Problem Set 8: Inequality and Redistribution

Questions 1 and 2 refer to the following information:

| Cumulative Population <br> Quintiles | Country A's Cumulative <br> Income Share | Country B's Cumulative <br> Income Share |
| :---: | :---: | :---: |
| 20 | 5 | 10 |
| 40 | 10 | 25 |
| 60 | 15 | 45 |
| 80 | 40 | 70 |
| 100 | 100 | 100 |

Calculate the GINI Coefficient for Country A and Country B.


1. Calculate the GINI Coefficient for Country A. Country A's GINI coefficient is $\qquad$ .
a. 0.0
b. $\quad 0.2$
c. $\quad 0.52$
d. $\quad 1.0$
2. Calculate the GINI Coefficient for Country B. Country B's GINI coefficient is $\qquad$ .
a. 0.0
b. $\quad 0.2$
c. $\quad 0.52$
d. $\quad 1.0$
