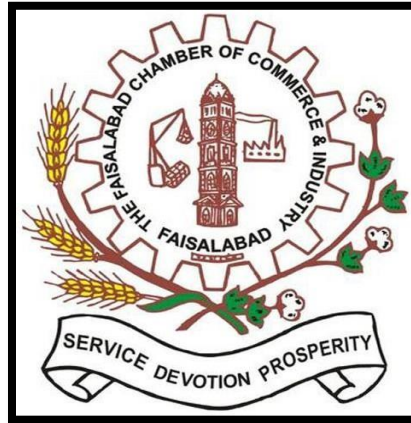


# FCCI

## Research & Development Center



### Title

## Human Capital Index

### Prepared By:

**Anam Shareef**

(Research Assistant)

*(Research & Development Department)*

M.Phil. Physics

*(University of Agriculture Faisalabad)*

Muhammad Faizan

MSc. (Hon) ERE

*(University of Agriculture Faisalabad)*

# **Human Capital Index**

The **Human Capital Index** is a report prepared by the World Bank. The Index measures which countries are best in mobilizing the economic and professional potential of their citizens. The index measures how much capital each country loses through lack of education and health. The Index was first published in October 2018 and ranked 157 countries. The Human Capital Index ranges between 0 and 1, with 1 meaning maximum potential is reached.<sup>[1]</sup>

## **Methodology**

The applications to measuring human capital are developed in research by Noam Angrist, Simeon Djankov, Pinelopi Koujianou Goldberg and Harry Patrinos, in an article published in the leading scientific journal Nature. These findings are popularized in a 2021 Vox column. The Index is grounded on the following three pillars:<sup>[2]</sup>

### **Survival**

- Share of children surviving past the age of 5 in %

### **School**

- Quantity of education (Expected years of schooling by age 18)
- Quality of education (Harmonized test scores)




### **Health**













- Adult survival rates (Share of 15-year-olds who survive until age 60 in %)
- Healthy growth among children (Stunting rates of children under 5 in %)







## **Human Capital Index**













The Human Capital Index was first published as part of the World Bank's World Development Report 2019, directed by Simeon Djankov and Federica Saliola. Nobel Prize winner Paul Romer started the measurement.

### List of countries by Human Capital Index 2020<sup>[3]</sup>













List of countries by Human Capital Index 2020 <sup>[3]</sup>		
Rank	Country	Score (% of potential reached)
1	 Singapore	0.88
2	 Hong Kong	0.81
3	 Japan	0.80
4	 South Korea	0.80
5	 Canada	0.80
6	 Finland	0.80
7	 Macao	0.80

8	 Sweden	0.80
9	 Ireland	0.79
10	 Netherlands	0.79
11	 United Kingdom	0.78
12	 Estonia	0.78
13	 New Zealand	0.78
14	 Slovenia	0.77
15	 Norway	0.77
16	 Australia	0.77
17	 Portugal	0.77
18	 France	0.76
19	 Belgium	0.76













20	 Switzerland	0.76
21	 Cyprus	0.76
22	 Denmark	0.76
23	 Poland	0.75
24	 Czech Republic	0.75
25	 Germany	0.75
26	 Austria	0.75
27	 Iceland	0.75
28	 Israel	0.73
29	 Spain	0.73
30	 Italy	0.73
31	 Croatia	0.71

32	 Malta	0.71
33	 Latvia	0.71
34	 Lithuania	0.71
35	 United States	0.70
36	 Belarus	0.70
37	 Greece	0.69
38	 Vietnam	0.69
39	 Luxembourg	0.69
40	 Hungary	0.68
41	 Russia	0.68
42	 Serbia	0.68
43	 United Arab Emirates	0.67













44	 Slovakia	0.66
45	 China	0.65
46	 Bahrain	0.65
47	 Chile	0.65
48	 Turkey	0.65
49	 Qatar	0.64
50	 Albania	0.63
51	 Montenegro	0.63
52	 Seychelles	0.63
53	 Ukraine	0.63
54	 Costa Rica	0.63
55	 Kazakhstan	0.63













56	 Brunei	0.63
57	 Uzbekistan	0.63
58	 Mauritius	0.62
59	 Mongolia	0.61
60	 Bulgaria	0.61
61	 Mexico	0.61
62	 Malaysia	0.61
63	 Thailand	0.61
64	 Oman	0.61
65	 Peru	0.61
66	 Colombia	0.61
67	 Trinidad and Tobago	0.60



























68	 Saint Lucia	0.60
69	 Argentina	0.60
70	 Uruguay	0.60
71	 Sri Lanka	0.60
72	 Kyrgyzstan	0.60
73	 Antigua and Barbuda	0.60
74	 Ecuador	0.59
75	 Iran	0.59
76	 Palau	0.59
77	 Saint Kitts and Nevis	0.59
78	 Romania	0.58
79	 Moldova	0.58













80	 Palestine	0.58
81	 Bosnia and Herzegovina	0.58
82	 Armenia	0.58
83	 Azerbaijan	0.58
84	 Saudi Arabia	0.58
85	 Georgia	0.57
86	 Kosovo	0.57
87	 Grenada	0.57
88	 Kuwait	0.56
89	 North Macedonia	0.56
90	 Jordan	0.55
91	 Brazil	0.55













92	 Samoa	0.55
93	 Kenya	0.55
94	 El Salvador	0.55
95	 Dominica	0.54
96	 Indonesia	0.54
97	 Jamaica	0.53
98	 Algeria	0.53
99	 Saint Vincent and the Grenadines	0.53
100	 Tonga	0.53
101	 Paraguay	0.53
102	 Tunisia	0.52
103	 Philippines	0.52

104	 Lebanon	0.52
105	 Fiji	0.51
106	 Nauru	0.51
107	 Nicaragua	0.51
108	 Federated States of Micronesia	0.51
109	 Nepal	0.50
110	 Morocco	0.50
111	 Tajikistan	0.50
112	 Dominican Republic	0.50
113	 Panama	0.50
114	 Guyana	0.50
115	 Egypt	0.49











116	 India	0.49
117	 Kiribati	0.49
118	 Cambodia	0.49
119	 Honduras	0.48
120	 Myanmar	0.48
121	 Bhutan	0.48
122	 Zimbabwe	0.47
123	 Bangladesh	0.46
124	 Guatemala	0.46
125	 Gabon	0.46
126	 Laos	0.46
127	 Vanuatu	0.45

128	 Timor-Leste	0.45
129	 Ghana	0.45
130	 Tuvalu	0.45
131	 Haiti	0.45
132	 Namibia	0.45
133	 Togo	0.43
134	 Papua New Guinea	0.43
135	 South Africa	0.43
136	 Marshall Islands	0.42
137	 Gambia	0.42
138	 Senegal	0.42
139	 Solomon Islands	0.42

140	 Republic of the Congo	0.42
141	 Botswana	0.41
142	 Malawi	0.41
143	 Iraq	0.41
144	 Pakistan	0.41
145	 Comoros	0.40
146	 Lesotho	0.40
147	 Benin	0.40
148	 Afghanistan	0.40
149	 Cameroon	0.40
150	 Zambia	0.40
151	 Madagascar	0.39

152	 Tanzania	0.39
153	 Burundi	0.39
154	 Uganda	0.38
155	 Burkina Faso	0.38
156	 Ethiopia	0.38
157	 Mauritania	0.38
158	 Ivory Coast	0.38
159	 Rwanda	0.38
160	 Sudan	0.38
161	 Yemen	0.37
162	 Eswatini	0.37
163	 Guinea	0.37



164	 Democratic Republic of the Congo	0.37
165	 Sierra Leone	0.36
166	 Angola	0.36
167	 Mozambique	0.36
168	 Nigeria	0.36
169	 Liberia	0.32
170	 Mali	0.32
171	 South Sudan	0.31
172	 Chad	0.30
173	 Niger	0.29

## References

---

1. Edwards, Sophie (2019-04-01). "Q&A: World Bank human capital index gathers momentum". Devex.
2. Kraay, Aart (2018-09-25). Methodology for a World Bank Human Capital Index. Policy Research Working Papers. The World Bank. doi:10.1596/1813-9450-8593. hdl:10986/30466.
3. "Human Capital". World Bank. Retrieved 2021-04-20.