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Title: Operationalising the Quality of Employment from the Perspective of the Capability Approach in South America: A Multidimensional Perspective



The quality of employment (QoE) has attracted increasing attention from policymakers in developing countries as both academics and policy makers become aware economic growth does not necessarily resolve labour market problems. It has therefore become increasingly necessary to develop a measure of the quality of jobs, beyond merely considering the quantity of jobs generated. Although the SDGs put forward “Decent Work for all” as an objective, they do not specify how progress towards this goal should be measured. However, data on labour markets is still scarce and rarely comparable across developing countries, which leads to a neglect of the subject of employment in the field of development studies. Without appropriate research, the employment conditions of workers (in particular types of contracts, job tenure levels and contributions to social security systems) are systematically neglected by policy makers, who repeatedly undertake reforms of social security systems without considering underlying employment conditions. This paper adopts and adapts the AF method to break up traditional perspectives of the performance of labour markets in developing countries (Alkire and Foster, 2011). It constructs a multidimensional synthetic indicator of the QoE across 10 South American countries with comparable data sets using the AF method to show that the QoE can be summarised in a single indicator which is methodologically robust and useful to policy makers in developing countries. It discusses the rationale for the dimensions included in the indicator, as well as for the cut-off lines established and the weights used before presenting the results produced by the QoE index, their robustness under changing parameters, and their implications for policy makers in developing countries. In sum, this paper therefore shows that progress towards SDG8a “Decent Work for All” can be measured (as multi-dimensional poverty has been measured), particularly if governments in developing countries as well as international institutions invest more effort and resources in gathering and homogenising data on employment conditions.