

West Bank and Gaza

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 West Bank and Gaza today will be **58 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 Middle East & North Africa region and Lower middle income countries.

- **Probability of Survival to Age 5.** **98** out of 100 children born in the West Bank and Gaza survive to age 5.
- **Expected Years of School.** In the West Bank and Gaza, a child who starts school at age 4 can expect to complete **12.2 years** of school by her 18th birthday.
- **Harmonized Test Scores.** Students in the West Bank and Gaza score **412** 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 **8 years**.
- **Adult Survival Rate.** Across the West Bank and Gaza, **89 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).** **93** out of 100 children are **not** stunted. **7** 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 West Bank and Gaza, the HCI for girls is higher than for boys. Table 1 shows gender disaggregation for each of the HCI components.

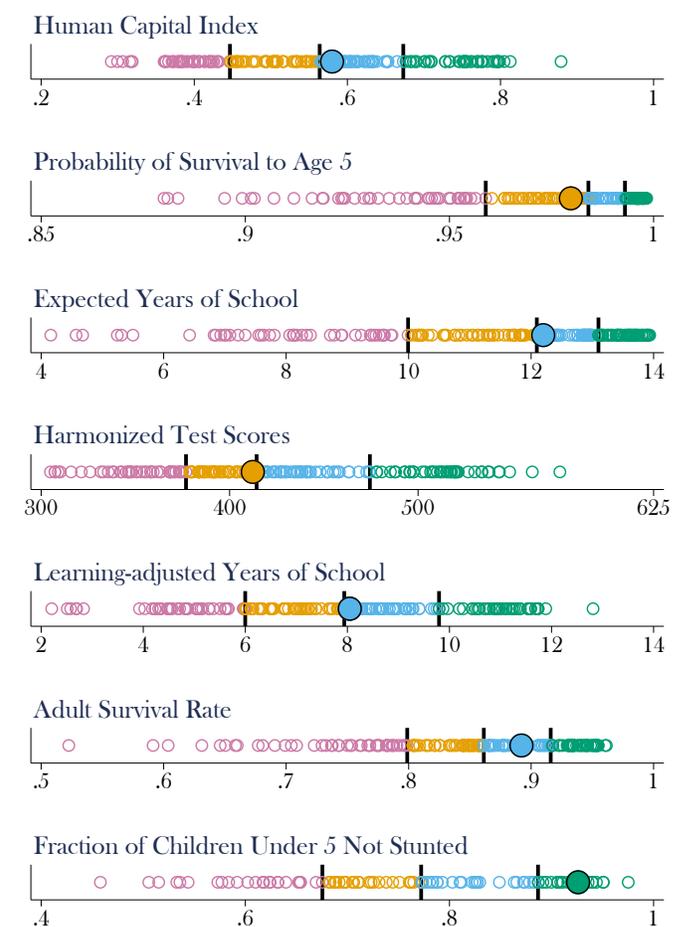
The ratio in HCI between the richest and poorest 20 percent of the population in the West Bank and Gaza is **1.18** (global average: 1.35; global range: 1.12-1.68).

Table 1. HCI by Gender and Socio-economic Group

Component	Boys	Girls	Overall
HCI	0.55	0.61	0.58
Survival to Age 5	0.98	0.98	0.98
Expected Years of School	11.9	12.5	12.2
Harmonized Test Scores	399	424	412
Learning-adjusted Years of School	7.6	8.5	8.0
Adult Survival Rate	0.88	0.91	0.89
Not Stunted Rate	0.92	0.93	0.93
HCI Ratio (richest / poorest 20 percent)			1.18

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 West Bank and Gaza
- Small circles represent other countries
- Lines and color of circles indicate quartiles of the distribution

Despite recent progress, countries in the Middle East & North Africa could do much more to improve the state of human capital, its utilization, and gender equality. This requires adequate, efficient, and effective public investment to improve health and education outcomes, increase employment of women and youth to better utilize existing human capital, and strengthen social protection systems to help all people reach their full potential.

DOMESTIC RESOURCE UTILIZATION AND MOBILIZATION

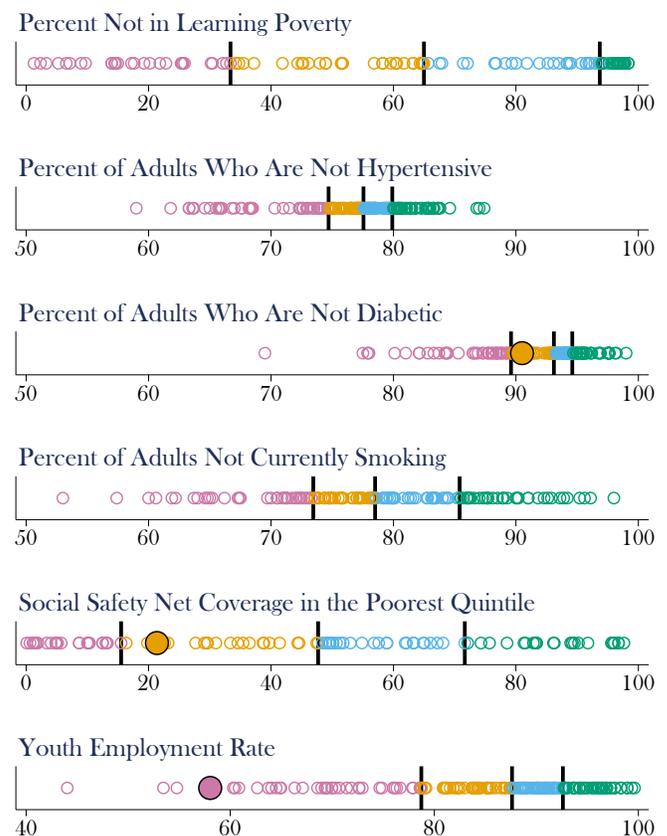
- **Health Spending.** The West Bank and Gaza spends **3.5 percent** (2015) of its GDP in public spending on health. This is higher than both the regional average (3.4%) and the average for its income group (2.8%). **8 percent** (2016) of the population incurs catastrophic health expenditure measured as out-of-pocket spending exceeding 10% of household consumption or income.
- **Education Spending.** The West Bank and Gaza spends **5.3 percent** (2017) of its GDP in government education spending. This is higher than both the regional average (4.4%) and the average for its income group (4.5%).
- **Social Assistance Spending.** The West Bank and Gaza spends **5.1 percent** (2015) of its GDP on social assistance. This is higher than both the regional average (1.4%) and the average for its income group (1.4%).
- **Government Revenue.** In the West Bank and Gaza, data on general government revenue are not available. The average for its region is 30.2 percent and for its income group is 27.3 percent.

COMPLEMENTARY INDICATORS

- **Learning Poverty.** In the West Bank and Gaza, data on learning poverty are not available. In its region, 48 percent of 10-year-olds cannot read and understand a simple text by the end of primary school. The corresponding value for its income group is 59 percent.
- **Pre-primary Gross Enrollment.** In the West Bank and Gaza, the gross enrollment ratio in pre-primary education is **56 percent** (2018). This is higher than both the average for its region (46%) and the average for its income group (49%).
- **NCD Deaths.** In the West Bank and Gaza, data on the probability of dying between ages 30 and 70 from cardiovascular disease, cancer, diabetes, or chronic respiratory diseases are not available. The average for its region is 17 percent and for its income group is 21 percent.
- **Hypertension.** In the West Bank and Gaza, data on prevalence of hypertension are not available. The average for its region is 20 percent and for its income group is 22 percent.
- **Diabetes.** In the West Bank and Gaza, **10 percent** (2019) of the population ages 20-79 has type 1 or type 2 diabetes. This is lower than the average for its region (11%) but higher than the average for its income group (8%).
- **Smoking.** In the West Bank and Gaza, data on prevalence of smoking are not available. The average for its region is 21 percent and for its income group is 19 percent.
- **Social Safety Net Coverage.** In the West Bank and Gaza, **21 percent** (2009) of the poorest quintile is covered by social safety nets. This is lower than both the average for its region (45%) and the average for its income group (39%).
- **Human Capital Utilization.** In the West Bank and Gaza, **33 percent** (2018) of the working-age population is employed. This is lower than both the average for its region (51%) and the average for its income group (54%).
- **Female Labor Force Participation.** In the West Bank and Gaza, the female labor force participation rate is **18 percent** (2019). This is lower than both the average for its region (31%) and the average for its income group (50%).

- **Youth Unemployment Rate.** In the West Bank and Gaza, the unemployment rate for youth ages 15-24 is **42 percent** (2019). This is higher than both the average for its region (22%) and the average for its income group (15%).
- **Road Traffic Deaths.** In the West Bank and Gaza, data on mortality due to road traffic injury are not available. The average number of road traffic deaths for its region is 17 people per 100,000 and for its income group is 20 people per 100,000.
- **Internet Connectivity.** In the West Bank and Gaza, **71 percent** (2019) of the population uses the internet. This is lower than the average for its region (72%) but higher than the average for its income group (34%).

Figure 2. Complementary Indicators



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This brief is based on the most recent data available from the Human Capital Project, World Development Indicators, Atlas of Social Protection Indicators of Resilience and Equity (ASPIRE), UNESCO Institute for Statistics, WHO Global Health Observatory and Global Health Expenditure Database, IMF World Economic Outlook, selected national sources and World Bank staff estimates.

For more information on the definition of indicators and data sources, please visit: www.worldbank.org/humancapital