

Measuring Development

Economics

Why income alone is an inadequate measure.

Measure and what it adds.

Measure	Captures
GDP per capita	Average income only
GDP PPP	Adjusts for local price levels
Human Development Index	Income, life expectancy, schooling
Multidimensional Poverty Index	Deprivations across ten indicators
Gini coefficient	Inequality of distribution

Two countries with identical GDP per head can differ enormously in life expectancy, schooling and inequality.