

# Gender Development Index (GDI)

What does the GDI measure?

The GDI measures differences in male and female achievements in three basic dimensions of human development: health, education and command over economic resources. Gender disaggregated data is used in each dimension. The health dimension is captured by life expectancy at birth, female and male. Education is measured using two indicators—female and male expected years of schooling for children and female and male mean years of schooling for adults ages 25 and older. Command over economic resources is measured by female and male estimated earned income.

How is the GDI calculated?

GDI is the ratio of female HDI to male HDI. To calculate it, the HDI is first calculated separately for females and for males. The same goalposts as in the HDI are used for transforming the indicators into a scale lying between zero and one. The only exception is life expectancy at birth where the goalposts are adjusted, to reflect the empirical finding that on average, women have a biological advantage over men, and live about 5 years longer.

How is the income component of the GDI calculated?

The income component, female and male estimated earned income, is calculated based on female and male shares of the population, female and male shares of economically active population, ratio of female to male wages in all sectors, and GNI per capita in PPP\$ (2011 constant prices). Some of these data are available in the on-line database <http://hdr.undp.org/en/data> and the others could be found in the original data sources.

The income component of the GDI is a proxy to command over economic resources. This component captures 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 2018. This global average is what was used to estimate the wage ratio for countries with missing sex-disaggregated wage data. We recognize the limitations in assuming that the global average applies to all countries with missing wage data. 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?

Estimating the female and male HDIs for all countries relies on many approximations, such as assuming wage ratios of 0.8 for many countries. Because of this the estimated HDIs need to be interpreted with caution. We prefer not to rank the countries based on these approximated HDIs. Instead, we group countries into five GDI groups by absolute deviation from gender parity in HDI values.

Group 1 countries have high equality in HDI achievements between women and men: absolute deviation less than 2.5 percent; group 2 has medium-high equality in HDI achievements between women and men: absolute deviation between 2.5 percent and 5 percent; group 3 has medium equality in HDI achievements between women and men: absolute deviation between 5 percent and 7.5 percent; group 4 has medium-low equality in HDI achievements between women and men: absolute deviation between 7.5 percent and 10 percent; and group 5 has 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 helps in better understanding of the gender gap in human development achievements. It provides insights into gender disparities in achievements in three basic capabilities: health, education and command over economic resources, and is useful for designing and monitoring policies to close the gaps.