Global Human Capital Index - WEF

Why in news?

\n\n

The “World Economic Forum’s - Global Human Capital Index”, ranked India at a 103rd among 130 countries.

\n\n

What does the report say?

\n\n

\n
- The Global Human Capital Index 2017 ranks countries on how well they are developing their human capital.
\n
- The rankings are based on four thematic dimensions — capacity, deployment, development, and know-how.
\n
- The index is led by Scandinavian nations Norway, Finland and Switzerland, followed by large economies such as the US and Germany.
\n
- In South Asia, the race is led by Sri Lanka at rank 70 and Nepal at 98, while India has a slightly better standing than Bangladesh & Pakistan.
\n
- With the exception of Sri Lanka, the other South Asian countries are yet to reach the 60% threshold in HDI.
\n

\n\n

What are the implications for India?

\n\n

\n
- This is a scathing commentary on how India is handling its demographic dividend.
\n
- India stands at the bottom among the G20 nations, is the lowest among BRICS nations.

\n
- Dragged down by its poor labour participation and a big gender gap, India seems to be struggling against huge challenges.
\n
- It has been noted that although India’s current educational attainment rate has improved over past generations, its youth literacy rate stands at a paltry 89%.
\n

\n\n

What are the positives for India?

\n\n

\n
- Despite the low ratings, the report notes that India is showing signs of slowly moving in the right direction.
\n
- The primary way to realise the full human potential is by increasing inclusivity and expanding access to education and employment opportunities.
\n
- On that note, the country scores well on the ‘know-how’ parameter that measures the use of specialised skills at work - such as economic complexity, availability of skilled employees.
\n
- The other markers are that India ranks well on are its improving education system, skill diversity of graduates and high-skilled employment share.
\n

\n\n

What are the worldwide trends?

\n\n

\n
- The world average was only 62% on human capital development.
\n
- Only 25 nations were found to have tapped at least 70% of their human capital, while for 14 countries was below 50%.
\n
- South Asia’s overall score was behind the Middle East and North Africa but ahead of Sub-Saharan Africa.
\n
- China was ranked an impressive 34th and its rapid expansion of educational attainment across its younger generations is poised to be an asset in preparing the future workforce.

\n

\n\n

\n\n

Source: New Indian Express

\n