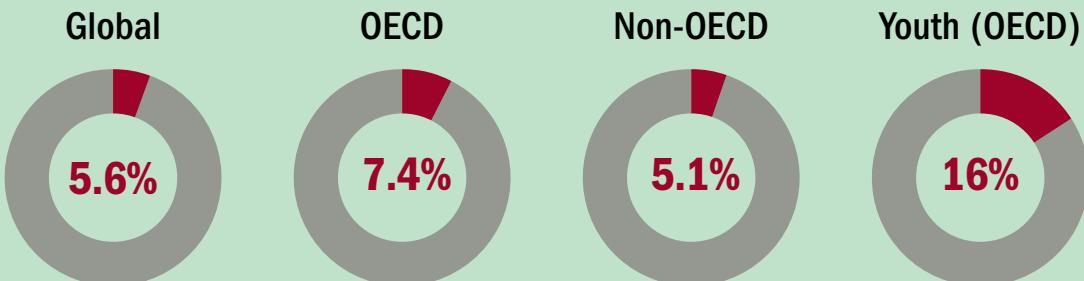
More than five years after the end of the Great Recession, global unemployment has returned to its precrisis level. The global jobless rate fell to 5.6 percent in 2014, essentially the same as in 2007, the year before the recession began. Over the past five years, unemployment has fallen sharply in a number of large countries, including the United States and Germany.

Still, all is not well in labor markets. Unemployment rates remain high in advanced economies and in some emerging markets—for example, at 24 percent and higher in Greece, Spain, and South Africa. And a new barometer of employment, the Global Jobs Index, shows that job creation is sluggish—at an annual rate of 1.5 percent compared with a rate of more than 2 percent before the crisis.

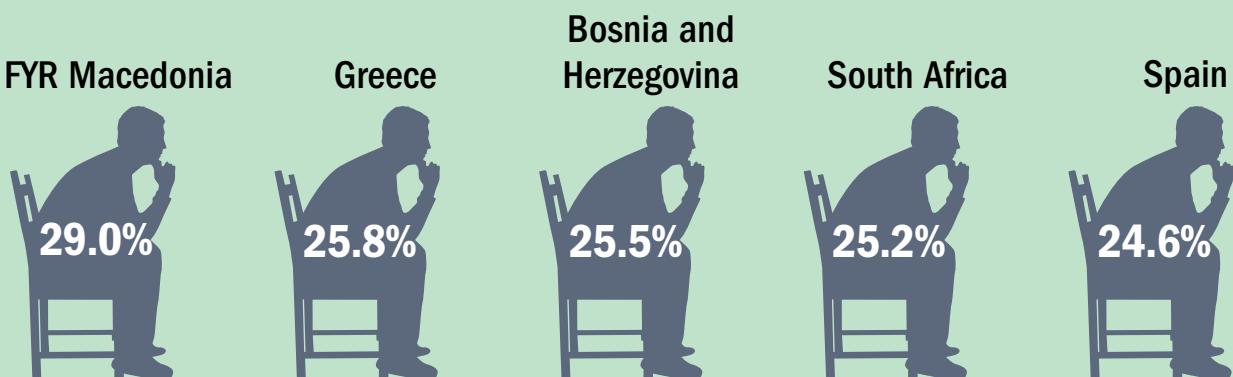
Job creation and economic growth go hand in hand; hence, raising growth through supportive macroeconomic policies and structural reforms are needed to raise employment growth so that the unemployed and new entrants to the labor force have jobs.



Unemployment rates in 2014

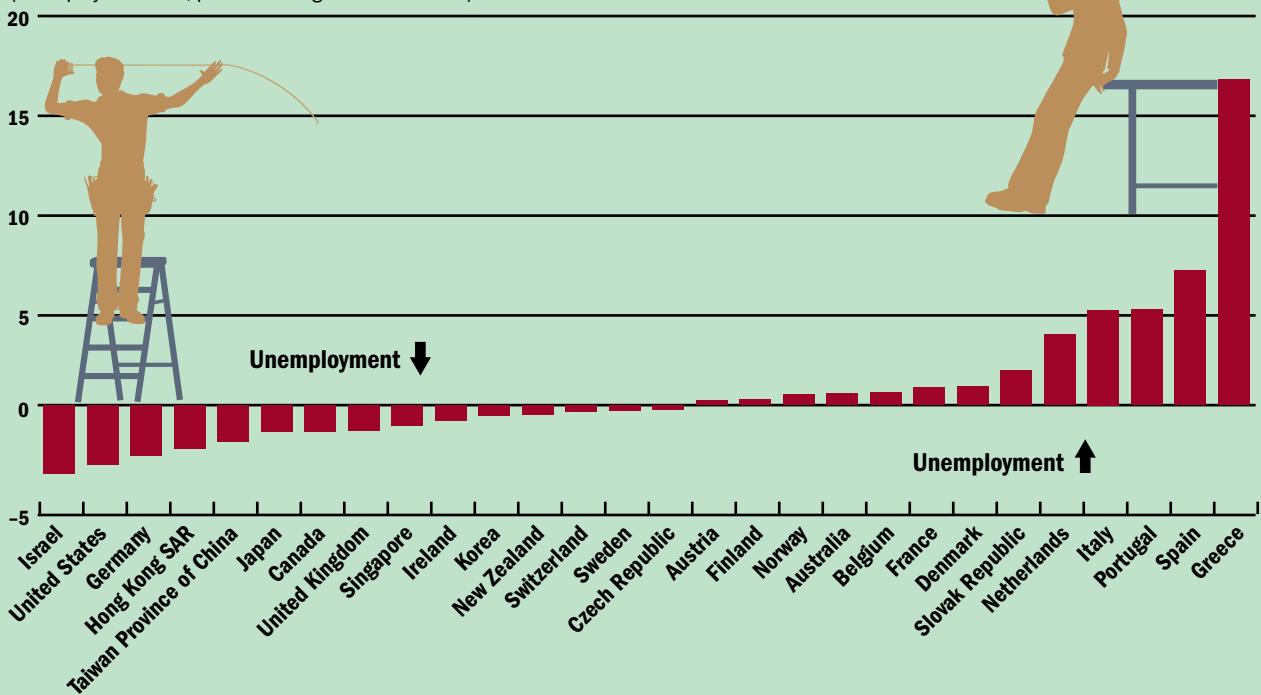


Highest unemployment rates in 2014



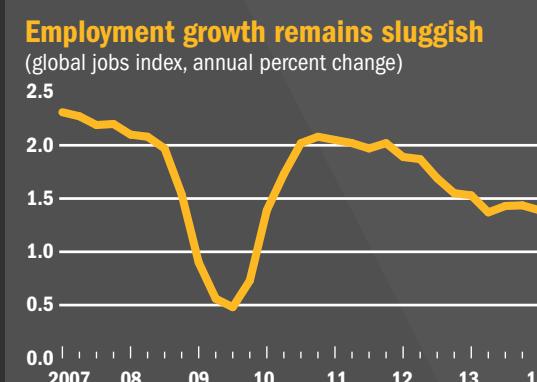
Unemployment rates are falling in many countries, rising in others

(unemployment rate, percent change from 2009–14)



Job creation and growth go hand in hand

(growth from 2011–14)



Prepared by Leo Abruzzese, Economist Intelligence Unit (EIU). Text and charts are based on the International Jobs Report, published by the IMF, the EIU, and the OCP Policy Center in January 2015. The report is available at <http://graphics.eiu.com/upload/eb/IJR-January-2015.pdf>