

World Bank's World Governance Indicators

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In news– Recently, World Bank has released the World Governance Indicators in which it has ranked India much below” its peers on all counts.

About World Governance Indicators (WGI)-

- WGI is a collection of responses from a wide range of people acquired through a variety of surveys as well as other cross country governance evaluation.
- WGI measures the quality of governance in over 200 countries, based on close to 40 data sources produced by over 30 organizations worldwide.
- It provides a ranking of countries based on **six dimensions of governance**. They are:
 1. Voice and Accountability.
 2. Political Stability and Absence of Violence.
 3. Government Effectiveness.
 4. Regulatory Quality.
 5. Rule of Law.
 6. Control of Corruption.
- WGI were updated every two years between 1996 and 2002.
- After 2002, they are updated on a yearly basis.
- Annual updates are released at the end of September of each year with data through the previous calendar year.
- A complementary vision of the macro-level Worldwide Governance Indicators are the World Bank Governance Surveys, which are country level governance assessment tools developed by the World Bank Institute.

India's score-

- As per Ministry of Finance's Economic Division, India's

WGI score is much below the BBB Median on all six indicators.

- While BBB is an investment-grade rating issued by global rating agencies such as S&P and Fitch, a WGI score below BBB Median would suggest that India falls below the middle when the scores of countries are arranged in a descending order.
- The issue of Kashmir affected India's score, it noted that went from "partly free" since 2017 till 2019 to "not free" in 2020 scoring 8 (out of 40) in Political Rights, 20 (out of 60) in Civil Liberties.
- Around 15 data sources ratings have the maximum impact on India's overall WGI scores including the Economist Intelligence Unit, Varieties of Democracy Project, Freedom House and Heritage Foundation Index of Economic Freedom among others.