News Release

WORLD ECONOMIC FORUM

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Investment in Human Capital is Key to Sustained Growth in Latin America

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- Young population provides growth opportunities for economies
- Professionals need to be incentivized to stay in the labour market
- Investment in human capital needs to be adapted to market requirements
- Learn more about the World Economic Forum on Latin America at http://wef.ch/la14

Panama City, Panama 2 April 2014 – Governments and private businesses need to invest more in human capital to ensure the region ' s continued growth.

Speaking at the World Economic Forum on Latin America, Laura Chinchilla, President of Costa Rica, explained that investing in Latin America ' s relatively young population, through education, was key. " There is no greater wealth for society than its youth. We have the possibility of losing that wealth if we fail to invest in human capital, " she said. " The key word is education. There have been improvements, but we need to see more determination by Latin American countries to invest in education. "

Humberto Luiz Ribeiro, Secretary of Commerce and Services (SCS) of Brazil, agreed: " We are living on a running belt for competitiveness. Doing the same thing as you did yesterday is not enough to keep your status quo today. "

Ricardo Hausmann, Director, Center for International Development, Harvard Kennedy School, Harvard University, USA, and the panel ' s moderator, explained that while much progress has been achieved in education in the region, greater changes need to take place.

He compared the current situation in Brazil with that of the United Kingdom in 1960: “ Brazil today has more university graduates than the UK in 1960, yet income per capita was 140% higher in the UK than in Brazil now. ”

However, education is an ongoing process, as Monica Flores, Regional Managing Director, Latin America, ManpowerGroup, Mexico, explained. “ One needs to learn and unlearn. What you learn from a degree today may be obsolete in two years. You need to continue to learn throughout life. ”

Flores explained that obtaining a university degree was no longer enough, and that there are many sectors that lack trained professionals. She said that in Latin America, technical positions, sales representatives and engineering jobs were often lacking candidates.

The programme of the World Economic Forum on Latin America focuses on the region ’ s efforts to maintain economic growth, boost economic diversification, increase productivity, fuel competitiveness, and enhance trade

and invest in human capital. Participants are helping to determine how to better address challenges in education, health, infrastructure and technology and will contribute to shaping the region ' s economic, social and political agenda.

The co-chairs of the meeting are: **Arancha Gonzalez Laya**, Executive Director, International Trade Centre (ITC), **Stanley Motta**, President, Copa Holdings, Panama; **Arif M. Naqvi**, Founder and Group Chief Executive, The Abraaj Group, United Arab Emirates; **Frits D. van Paasschen**, President and Chief Executive Officer, Starwood Hotels & Resorts Worldwide, USA; **Jorge Quijano**, Chief Executive Officer, Panama Canal Authority, Panama; and **Sir Martin Sorrell**, Chief Executive Officer, WPP, United Kingdom.

Public figures participating in the meeting include **Laura Chinchilla**, President of Costa Rica; **José Miguel Insulza**, Secretary-General, Organization of American States (OAS), Washington DC; **Laurent Salvador Lamothe**, Prime Minister of Haiti; **Ricardo Martinelli**, President of Panama; **Luis Alberto Moreno**, President,

Inter-American Development Bank, Washington DC; and **Enrique Peña Nieto**, President of Mexico.

Notes to Editors

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