8 Equity and inequality – Part 1 — Answers

Answers

Work through these after trying the questions yourself.

8.1 Equality is everyone getting the same; equity is everyone getting a fair share (which may not be equal).
8.2 Income.
8.3 Wealth.
8.4 The share of total income against the share of the population (how unequal a country is).
8.5 The one with 0.6 — a higher Gini means more inequality.

8.6 Country A's Gini is low (0.25), so its Lorenz curve sits *close to* the line of equality. Country B's Gini is high (0.55), so its Lorenz curve *sags far below* the line. Country A has the fairer income spread.