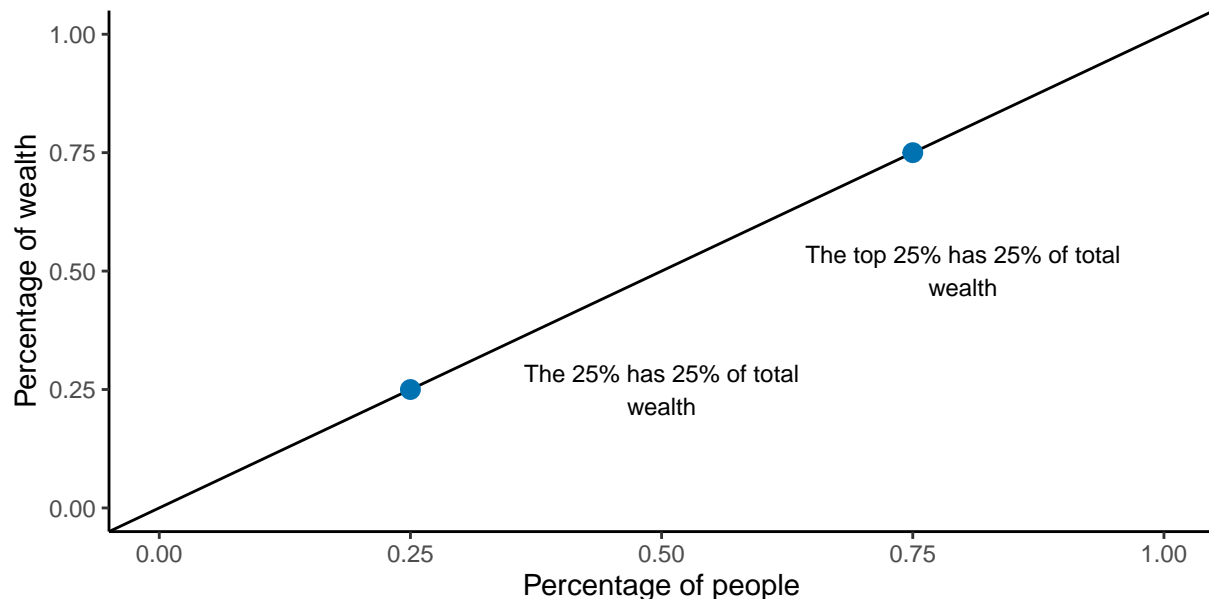


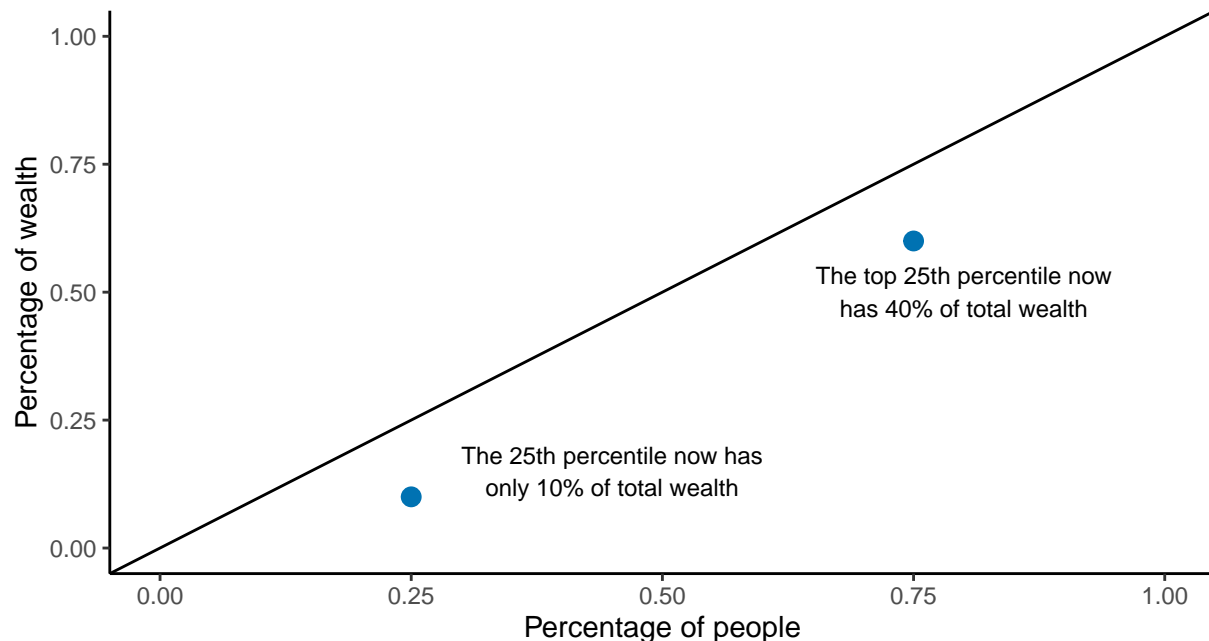
How to calculate the Gini Coefficient

1 In a perfectly equal society, X% of people accumulate X% of total wealth

People are sorted based on their wealth

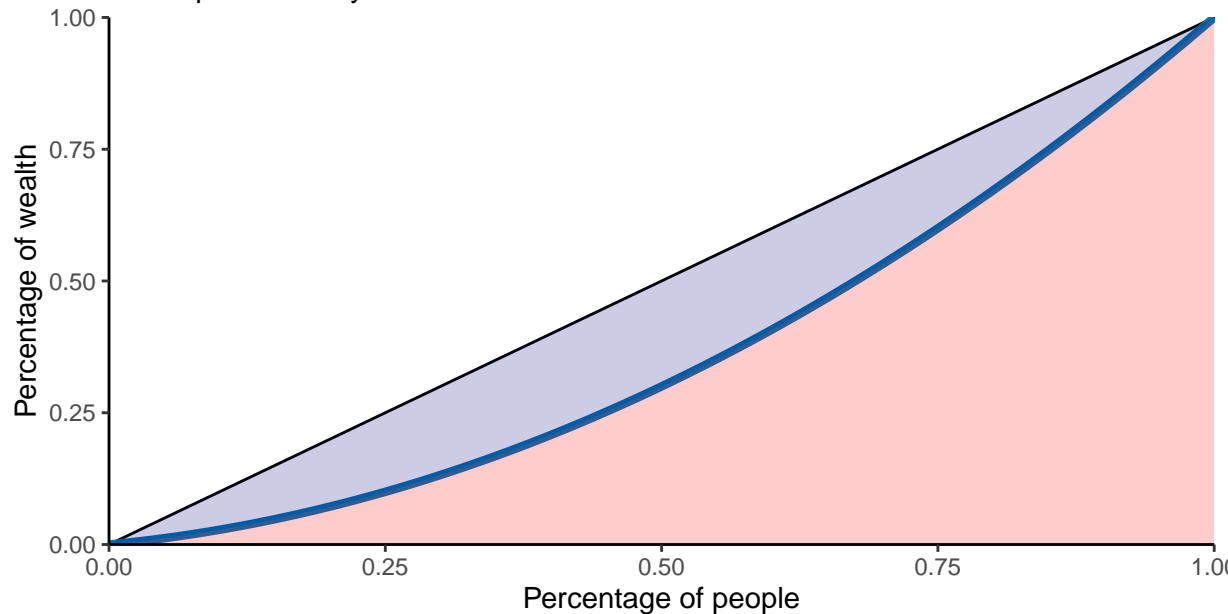


2 As societies become more unequal, the lower % amass a smaller percentage of wealth



3 Doing this for all points defines the **Lorenz Curve**

The further the Lorenz Curve is from our equality line, less equal a society is



4 The Gini Coefficient is the ratio between **Area A** and the total area under the equality line (**A+B**)

The greater the Gini Coefficient, less equal a society

