

Lao People's Democratic Republic

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 the Lao PDR today will be **46 percent** as productive when she grows up as she could be if she enjoyed complete education and full health. This is lower than the average for East Asia & Pacific region and Lower middle income countries.

- **Probability of Survival to Age 5.** 95 out of 100 children born in the Lao PDR survive to age 5.
- **Expected Years of School.** In the Lao PDR, a child who starts school at age 4 can expect to complete **10.6 years** of school by her 18th birthday.
- **Harmonized Test Scores.** Students in the Lao PDR score **368** 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 **6.3 years**.
- **Adult Survival Rate.** Across the Lao PDR, **82 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).** 67 out of 100 children are **not** stunted. 33 out of 100 children are stunted, and so are at risk of cognitive and physical limitations that can last a lifetime.

DIFFERENCES IN HCI ACROSS GENDER AND SOCIO-ECONOMIC GROUPS

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

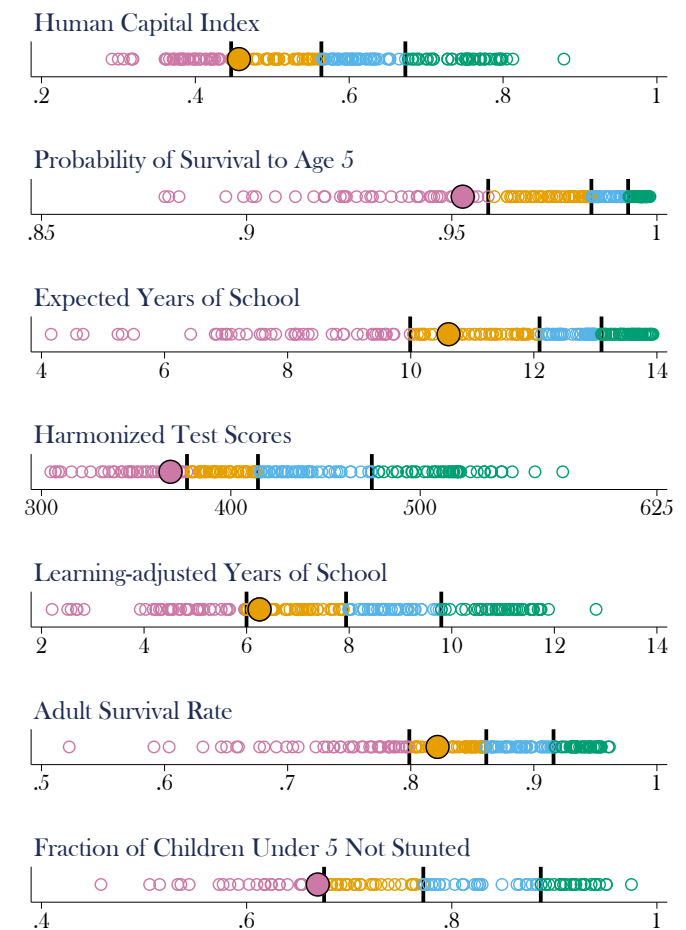
In the Lao PDR, there are not sufficient data to disaggregate HCI by socio-economic groups.

Table 1. HCI by Gender and Socio-economic Group

Component	Boys	Girls	Overall
HCI	0.45	0.47	0.46
Survival to Age 5	0.95	0.96	0.95
Expected Years of School	10.7	10.5	10.6
Harmonized Test Scores	363	374	368
Learning-adjusted Years of School	6.2	6.3	6.3
Adult Survival Rate	0.80	0.85	0.82
Not Stunted Rate	0.66	0.68	0.67
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 Lao PDR
- Small circles represent other countries
- Lines and color of circles indicate quartiles of the distribution