Leveraging Human Capital for rising prosperity of the North Sea region

Peer Ederer, Phd

Director European Human Capital Project, Lisbon Council

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Human Capital makes all the difference

<table>
<thead>
<tr>
<th></th>
<th>Russia</th>
<th>Nigeria</th>
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<tbody>
<tr>
<td>GDP 1990</td>
<td>90 b$</td>
<td>28 b$</td>
</tr>
<tr>
<td>GDP 2004</td>
<td>764 b$</td>
<td>99 b$</td>
</tr>
<tr>
<td>Population 2004 (1990)</td>
<td>144 m (148)</td>
<td>137 m (93)</td>
</tr>
<tr>
<td>Exports</td>
<td>60% oil+minerals=160 b$</td>
<td>95% oil+minerals=50 b$</td>
</tr>
<tr>
<td>Politics</td>
<td>nominal democracy</td>
<td>nominal democracy</td>
</tr>
<tr>
<td>Business Climate</td>
<td>entrenched corruption</td>
<td>entrenched corruption</td>
</tr>
<tr>
<td></td>
<td>open market economy</td>
<td>open market economy</td>
</tr>
<tr>
<td>Economic Freedom Index</td>
<td>120</td>
<td>131</td>
</tr>
<tr>
<td>Literacy 2003 (1990)</td>
<td>99% (99)</td>
<td>68% (48)</td>
</tr>
<tr>
<td>Tertiary Edu Enrolment</td>
<td>53%</td>
<td>3%</td>
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</table>
The Human Capital Index provides an indication of how far a region has moved towards the innovation driven economy – and show which leverage points exist to advance the development.
Innovation-driven economies enable the synthesis of efficiency and utilisation of human capital resources.
Utilizing the human capital you have
Using your human capital efficiently

- **Scotland**: Investment return on the human capital continues to decline from 1990 to 2004.
- **North Germany**: Shows a similar trend as Scotland, with a slight increase in return in 1992.
- **Netherlands (Coast)**: Remains relatively stable with minor fluctuations.
- **Belgium (Coast)**: Similar to the Netherlands (Coast), with slight variations.
- **East England**: Exhibits a steady decrease in investment return.
- **Denmark**: Demonstrates a decline in investment return, with some minor fluctuations.
- **Norway**: Shows a decrease in investment return, with slight variations in the mid-1990s.
- **South Sweden**: Displays a decline in investment return, similar to other regions.

For a detailed analysis and specific values, please refer to the graph.
The key to an innovation-driven economy is to reinforce and cross-leverage locally available cluster resources such as human capital towards competitive advantage.
Creating a Human Capital Compass for regional development

Input data:
- Demographic composition
- Educational attainment
- Proxy indicators of learning
- Employment composition
- Skills initiatives
- Salary levels
- Economic production levels
- Cluster conditions

Output data:
Regional comparisons to provide perspectives of where to look, in terms of:
- Endowment with human capital
- Utilization potential
- Productivity potential
- Demographic direction
- Cluster-oriented promotion

Socio-economic promotion policy suggestions


'Audiences

'No one has worked out the impact of knowledge like this before.'
*The Economist, October 2006*

OECD Education Department and their INES B expert network from 28 countries

US State Department, Intelligence and Research Bureau

Federal Government of Canada, Policy Research Initiative

Federal Ministry of Education and Research, Germany

Centre d'Analyse Strategique of the French Prime Minister’s Office

Korea Research Institute for Vocational Education and Training
Thank you!

Peer Ederer, Phd

Director European Human Capital Project, Lisbon Council
+49 171 55 164 99
www.lisboncouncil.net