

# Global Social Mobility Index: WEF

# CURRENT AFFAIR

- The World Economic Forum (WEF) has come out with its first-ever Global Social Mobility Report.
- Only a handful of nations have put in place the right conditions to promote social mobility.

# What to study?

- For Prelims: Overview and key findings.
- For Mains: Concerns and challenges highlighted, measures to address them.

# Other Important Reports of WEF

- The Global Risks Report
- The Global Gender Gap Report
- The Global Competitiveness Report
- The Travel & Tourism Competitiveness Report

# Social Mobility

- Absolute social mobility is the ability of a child to experience a better life than their parents.
- While, relative social mobility is an assessment of the impact of socio-economic background on an individual's outcomes in life.
- The concept of social mobility is much broader than just looking at income inequality.



# Global Social Mobility Index

- The WEF's Global Social Mobility Index assesses the 82 economies on “10 pillars” spread across the following five key dimensions of social mobility.

# DIMENSIONS

- Health;
- Education (access, quality and equity, lifelong learning);
- Technology;
- Work (opportunities, wages, conditions);
- Protection and Institutions (social protection and inclusive institutions).

# Top Performers

- The Nordic nations hold the top five spots, led by Denmark in the first place (scoring 85 points), followed by Norway, Finland and Sweden (83 points) and Iceland (82 points).



# G7

- The G7 or the Group of 7 is a group of the seven most advanced economies as per the International Monetary Fund (IMF).
- The seven countries are Canada, USA, UK, France, Germany, Japan and Italy.
- Germany is the most socially mobile - ranking 11th, followed by France in 12th position.

# BRICS

- The Russian Federation is the most socially mobile (39th), followed by China (45th), Brazil (60th), India (76th) and South Africa (77th).

# India's Performance

- India's overall ranking is a poor - 76 out of the 82 countries considered.
- However, India is among the five countries that stand to gain the most from a better social mobility score.
- It ranks 41st in lifelong learning and 53rd in working conditions.

Parameter	Rank (out of 82 countries)
Health	73
Access to Education	66
Quality and Equity in Education	77
Lifelong learning	41
Access to Technology	73
Work Opportunities	75
Fair Wage Distribution	79
Working Conditions	53
Social Protection	76
Inclusive Institutions	67

# MAJOR FINDINGS

- Economies that would gain the most from increases in social mobility: China followed by US, India, Japan, Germany and Russia.
- Increasing social mobility by 10% would benefit social cohesion and boost the world's economies by nearly 5% by 2030.
- The report also makes a powerful case for stakeholder capitalism.
- It calls for a new financing model for social mobility. Eg. Addressing wealth concentration, emphasis on social spending etc

# Stakeholder capitalism

- It is a system in which corporations are oriented to serve the interests of all their stakeholders.
- Under this system, a company's purpose is to create long-term value and not to maximize profits and enhance shareholder value at the cost of other stakeholder groups.

# World Economic Forum

- The World Economic Forum is the International Organization for Public-Private Cooperation.
- It was established in 1971 as a not-for-profit foundation and is headquartered in Geneva, Switzerland.
- It is independent, impartial and not tied to any special interests.
- The Forum strives in all its efforts to demonstrate entrepreneurship in the global public interest while upholding the highest standards of governance.

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- What do you understand by social Mobility? Discuss the Concerns and challenges highlighted for India by the recently released Global Social Mobility Report.





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