

Our World in Data: Gini Coefficient

Name: _____ Date: _____

Directions: Visit the website Our World in Data (<https://ourworldindata.org/income-inequality>), which uses the Gini Coefficient (Gini Index) to make many comparisons between countries and over time. You can click on each graph in the article to enlarge it. On this site, the Gini Coefficient is expressed as a decimal (0.40 instead of 40, for example), but it is the same measure.

1. When was the Gini Index (same as the Gini Coefficient) highest in England & Wales (the modern UK)? What are possible explanations for why it peaked then and later fell? How does the Gini Index in the UK today compare to its highest level?
2. What does it mean to say that inequality in English speaking countries has followed a U-shape? Is inequality an inevitable result of industrialization, or do political policies matter?
3. What has happened to the share of income going to the top 1% in continental Europe since 1900?
4. How does the progressive income tax impact the Gini Index in the United States?
5. What is the difference between absolute poverty and relative poverty? What percentage of children in the U.S. live in relative poverty?

6. What has happened to real disposable household income for households in the 1st (lowest) decile in the UK since 1979? (Click on “change country”) What has happened to the equivalent group in the United States?

7. Do high income or low income countries tend to have greater inequality?

8. In which countries do the top 10% have the greatest share of income?

9. What has happened to the income share held by the top 20% in the U.S. since 1979?

10. Are Gini Indexes rising or falling in Latin America?

11. What graph in this website do you find most interesting, and why?