

## A Critical Assessment of the UNDP's Gender Inequality Index

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In 1995, the United Nations Development Programme (UNDP) launched two gender indexes – the Gender-related Development Index (GDI) and Gender Empowerment Measure (GEM) – in a path-breaking Human Development Report (HDR) that sought to report gender disparities at the global level. In response to problems researchers identified in these indices, the 2010 HDR replaced them with the Gender Inequality Index (GII), a new measure that is designed to capture women's disadvantage in three dimensions – empowerment, economic activity, and reproductive health – and has been estimated for 138 countries for 2010.

Iñaki Permanyer (2013) provides one of the first critical assessments of the new GII and compares the GII results for 2010 with those from an alternative index – Women's Disadvantage (WD) index – that he argues is superior to GII. Permanyer acknowledges that the GII makes a bold contribution to the debate on gender inequality measurement by incorporating important reproductive health variables not used in previous UNDP composite indices; however, he identifies two major flaws in the construction of the GII.

First, the conceptual foundations that underlie the complicated methodology of the GII are unclear. The GII is unnecessarily complicated in order to align with the methodology of other new 2010 HDR measures and to satisfy certain statistical properties that can be met by much simpler indices. As a result, the maximum or potential welfare level that should be achieved in the case women and men fared equally well in all dimensions is never specified. Second, the GII mixes absolute women-specific indicators (the Maternal Mortality Ratio [MMR] and Adolescent Fertility Rate [AFR]) and relative "women versus men" indicators (gender gaps in labor force participation rates, parliamentary representation, and educational attainment) into a single formula, which further obscures the interpretation of the index.

Permanyer argues that these methodological choices produce an index that: a) penalizes low-income countries

for poor performances in the reproductive-health indicators that are not entirely due to gender-related norms or discriminatory practices (thereby resulting in an index strongly correlated with Gross Domestic Product [GDP]); b) allows poor performances in women's education and economic participation to be compensated by equivalent deteriorations in men's corresponding dimensions, except in the case of women's reproductive-health outcomes; and c) completely disregards men's health status, an essential piece of information in a comprehensive assessment of gender inequality levels.

The much simpler measure Permanyer recommends – the Women's Disadvantage (WD) index – is an average of the gender gaps in which men outperform women. The WD index, introduced in Benería and Permanyer (2010), uses only relative indicators that compare women's and men's achievement levels, thus avoiding many problems in the GII. The WD index incorporates gender-specific life expectancies at birth – an indicator that has been widely used in previous global gender-inequality assessments – instead of the women-specific components of the GII (MMR and AFR).

Since the WD index is moderately correlated with GDP per capita, it captures new information not encapsulated in the GDP. The WD index has the further advantage of allowing straightforward computation of the percent contribution of each individual subcomponent to the aggregate value of the index. Using data from the 2010 HDR, Permanyer (2013) finds that the values of the WD index differ substantially from the values of the GII, and he recommends caution in interpreting or using the values of the new UNDP Gender Inequality Index.

Read the article in full at

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