

2015 HDR

Gender Development Index (GDI)

Frequently Asked Questions

What does the Gender Development Index (GDI) measure?

The GDI measures differences between male and female achievements in three basic dimensions of human development: health, measured by female and male life expectancy at birth; education, measured by female and male expected years of schooling for children and female and male mean years of schooling for adults ages 25 and older; and equitable command over economic resources, measured by female and male estimated earned income.

How is the GDI calculated?

To calculate the GDI, the HDI is calculated separately for females and for males using the same methodology as in the HDI. The same goalposts as in the HDI are used for transforming the indicators into a scale between zero and one. The only exception is life expectancy at birth where calculations are adjusted for the average of five years biological advantage that women have over men.

What is the income component of the GDI?

With regards to income, this component is a proxy for command over economic resources, and it is measured by estimated GNI per capita in 2011 PPP\$ based on female and male shares of the economically active population, ratio of female to male wages in all sectors, female and male shares of the population and GNI per capita in PPP\$ (2011 constant prices).

The income component of the GDI can be criticized for the crude way in which it is computed. What would be the justification for such a computation?

The income component of the GDI is a proxy to command over economic resources, rather than a proxy for standard of living components, such as nutrition, clothing and shelter. Wages in all sectors, rather than non-agricultural wages only, are used to impute the income value for males and females. It also focuses on income gaps in a way similar to the focus on gender gaps in other HDI components.

A number of countries do not have sex-disaggregated wage data. How do you estimate sex-disaggregated GNI per capita for these countries?

The global average female to male wage ratio across all sectors is 0.8 in 2014 as well as in 2015. This global average is what we have used to make estimate for countries with missing sex-disaggregated wage data. This average coincides with averages for some regions but not others where the number of countries with data is limited. We recognize the limitation in assuming that the global average applies to all countries with missing wage data. The International Labour

Organization (ILO) is currently working to improve availability of sex-disaggregated wage statistics.

What is the advantage of grouping countries into five GDI groups instead of ranking them according to the absolute deviation from parity?

The female and male HDIs for many countries are approximations of the HDIs rather than highly accurate values because of the imputed wage ratios of 0.8. In order to avoid a possible wrong interpretation of the ranks based on approximate values, we grouped countries into five GDI groups by absolute deviation from gender parity in HDI values. Group 1 countries with high equality in HDI achievements between women and men: absolute deviation less than 2.5 percent; group 2 countries with medium-high equality in HDI achievements between women and men: absolute deviation between 2.5 percent and 5 percent; group 3 countries with medium equality in HDI achievements between women and men: absolute deviation between 5 percent and 7.5 percent; group 4 countries with medium-low equality in HDI achievements between women and men: absolute deviation between 7.5 percent and 10 percent; and group 5 countries with low equality in HDI achievements between women and men: absolute deviation from gender parity greater than 10 percent.

What is the policy relevance of the GDI?

The GDI provides insights into gender disparities in achievements in three basic capabilities: health, education and command over economic resources. It helps further understanding of the real gender gap in human development achievements and is useful for navigating policies to close the gap.