

# World Competitiveness index

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## In news

India maintained 43rd rank in World Competitiveness index which was published recently

## About the World Competitiveness index

- **It is compiled by** Swiss-based **Institute for Management Development (IMD)**
- It ranks 64 economies and **assesses the extent to which a country promotes the prosperity of its people by measuring economic well-being** through hard data and survey responses from executives.
- The World Competitiveness Yearbook is an annual report published by the IMD on the competitiveness of nations and has been published since 1989.
- **It examines four factors**– economic performance, government efficiency, business efficiency, and infrastructure
- It analyzes and ranks countries according to how they manage their competencies to achieve long-term value creation
- This year, the rankings expose the economic impact of the pandemic across the globe

## Rankings

### Top countries

- Switzerland (1st), Sweden (2nd), Denmark (3rd), the Netherlands (4th), and Singapore (5th).
- Top-performing economies are characterized by varying degrees of investment in innovation, diversified economic activities, and supportive public policy.
- Taiwan reached the top-10 for the first time since the ranking began 33 years ago (moving up from 11th last

year).

- The UAE and the USA remain in their same spots as last year (9th and 10th, respectively).
- The top-performing Asian economies are, in order, Singapore (fifth), Hong Kong (seventh), Taiwan (eighth) and China (16th).

### **India's ranking**

- India is maintaining 43rd rank since the year 2019.
- Among the BRICS nations, India is ranked second after China (16), followed by Russia (45th), Brazil (57th) and South Africa (62th).
- As per the index, India's significant improvements in government efficiency due to relatively stable public finances (despite difficulties brought by the pandemic, in 2020 the government deficit stayed at 7 per cent).
- Indian government's support & subsidies to the private companies played an important role in its improvement in the ranking.

### **Key findings**

The report finds that qualities such as investment in innovation, digitalisation, welfare benefits and leadership, resulting in social cohesion have helped countries better weather the crisis the best and thus ranked higher in competitiveness.

### **The Institute for Management Development (IMD)**

- IMD is an independent academic institution with Swiss roots and global reach, founded 75 years ago by business leaders for business leaders.
- Since its creation, IMD has been a pioneering force in developing leaders who transform organizations and contribute to society.
- It is based in Lausanne (Switzerland) and Singapore.