

# Iceland

## Human Capital Index 2020

This brief provides an update to the Human Capital Index (HCI). First launched in 2018, the HCI measures the amount of human capital that a child born today can expect to attain by age 18. It conveys the productivity of the next generation of workers compared to a benchmark of complete education and full health. Worldwide a child born in 2020 can expect, on average, to be 56 percent as productive as she could be when she grows up. All data represent the status of countries pre-COVID-19.

### THE HUMAN CAPITAL INDEX

**Human Capital Index.** A child born in Iceland today will be **75 percent** as productive when she grows up as she could be if she enjoyed complete education and full health. This is higher than the average for Europe & Central Asia region and High income countries. Between 2010 and 2020, the HCI value for Iceland decreased from 0.76 to 0.75. Figure 1 shows how the HCI and each of the components evolved over time.

- **Probability of Survival to Age 5.** 100 out of 100 children born in Iceland survive to age 5.
- **Expected Years of School.** In Iceland, a child who starts school at age 4 can expect to complete **13.5 years** of school by her 18th birthday.
- **Harmonized Test Scores.** Students in Iceland score **498** on a scale where 625 represents advanced attainment and 300 represents minimum attainment.
- **Learning-adjusted Years of School.** Factoring in what children actually learn, expected years of school is only **10.7 years**.
- **Adult Survival Rate.** Across Iceland, **95 percent** of 15-year olds will survive until age 60. This statistic is a proxy for the range of health risks that a child born today would experience as an adult under current conditions.
- **Healthy Growth (Not Stunted Rate).** Data on stunting are not available for Iceland.

### DIFFERENCES IN HCI ACROSS GENDER AND SOCIO-ECONOMIC GROUPS

In Iceland, the HCI for girls is higher than for boys. Table 1 shows gender disaggregation for each of the HCI components.

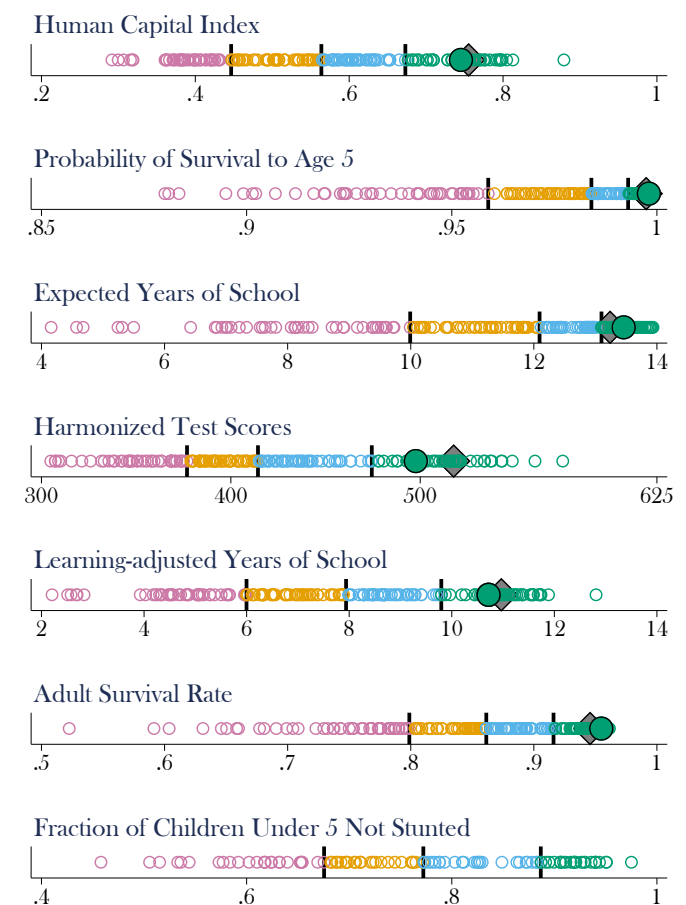
In Iceland, there are not sufficient data to disaggregate HCI by socio-economic groups.

**Table 1. HCI by Gender and Socio-economic Group**

Component	Boys	Girls	Overall
HCI	0.72	0.77	0.75
Survival to Age 5	1.00	1.00	1.00
Expected Years of School	13.4	13.5	13.5
Harmonized Test Scores	488	508	498
Learning-adjusted Years of School	10.4	11.0	10.7
Adult Survival Rate	0.94	0.97	0.95
Not Stunted Rate	-	-	-
HCI Ratio (richest / poorest 20 percent)	-	-	-

For more on socioeconomic disaggregated HCI, please visit <https://www.worldbank.org/en/publication/human-capital/brief/insights-from-disaggregating-the-human-capital-index>

**Figure 1. HCI and Components**



Note:

- Large circle represents Iceland in 2020
- Diamond represents Iceland in 2010
- Small circles represent other countries
- Lines and color of circles indicate quartiles of the distribution