

## **Sustainable economic growth, inclusive employment and territorial governance: analysis using the concept mapping method**

### **Croissance économique durable, emploi inclusif et gouvernance territoriale : analyse par la méthode de cartographie conceptuelle**

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**Résumé.** Ce travail a pour objectif d'étudier la nature de la relation entre la croissance économique durable, l'emploi inclusif et la gouvernance territoriale. Nous avons analysé les points de convergence entre ces trois concepts dans le champ de l'économie à travers la méthode de la cartographie conceptuelle. Cette méthode nous permet d'étudier et de visualiser clairement les travaux déjà menés par certains auteurs sur le lien entre ces concepts économiques (Christian Dagenais, 2009, p. 64). La cartographie conceptuelle nous aidera ensuite à identifier les lacunes et les limites des recherches antérieures, ainsi que les études qui n'ont pas encore été suffisamment explorées en économie. Sur cette base, nous tenterons d'orienter la recherche vers une nouvelle piste qui ouvrira bientôt de nouvelles perspectives en économie.

**Mots-clés :** *Croissance économique durable ; Modèle de croissance économique ; Soutenabilité environnementale ; Gouvernance institutionnelle.*

**Abstract.** The aim of this work is to study the nature of the relationship between sustainable economic growth, inclusive employment and territorial governance. In fact, we studied the points of convergence between these three concepts as they fit into the field of economics using the conceptual mapping method, allowing us to study and clearly visualise the work (Christian Dagenais, 2009, p. 64), which has already been carried out by certain authors who have dealt with the link between these economic concepts. The concept mapping method will then help us to identify gaps and limitations in previous research and studies that have not yet been carried out by economists, on the basis of which we will try to steer the research towards an inspiring new avenue that will soon be new to the field of economics.

**Keywords.** *Sustainable economic growth; Economic growth model; Environmental sustainability; Institutional governance.*

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#### **1. Introduction**

The literature devoted to the study of the existing relationship between growth and employment in the face of a system of governance which has become increasingly important in recent years, aims mainly to analyse the characteristics of a context favourable to the development of strategies and initiatives by stakeholders to improve employment policy and the level of economic growth (Steve Jacob, 2011). Nevertheless, the majority of existing work is based on macroeconomic analysis, examining the link between economic growth and employment (Boda & Považanová, 2023), the link between growth and governance (Ebenezer Gbenga Olamide, 2021) or the link between employment and governance (Hazans, 2011). For our part, we aim to examine these earlier works using the concept mapping method to shed more light on the relationship between these economic concepts.

This work presents the testing of concept mapping as an integrative method (Martin Cloutier, 2014, p. 16), to study the link between economic phenomena in relation to territorial governance, in which authors and economists question the effect of the latter on the relationship that exists between sustainable growth and inclusive employment where further research is needed. This concept map will allow us to systemically represent the interdependence and interrelation in the field of study (Martin Cloutier, 2014,

p. 6), the interest of this approach is the development of a statement that could clarify the nature of relationship between the economic concepts that we have cited above and bring together the ideas of authors to identify critical points to build an in-depth analysis and study certain aspects that have not yet been addressed in the literature review, demonstrating the new economic elements of growth and employment that have not yet studied with institutional indicators.

It is for this reason that we want to deal with these concepts, in order to make a positive contribution to the literature review. On the basis of this problem, we will determine the interdependence between the economic concepts studied, as well as the missing variables that have not yet been studied in the literature review.

The result of the research will show us the link that exists between different concepts studied (sustainable economic growth, inclusive employment and territorial governance), on the basis of this study, we will be able to observe gaps and limitations in the literature review, in other words, we will notice the absence of a link between one concept or another, using this analysis to carry out new research in the future that could be studied by researchers.

However, despite this abundance of work, there remains a lack of integrated synthesis that connects these various studied concepts growth, employment, and governance with the environmental dimension and identifies the major trends shaping research in this field. Furthermore, current changes in countries around the world and globalization necessitate an update of knowledge.

This literature review aims to fill this gap by offering a systematic analysis. It highlights the main research directions, the methods used, as well as the limitations and future perspectives. The originality of this work lies in its ability to combine economic, institutional and environmental approaches to offer an integrated vision of the model. How do conceptual limitations and theoretical gaps in understanding the link between economic growth, governance and growth affect the environmental dimension?

## **2. Literature review**

Having established the context of the research and the objective of this study, we will now analyse the ideas of the various authors and, of course, study the literature review, which will enable us to see the links between the economic concepts studied from different angles.

### **a. Relationship between economic growth and employment**

We will begin by highlighting the relationship between economic growth and employment, starting with a review of the literature which, of course, deals with Okun's law (FAVEREAU & MOUILLART, 1981). In the 1960s, the author Okun studied the relationship between economic growth and employment, using economic indicators such as gross domestic product, working hours, participation and productivity to test this link relatively on the basis of an American database (FAVEREAU & MOUILLART, 1981, p. 85). Okun thus showed that potential output contributes to achieving full employment when the unemployment rate does not exceed four per cent (4%) (FAVEREAU & MOUILLART, 1981, p. 87).

This author elaborated his law by considering that the unemployment indicator is not exactly a variable which is in an equilibrium situation (FAVEREAU & MOUILLART, 1981, p. 88). He then used four methods to defend his law, the first method is based on the adjustment of the variations of the unemployment rate on the evolution of the gross national product, the second method is the one which studies the gap of the unemployment rate between the potential gross national product and the effective gross national product, the third tested the hypothesis of the relevance of the growth/employment relationship when the unemployment rate equals four per cent and finally, Okun's last method is based on a short period relationship between productivity and the variation in the unemployment rate (FAVEREAU & MOUILLART, 1981, pp. 88-89).

In the previous paragraph, we studied the test of Okun's law. Now we will look at the reliability of this law. As we mentioned earlier, Okun used the Cobb-Douglas function to study the production variable, which is generally presented by the gross domestic product indicator as a function of the number of people employed in production, as well as the variation in the hourly rate (FAVEREAU & MOUILLART, 1981, p. 91).

*i. Confirmation of Okun's Law*

The author Okun has tried to confirm this link between employment, economic growth and unemployment by the identity method and the production function method (FAVEREAU & MOUILLART, 1981, pp. 91-92). We start with the first identity method which consists in analysing the evolution of the unemployment rate in relation to the aggregate demand, this relationship which must be negative between these two variables is only valid in the short period. Nevertheless, if we include other economic variables such as productivity, labour force and hourly time, with of course the other variables mentioned above, we will find a negative long term relationship between aggregate demand and unemployment (FAVEREAU & MOUILLART, 1981, p. 91). For Okun, the increase in gross national product is due to the increase in productivity, the hourly labour rate, the number of people employed linked to the employment rate and it is also due to the reduction in the unemployment rate, the latter being defined as a measure of the under-utilisation of all resources (FAVEREAU & MOUILLART, 1981, p. 92).

After analysing all the variables included in this study, it seems that they react perfectly with Okun's law, according to which economic growth and the employment rate vary in the opposite direction, with the influence of other economic variables such as productivity, the unemployment rate and the hourly labour rate (FAVEREAU & MOUILLART, 1981, p. 93). We will now turn to the second production function method used by Okun, to confirm the link between economic growth and employment. So for him, the confirmation of this Okun's rule lies in its stability, as we already explained previously, the author always uses the Cobb-Douglas function to defend his law, considering that the unemployment rate has a contributory role in the realization of this law, as they are quoted some economists FAVEREAU and MOUILLART saying: " This solution is identical to the one which would consist in defining a production function where the unemployment rate would play the role of indicator of under-utilization of the factors of production ". (FAVEREAU & MOUILLART, 1981, p. 93).

What we have retained from Okun's thinking is that insufficient demand leads to a reduction in the number of people employed and to an increase in unemployment, which can have a negative influence on the rate of growth (FAVEREAU & MOUILLART, 1981, p. 95). We have also noticed that Okun's law is consistent with Keynes' theory, according to which the lack of aggregate demand effectively leads to an increase in unemployment, which obliges other economic actors to recognise and confirm Okun's law (FAVEREAU & MOUILLART, 1981, p. 96). In fact, the functioning of the labour market improves when aggregate demand continues to increase until the evolution of the level of economic growth and employment stabilises over time (FAVEREAU & MOUILLART, 1981, p. 109).

This research, carried out by Okun using data from the United States, shows that when the rate of economic growth increases by 1%, the unemployment rate falls by 0.4%. This showed us that there is a negative relationship between these two economic variables chosen by this author. On the other hand, the relationship between the growth rate and the employment rate varies in the same direction (MEBARKI, 2022, p. 753). In fact, there is other research carried out by certain economists such as Aghion and Howitt to relatively test Okun's work, by adding another economic variable which must be useful in the study of the relationship between growth and employment and which can also play a crucial role in improving the productivity of human capital in terms of growth, namely the variable of innovation which can increase the level of employment in certain sectors of activity and which requires qualified and competent human capital in order to improve productivity (MEBARKI, 2022, p. 754).

*ii. Validity of Okun's law*

In the 2000s, authors such as Harris and Silverstone examined the relationship between the economic growth indicator and unemployment based on economic data from OECD (Organisation for Economic Cooperation and Development) countries in order to determine the viability of Okun's law in those years, but they found it to be invalid over a long period (MEBARKI, 2022, p. 755). In Africa, another study was carried out by Fatai and Bankole between the 1980s and 2008 to test Okun's law in the Nigerian economy and they also found that this law was not valid during these years of study. Similarly for the country of South Africa, economists (phiri) have analysed this type of link between the period 2000 and 2013, but they arrived at a result that is not precisely compatible with Okun's study (Lamzihri & Kamli,

2021, p. 685). We can therefore see that Okun's law is not always valid over time (MEBARKI, 2022, p. 755).

According to Okun's study, several researchers and economists have subsequently come to seek confirmation of this rule or a new line of research that could be useful in confirming this law by adding some economic variables, for example, the authors have obliged to look for labour market indicators that will be relevant in the analysis of the relationship between growth and employment in order to ensure the effectiveness of these indicators in improving economic growth (MEBARKI, 2022, p. 756). We will now turn to Asia to test the relative validity of Okun's law, focusing on the country of Pakistan. Indeed, other authors have studied the link between these two economic variables and concluded that the relationship between economic growth and employment indicators does not exist and that Okun's law is therefore not valid in this country (Lamzihri & Kamli, 2021, p. 685). The last case is that of Europe, where researchers have confirmed Okun's law between the period 1990 and 2020 in France and Spain, with the exception of Italy, where they have found that there is no link between economic growth and employment (Lamzihri & Kamli, 2021, p. 691). This time, we will analyse Okun's law regionally, that is. we will take into account the territorial aspect when dealing with the relationship between growth, employment and unemployment. In this respect, we will study the case of Romania, one of the largest countries in Europe with an emerging economy, by analysing the significance of this law in the regions of this country (Minea & Tomuleasa, 2015, p. 366). This work has tried to find a link between real gross domestic product and unemployment and to see if improving economic growth can influence the unemployment rate. It is found that when the state directs its economic policy towards expansion or recession, Okun's law changes with the change in policy taken by the state, is the Okun coefficients of a period of expansion are different from the coefficients of a period of recession (Minea & Tomuleasa, 2015, p. 368). Returning to our case that studied Okun's law in the regions that concern the country of Romania, to analyze then this case, the authors used during the period of One thousand nine hundred and ninety-five and two thousand and ten measurement indicators such as real gross domestic product and the rate of unemployed in the active population (Minea & Tomuleasa, 2015, p. 370).

### *iii. Analysis method*

For this paper, the author focused on the stationarity method to study the variable of gross domestic product and unemployment, thus, he used the time series related to a trend estimated through econometric methods in order to estimate Okun's law (Nshue Mbo Mokime, 2014, p. 371), we see that in some regions of Romania, when the labour market is in equilibrium, economic growth improves considerably and the relationship between unemployment cycles and gross domestic product is decreasing, i.e. the increase in the level of growth leads to a decrease in the unemployment rate. Conversely, in certain regions of this country, Okun's law is not one hundred percent valid, since the existing relationship between the gross domestic product indicator and the employment rate is less significant. In this case, we can say that there is regional heterogeneity in Okun's law (Minea & Tomuleasa, 2015, p. 372). For more details, we will explain the first phase of analysis which was carried out using the Newey-West method. This result shows that the level of income and the level of unemployment vary in the opposite direction, since Okun's coefficients are negative, which explains the existence of a negative relationship between unemployment and income in Romania (Minea & Tomuleasa, 2015, p. 372). Nevertheless, the country of Romania constitutes of the eight regions of which six regions, Okun's law is acceptable, but the other two regions, the authors cannot confirm this law, according to which gross domestic product and unemployment have an opposite direction, which affirms regional heterogeneities of Okun's law at the level of this country (Minea & Tomuleasa, 2015, p. 372). Thus, the author of this article identified the regions best suited to Okun's Law, saying: "two groups of regions can be identified. On the one hand, regions in which there is a significant relationship between the cyclical components of income and unemployment, regardless of the econometric method used. This is the case for most Romanian regions, namely the Centre, North-East, North-West, South-East, South-Muntenia and South-West regions. On the other hand, there are regions in which the link between the two variables is only marginally significant; this is particularly the case in the Bucharest-Ilfov and West regions" (Minea & Tomuleasa, 2015, p. 374). The researchers therefore tried to focus more on the issue of regional heterogeneities in the relationship between unemployment and Okun's law income and to look for the determinants that led to these. During the period studied, the authors chose to rank the

Romanian regions in terms of real income in ascending order in order to analyse the significance of Okun's law. They noted that the regions with a high real income were those that did not adapt well to Okun's law, such as the West region and Bucharest-Ilfov. It is deduced that this law is not significant in regions that have more wealth than other regions (Minea & Tomuleasa, 2015, p. 374). However, when it comes to studying the unemployment rate, it seems that Okun's law is only valid if the unemployment rate is relatively low and the size of the regional population is sufficiently high. The researchers therefore justified choosing the country of Romania because it has more available and accessible regional data than other developing countries (Minea & Tomuleasa, 2015, p. 375). From the analysis we have seen, it has shown us that Okun's law is by no means universal, i.e. it is not generalised over all Romanian regions. Romania has therefore taken the regional aspect into account in its political decision. In fact, the State has been able to develop a Keynesian economic policy in the regions where Okun's Law is likely to be applied, meaning that economic activity needs to be boosted to improve economic growth, which will help to reduce the unemployment rate. On the other hand, in regions where Okun's law is not significant, the Romanian authorities cannot pursue a Keynesian policy, since the growth rate in some regions is already high, in which case the economic policy will be ineffective (Minea & Tomuleasa, 2015, p. 376).

In this section, we have highlighted the relationship between economic growth and employment based on the analysis of Okun's law, which studied the link between these two concepts. Several studies have confirmed this law at national and regional level, but other studies have not.

#### **b. Governance and economic growth**

This part of the article will examine the relationship between governance and economic growth.

##### *i. Definition of governance*

Before presenting this relationship, we will first define the concept of governance in the global economy, governance requires rectification through globalisation. For some authors, the success of globalisation depends on governance, saying that "globalisation requires governance at these four levels: a flexible but effective global body through regular meetings of the most important protagonists, international institutions specialising in specific sectors or themes, more generalist regional organisations to which States grant transfers of powers, and international summits which strengthen global awareness.

it is on these conditions that nine to ten billion people will be able to live in harmony on a planet with limited resources" (Zerah, 2013, p. 19). Governance was trying to respond to the current challenge at all levels (Zerah, 2013, p. 14). Recently, the term governance has undergone significant development. It is often used by an organisation or a country to change its system and improve its performance. International organisations such as the World Bank and the IMF use the term 'good governance' to determine the degree of effectiveness of public management in countries undergoing structural adjustment plans (Fikri, 2005, p. 8). These authors, SEDJARI Ali and others, have shown the importance of institutions in the economic sphere and that the economy cannot be defined solely as a set of natural, human and material resources, but also as a set of institutions, growth is also improved by the reorganisation of institutional modes and mechanisms by saying that "the economy will be more or less efficient and prosperous according to the quality and quantity of available resources, but also and perhaps above all according to the capacity and efficiency of these institutions to coordinate the various activities (decisions, production and investment), in order to maximise the potential value of all resources" this is the theory of the new political economy (Sedjari, Delperee, & BenAli, 1996, p. 56). International institutions need to develop a new management process, and new governance has therefore become increasingly necessary (Zerah, 2013, p. 20). While, other authors have defined governance as "the exercise of economic, political and administrative authority for the purpose of managing the affairs of a country at all levels. It includes the mechanisms, processes and institutions through which citizens and groups express their interests and differences, exercise their rights and fulfil their obligations. Governance includes the state but goes beyond it by also including the private sector and civil society organisations" (ZIADI & BHIBAH, 2016, p. 72).

*ii. Governance and economic growth: what is the relationship?*

With this in mind, we will highlight the relationship between economic growth and governance. To do this, we will analyse governance indicators such as the rate of corruption, political instability, the management of public affairs, stakeholder confidence and other institutional variables in relation to the determinants of economic growth (gross domestic product, investment and other economic variables).

In the 1980s, some developing countries, such as the countries of the West African Economic and Monetary Union (WAEMU), faced problems with structural adjustment programmes and imbalances in macroeconomic indicators with increased external debt, which disrupted the level of economic growth (ZIADI & BHIBAH, 2016, p. 71).

When we talk about improving governance, we are thinking directly about institutions, that is the democracy of institutions will be the basis of any institutional reform and access to information and training strengthens the market mechanism and therefore the improvement of the economy, which is why researchers have always studied how governance will be effective in a more restrictive environment (ZIADI & BHIBAH, 2016, p. 71). In a first point, we will study the indicators of governance, and then we will highlight the relationship that exists between economic growth and governance. We have already mentioned the determinants of growth in the section on the relationship between economic growth and employment, but in this section, we will focus solely on governance indicators in relation to economic growth. According to these authors, 6 indicators of governance have been identified: "Voice and accountability", "political instability and violence", "government effectiveness", "regulatory burden", "rule of law and corruption" (ZIADI & BHIBAH, 2016, p. 72).

We will begin by explaining the voice and accountability indicator, which is linked to variables that measure stakeholder participation in the political environment. The second indicator is political instability and violence, which represents a government's ability to make administrative regulations and transactions more reliable. With regard to the burden of regulation, it is concerned with price controls (ZIADI & BHIBAH, 2016, p. 72). With regard to the rule of law, it is linked to the ability of citizens to trust stakeholders, its objective is to separate the executive from the judiciary, as stated in the report of the United Nations Development Programme: "It applies to public authorities, protecting citizens against arbitrary decisions by the State, and to society as a whole, governing relations between private interests. It guarantees equal treatment for all citizens, who are subjects of rights protected against the whims of the powerful. The rule of law is an essential precondition for accountability and predictability in both the public and private sectors" (UNDP, 2002, p. 41). To explain this in more detail, this report used several criteria, saying: "clear publication of rules, their application without discrimination, effective coercive measures, predictable and legally enforceable methods of reviewing laws, and citizens who perceive rules and laws as fair, just or legitimate and agree to abide by them" (UNDP, 2002, p. 41). Some authors, define corruption as the exploitation of public power for personal gain (Lafay, 1990). Other authors have considered corruption as a transformation of resources towards corrupt officials (Bresson, 2000, p. 65). This is why measuring corruption is important for identifying the shortcomings that block countries' economic growth (ZIADI & BHIBAH, 2016, p. 73).

Having defined the basic indicators of governance, we will now study the relationship between economic growth and governance. To do this, we will analyse the research that has already been carried out by a number of authors to determine the nature of this link between institutional indicators and the determinants of growth. In nineteen ninety-nine, the World Bank associated the name of good governance with the degree of development of countries, using this term to explain why African countries are still lagging behind in terms of development because they have suffered from poor governance (ZIADI & BHIBAH, 2016, p. 74). Researchers have explained the nature of governance in terms of the economic, social and political situation of institutions or countries in general. They have said that non-discrimination between women and men, permanent participation in political life, poverty that should be reduced in developing countries and rules that should be clear and flexible to apply, are therefore the conditions necessary to accurately measure the nature of governance (ZIADI & BHIBAH, 2016, p. 74). However, another study already carried out by researchers, looked at the relationship between economic growth, economic freedom, political freedom and economic development over the period between One Thousand Nine Hundred and Seventy-Five and One Thousand Nine Hundred and

Ninety-Two in one hundred countries. The result of this analysis was positive: they found that there was a positive link between economic indicators and political determinants. However, another researcher, showed during his studies that there is not always a positive relationship between economic and political variables, since each country has its own specific characteristics. We cannot, therefore, generalise the findings (ZIADI & BHIBAH, 2016, p. 74). Indeed, these studies are not limited solely to these variables, as there are studies that focus on the role of governance on the growth of gross national product per capita and the level of education of individuals, since the formation of human capital and the qualification of the workforce play a crucial role in determining the effectiveness of governance (ZIADI & BHIBAH, 2016, p. 75). In contrast, some authors have tried to measure poor governance by the level of corruption and bureaucracy in countries. In this case, countries will have to rise to the challenge and reform their institutions by improving the indicators that represent governance (Azam, 1996, p. 821). Without forgetting that there is also the indicator of political instability, which has a negative influence on the rate of economic growth, because companies that want to invest in countries where the degree of instability is high always take precautions, and so the low level of investment rate slows down the rate of economic growth (ZIADI & BHIBAH, 2016, p. 77). It has been agreed that economic performance will be good if there is a solid administrative and institutional structure that meets the expectations of the entire population of the country (DEPF, 2014). Some authors have added institutional theory as a basis for studying the development of countries, using the principle of property rights as an institutional indicator that obviously contributes to improving economic growth (Maamri & Oukaci, 2020, p. 119). We will now look at a model that deals with the relationship between economic growth and the indicators that represent the institutional mechanism, using the model; which links the institutional variable, economic growth, trade openness and the level of investment. On the basis of this model, some authors from African countries such as Algeria, for example, studied the link between the variables mentioned above, using econometric studies to test the influence of institutional variables on the economic indicators of countries during the period between 1970 and 2016. They analysed the model using variables such as gross domestic product per capita, the quality of property rights, the level of democracy, the stock of fixed capital, exports and imports (Maamri & Oukaci, 2020, p. 121). The data used in this analysis was extracted from the World Bank and Fraser Institute databases. The researchers focused on the staggered lag autoregressive model causality tests. The results of this study show that the gross domestic product indicator does not always move in the same direction as institutional variables such as the level of democracy and property rights (Maamri & Oukaci, 2020, p. 129). We can see from these studies that the improvement in countries' economic growth is due to the improvement in the quality of institutions, but other economic variables such as investment need to be included in order to observe the evolution of growth in relation to governance indicators.

### **c. Relationship between employment and governance**

Having determined the relationship between economic growth and employment on the one hand and economic growth and governance on the other, we are now going to highlight the relationship between employment and governance indicators.

We are now going to talk about employment policy in relation to the functioning of governance, and we are going to try to determine the contribution of this policy to the effectiveness of institutions. In fact, the main objective is to link up all the employment policy initiatives undertaken by local, national, public or private players in order to achieve harmonious coordination between all the stakeholders so that joint decisions and actions can be taken (Steve Jacob, 2011, p. 552). As we already know, employment policy is primarily a policy concerned with improving the functioning of the labour market, reducing unemployment and including certain categories of people such as young people and women in its operation (Steve Jacob, 2011, p. 552).

To explain in detail the relationship between governance and employment, we will look at a study that was carried out in the Brussels-Capital Region (BCR), on the importance of coordination between stakeholders and new public management in improving employment policy in this European region. The researchers observed that the complexity of administrative procedures in the Belgian regions was an obstacle and prevented employment policy from improving, and that the lack of coordination between these different players in the region was relatively blocking economic development, saying that "in a

document widely disseminated in the media, they made a strong plea for this economic reality to be taken into account, insisting that this lack of coordination and this competition between regions have severely handicapped the CBR in its potential for economic development" (Steve Jacob, 2011, p. 561). We have therefore briefly analysed the relationship between the system of governance and employment policy, and have deduced that in order to improve the level of employment, all that is needed is simple flexibility in the management of the labour market and in the operation of public administration.

### **3. Presentation of data and method analysis**

In this sense, we will choose the conceptual mapping method, which facilitates the understanding of theoretical aspects in the field of economics. Starting from a series of bibliographic databases that we have constructed, we will try to analyse and interpret the relationship between different concepts using the Visual Understanding Environment (V-U-E) software, which is a tool that allows us to implement the conceptual map and graphically create nodes, connectors and relationships between knowledge. We will now ask ourselves the following question: Sustainable economic growth, inclusive employment and territorial governance: what is the relationship?

We will move on to another analysis which will be important in our work, that of the triangle linking economic growth, the level of employment and governance. In this section, we will highlight the literature review that deals with these three concepts.

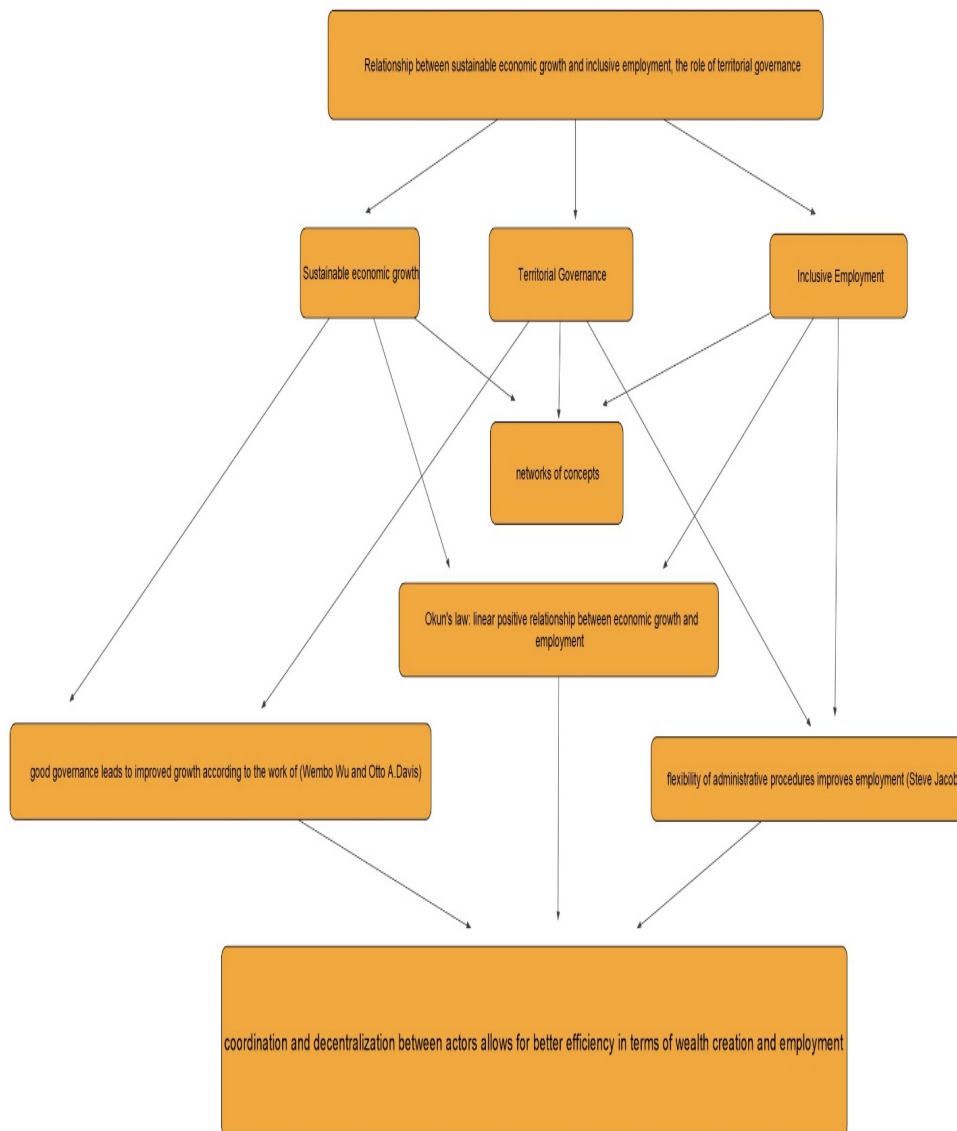
#### **a. Identifying indicators**

In Two Thousand and Eighteen, the Organisation for Economic Cooperation and Development's report dealt with the various concepts selected for study under the theme of (The policy framework for inclusive growth policies), using a scoreboard to address the relationship between economic growth, employment and governance. The report chose gross domestic product per capita, the median income level and the poverty rate as determinants of growth. It also chose the level of labour productivity, the employment rate and the gender pay gap as an indicator of employment. With regard to the last element, governance, the report preferred to include institutional variables such as the degree of trust in public power, electoral participation, decentralisation and the participation of women in political life (Organisation for Economic Cooperation and Development, 2018, pp. 27-28). This research shows that governance mechanisms are essential for improving economic growth and employment policy, since understanding between the various players leads to greater efficiency in terms of wealth creation and employment (Organisation for Economic Cooperation and Development, 2018, p. 219).

#### **b. Study using the conceptual mapping method**

In this point, we will try to analyse the economic concepts we have seen previously using the Visual Understanding Environment (VUE) software.

**Figure 1: Conceptual mapping**



*Source: The authors (VUE software)*

We constructed the box nodes horizontally to clarify the relationship between sustainable economic growth, inclusive employment and territorial governance. This allowed us to identify gaps in the literature review. Indeed, we found that there is a strong relationship between governance, economic growth and employment. However, these authors neglected the environment variable in their studies. In other words, can the system of territorial governance lead to an improvement in the relationship between growth and employment, without damaging the environment? The majority of researchers have not used in their research variables that are linked to the environment, such as companies that contribute to economic growth and use clean technologies, public and private actors that orient their strategies and projects towards sustainable development.

**c. Discussion and analysis of results**

The result shows that there is no relationship between economic concepts in terms of sustainability and environmental integrity. Previous studies have rarely used sustainable development to analyse the relationship between economic growth, employment and governance. Since the environmental variable is only one aspect that makes it possible, on the one hand, to ensure economic growth without environmental degradation and, on the other hand, social inclusion in the labour market of all the

vulnerable categories that suffer from access to the labour market and that could, of course, contribute to improving economic growth while promoting good governance of institutions. This is why we found gaps and limitations in the literature review. It is therefore necessary to verify and study another hypothesis in the future based on variables that can maintain economic growth and employment positions and ensure a permanent and solid structure of the various institutions.

#### 4. Conclusion

In this article, we have highlighted the ideas of authors who have dealt with the various theories of economic growth, employment and governance. We have found that each concept studied has its own characteristics. The concept of governance is not universal for all countries and for all structures. Similarly, economic growth and employment are characterised by their own specific indicators. We then deduced from the literature review that there really is a positive link between the various economic concepts studied. Our aim was to find the gaps in this relationship. For this reason, we analysed the economic concepts using the concept mapping method to identify the limits of the research and the studies that had not yet been carried out by researchers. Finally, we have observed that there are still indicators that have not been included as environmental variables in the analysis of the relationship between economic growth, employment and governance and that can relatively improve their economic relationships.

The major contribution of this review therefore lies in linking economic, social, institutional and environmental aspects to propose an integrated analytical model. Future research could further explore these links between the variables studied, particularly through comparative empirical studies between countries and regions.

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