World Economic Forum Gender Gap Index | a few surprises

Indices are engaging and instructive, but some really baffle us. The <u>World Economic Forum</u> (WEF), the organisation that organises the annual high-profile Davos meetings, has come up with a gender index, and the Caucasus is featured. The index is intended to measure how the world is closing the gender gap in education, health, and political and economic participation. In principle, this is a great idea, since there are significant challenges and discrepancies (as our data itself shows).



So how does the Caucasus do? Azerbaijan does best, ranking 61, followed by Armenia at rank 78, and Georgia at 82. Surprising, no? Arguably a lot of data (including ours) would suggest exactly the reverse order.

Well, as it turns out the Caucasus says more about the index than the index says about the Caucasus. Let's look more closely. So in which neighborhood is Azerbaijan ranked? Well, it is following Hungary, but ahead of Ukraine, Slovak Republic, Luxembourg, Italy, the Czech Republic, Romania and also Greece. Armenia and Georgia are grouped with Ghana, Suriname, Bolivia, Malawi and Malta. Without even looking at the data, I suspect that female childhood literacy is way ahead in the Caucasus compared with that peer group, and arguably this should be weighed more heavily.

So where could the Caucasus turn to learn how to do it better? Well, according to the report, the Caucasus could start by emulating Mongolia (40), Kyrgyzstan (41), Kazakhstan (45) or even Uzbekistan (55). All of these do much better than the countries of the Caucasus (and, remember, better than many EU countries, too).

Let's look below the hood, to find out what's going on here. Four sub-indices assemble to create the full gender index. Economic Participation, Educational Attainment, Health and Survival, and Political Empowerment. They are meant to measure equality of distribution within the country (not against an external benchmark).

Now looking at Azerbaijan, what happens is that two of the indicators under Economic Participation are missing, but this does not seem to weigh against Azerbaijan's score. So where does Azerbaijan end up on Economic Participation? World rank 4, just missing bronze in the Gender Equality Olympics, even ahead of overall champion Norway.

Gender Gap Subindexes	Rank	Score	
Economic Participation and Opportunity	4	0.786	-
Labour force participation	34	0.86	
Wage equality for similar work (survey)	5	0.84	
Estimated earned income (PPP US\$)	27	0.65	
Legislators, senior officials, and managers	—	_	
Professional and technical workers		_	

Azerbaijan Country Profile

Uzbekistan? Same story, ranking 11 worldwide on equality of economic participation. Again, see the missing lines of data.

Gender Gap Subindexes	Rank	Score	Sample average	Fem
Economic Participation and Opportunity	11	0.754	0.587	
Labour force participation	53	0.80	0.69	
Wage equality for similar work (survey)	8	0.83	0.64	
Estimated earned income (PPP US\$)	49	0.60	0.51	1,5
Legislators, senior officials, and managers	—	_	0.28	
Professional and technical workers	—	_	0.72	

Uzbekistan Country Profile

Other data does not even stand up to a basic sniff test. Health and Survival? Mongolia and Kyrgyzstan get perfect scores, giving them highest rank (with several other countries). Now maybe they ARE doing better than Georgia ranked at 127 for Health and Survival, or Azerbaijan (129). But does anyone believe that Mongolia and Kyrgyzstan (or Tajikistan, at 55) do better than Netherlands at 72, or Germany at 57? Equality of distribution may be a nice idea, but what precisely do we end up measuring here? The equality of shared misery is not a meaningful guide to discussion or policy.

So it appears that the ENTIRE rankings that the World Economic Forum suggest are based on a hodgepodge of incomplete data that doesn't get balanced out.

This is a real shame. First, gender indeed is an incredibly important issue and one cannot talk enough about it. Bad quality rankings undermine the cause, rather than supporting it. Secondly, these misconstrued rankings obscure that there could be more nuance in the discussion, which the actual <u>country reports</u> could provide (if, that is, they are to be trusted at all). Unfortunately, Armenia is missing from the country reports.