

THE RACE FOR AI-READY WORKERS

National success in the AI age isn't just about technology, it's about workforces ready to use it

AS AI TRANSFORMS WORK, countries aren't just rushing to build data centers and better algorithms, they're racing to build smarter labor markets. Demand for new and digital skills is accelerating: One in ten job postings in advanced economies, and one in twenty in emerging markets, now requires at least one new skill. Employers are willing to pay for it: US and UK job postings seeking new skills tend to offer wage premiums of about 3 percent, and up to 15 percent for those listing multiple new capabilities. That payoff underscores the value of staying ahead of the skill curve.

But some countries are better prepared than others. The IMF's Skill Readiness Index reveals which economies are best positioned for the future. Of the 23 countries with available data, Ireland, Finland, and Denmark lead the pack, combining high shares of tech graduates with strong adult literacy and retraining systems. Their challenge now is not just to produce talent, but to absorb it. These countries must foster innovation and expand high-skill job creation so that their investments in education translate into broad opportunity.

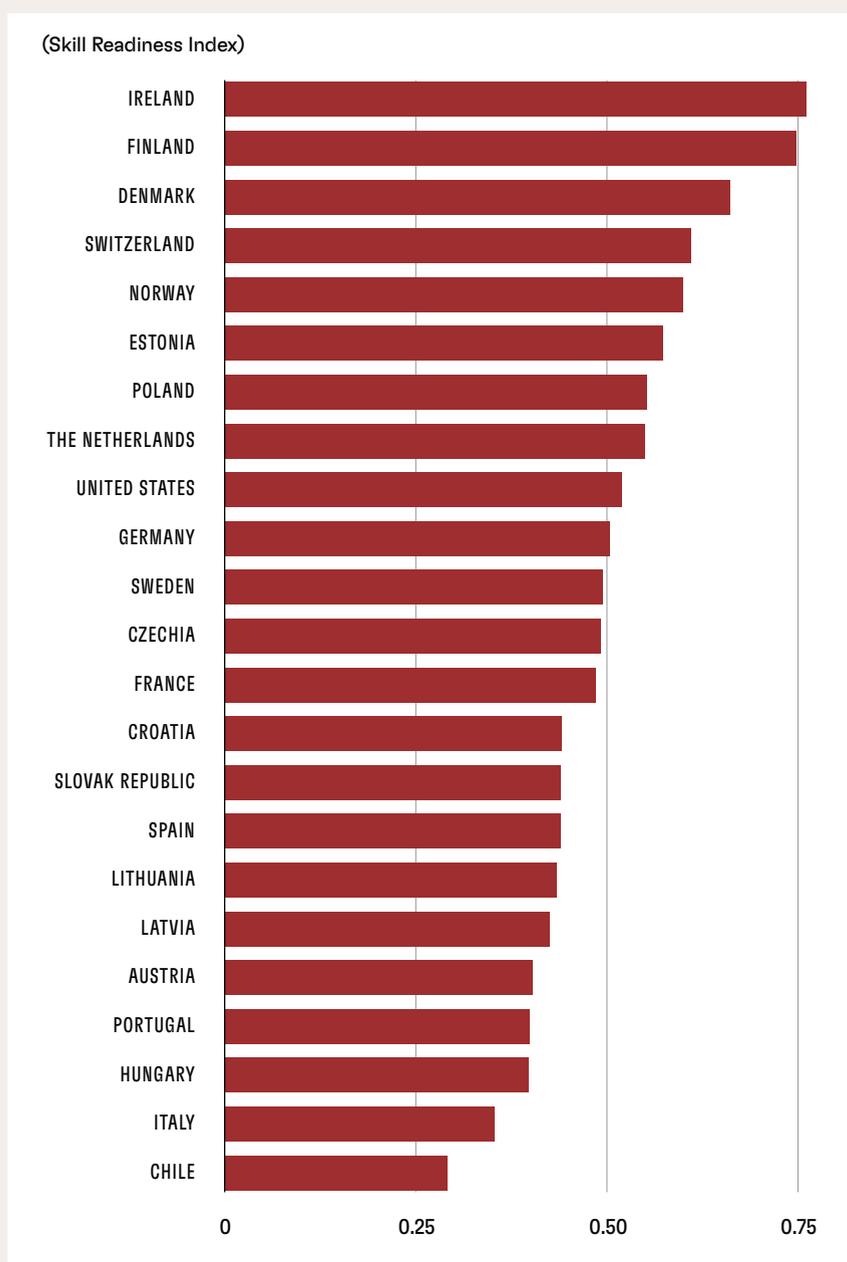
Others face the opposite obstacle. Countries like Sweden and The Netherlands show robust demand for new skills but lack trained workers to meet that demand. Policies must focus on boosting talent pipelines, through expanded education and reskilling.

Ultimately, the countries that both prepare workers and create the necessary conditions for business to absorb those skills will be best placed to thrive in the AI economy. **F&D**

This article draws on the IMF Staff Discussion Note Bridging Skill Gaps for the Future: New Jobs Creation in the AI Age (January 2026).

Prepared to compete

Northern Europe leads in preparing workers with emerging skills.



SOURCES: International Labour Organization; Lightcast; Organisation for Economic Co-operation and Development; and IMF staff calculations.

NOTE: Index reflects countries' capacity to train and equip workers with new skills.

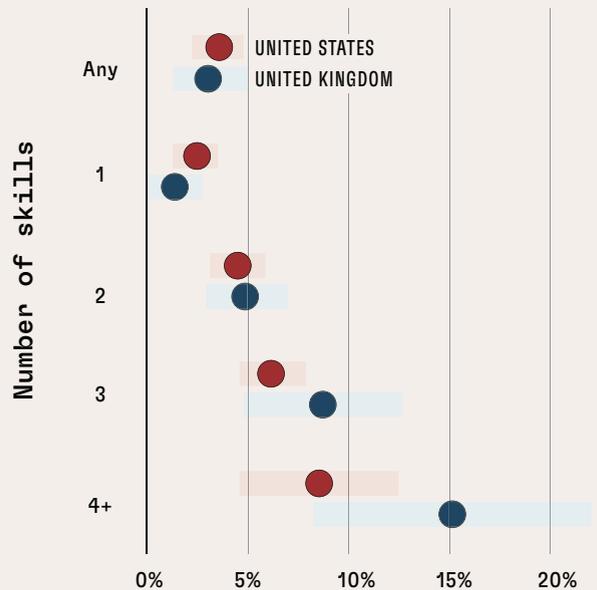
Charting readiness

The scatterplot below shows that many northern and western European countries combine strong demand for new skills with a solid supply of graduates trained in emerging fields, placing them in the chart's upper-right quadrant. These countries are among the best positioned to compete in an AI-driven economy.

The pink and white shading reflects the relative balance between supply and demand, benchmarked to the United States. This balance highlights different policy priorities: Some must absorb surplus talent (white); others need to expand training pipelines (pink).

On the right, UK and US wage data show that jobs listing new skills can pay up to 15 percent more.

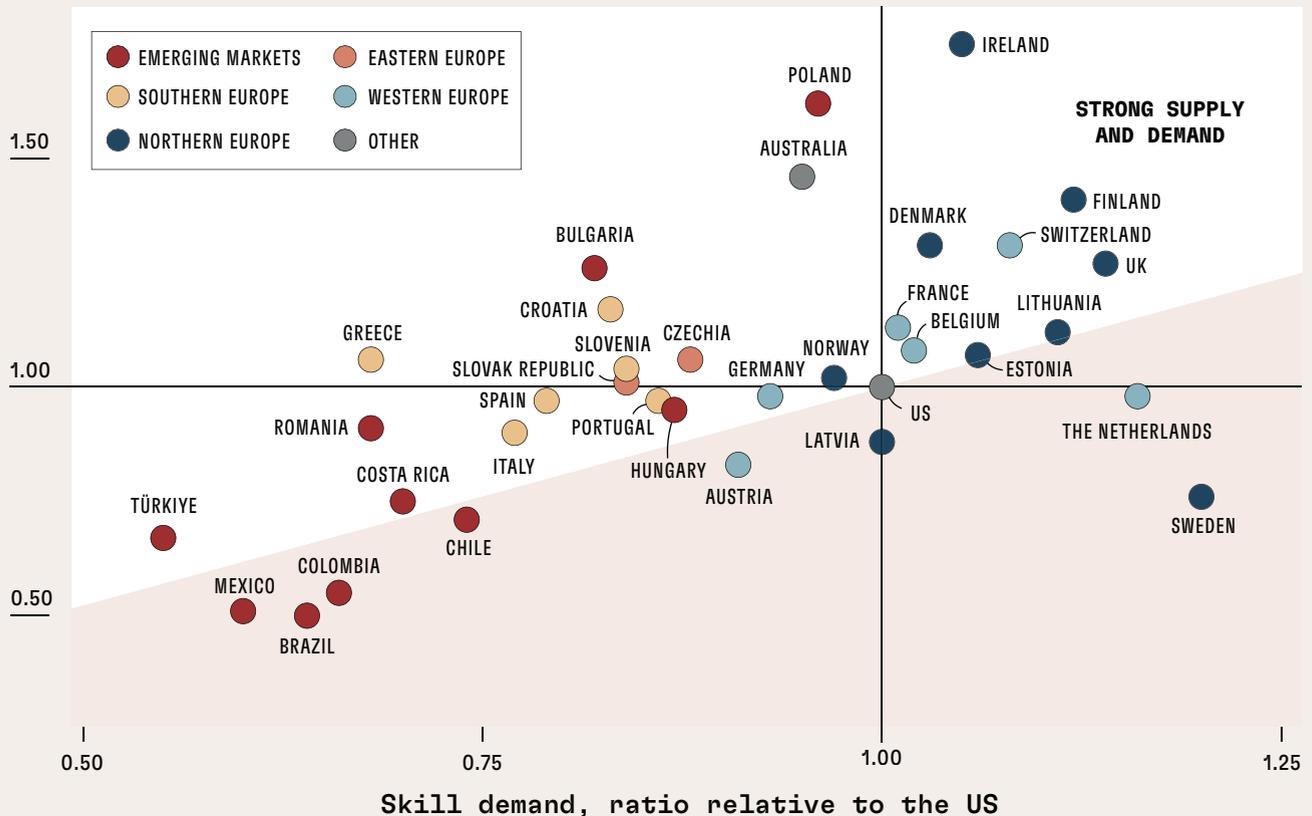
Effect on wages



New skill supply vs. demand

□ HIGHER SKILL SUPPLY RELATIVE TO DEMAND □ HIGHER SKILL DEMAND RELATIVE TO SUPPLY

Share of graduates with new skills, ratio relative to the US



SOURCES: International Labour Organization; Lightcast; Organisation for Economic Co-operation and Development; and IMF staff calculations. NOTE: Wage data reflect 2020–24 regressions for job postings. Shading shows 95% confidence intervals. Scatterplot compares projected share of vacancies listing new skills (projected demand) with share of graduates trained in fields associated with new skills (projected supply), using the United States as a benchmark. Excluded from view: Luxembourg (1.51; 0.32).