# World Competitiveness Index

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## About World Competitiveness Index:

- The IMD **World Competitiveness Yearbook (WCY**), was first published in 1989.
- It is a comprehensive annual report and worldwide reference point on the competitiveness of countries.
- It analyzes and ranks countries according to how they manage their competencies to achieve long-term value creation.
- It is based on 336 competitiveness criteria and four factors namely **Economic performance, Government efficiency, Business efficiency and Infrastructure.**

### Key Points of the Index

- **Denmark, Ireland and Switzerland** have been named the top three among 64 economies measured for their global competitiveness.
- **India** fell 3 rungs to **finish 40th** but is still in a better position than it was between 2019-2021 when it was placed 43rd three years in a row.
- India improved in government efficiency but fared slightly poorer than other countries in business efficiency, infrastructure, and economic performance.

- Specifically, the top three measures that helped India in its score are exchange rate **stability, compensation levels and improvements in pollution control**.

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## Q1) What is Economic efficiency?

Economic efficiency refers to the optimal allocation of resources to maximize the overall welfare or output within an economy. It is a concept that assesses how well resources, such as labor, capital, and natural resources, are utilized to generate goods and services.

**Source:** Singapore falls one spot to 4th in the 2023 global competitiveness index, India ranks 40th