

Inequality

Gini Index

- $\gamma = \frac{N+1}{N-1} - \frac{2}{N(N-1)\mu} \sum_{i=1}^N \rho_i x_i$
- $\gamma = \frac{1}{\mu N(N-1)} \sum_{i>j}^N \sum_j^N |x_i - x_j|$

Theil-T

- $T = \frac{1}{N} \sum_{i=1}^N \frac{X_i}{\mu} \ln\left(\frac{X_i}{\mu}\right)$

Theil-L

- $L = -\frac{1}{N} \sum_{i=1}^N \ln\left(\frac{X_i}{\mu}\right)$

J-Divergence

- $J = (Theil - T) + (Theil - L)$

Social Welfare

BES function (Sen)

- $W = \mu(1 - \delta)$

BES Graff

- $W = \mu(1 - \delta)^\rho, \rho \in [0, 1]$

Social Welfare Function

- $W = u(x^*) = \int_0^\infty u(x)w(x)f(x)dx$

Atkinson Index for $\epsilon \neq 1$

- $W = \frac{1}{N} \sum_{i=1}^N \frac{X_i^{1-\epsilon}}{1-\epsilon}, \epsilon \neq 1$

Inequality through the Atkinson Index

- $I = 1 - \left[\frac{1}{N} \sum_{i=1}^N \left(\frac{X_i}{\mu}\right)^{1-\epsilon}\right]^{\frac{1}{1-\epsilon}}$

Labor Economics

Definitions

- E(Occupied Population): People working
- U(Unemployed Population): People looking for job but not occupied
- I(Inactive population): People not occupied neither looking for a job
- AAP(Active Age Population - PIA): Population with working age ($AAP = E + U + I$).
- PEA(Economically Active Population): People within the labor market (E+U)
- l(Participation Rate): $\frac{PEA}{PIB}$
- Unemployment Rate: $\frac{U}{PEA}$
- Occupation Rate in PEA: $\frac{E}{PEA}$

Relation between indicators

- $E = \frac{E}{E+U} X \frac{E+U}{E+U+I} X (E + U + I)$
- $y = lX\left(\frac{e}{l}\right)X\left(\frac{h}{e}\right)X\left(\frac{y}{e}\right)$, where y is per capita income.

Poverty

FGT Indicator

- $P^\alpha = \frac{1}{n} \sum_{i=1}^q \left(\frac{Z-Y_i}{Z}\right)^\alpha$

Poverty Index

Sen

- $P_s = P^0 \delta + P_1 (1 - \delta^P)$

Watts

- $P_W = \left(\frac{1}{N}\right) \sum L_n\left(\frac{Z}{y_i}\right)$

Clark, Hemming and Hulp (1981)

- $P_{C-H-U} = \left(\frac{1}{nc}\right) \sum [1 - \left(\frac{y_i}{Z}\right)^c]$

Pro-Poor Policy Index

- $\lambda = \frac{1}{b\eta\theta} \int \frac{\partial P}{\partial x} b(x) f(x) \partial x$

Polarization and middle class

Inter temporal social welfare function

- $L_n(\mu^*) = \frac{1}{n} \sum_{t=1}^n L_n(\mu_t)$

Global Social Indicators

Human Development Index (HDI)

- $HDI = \sqrt[3]{IhXIeXIi}$

where:

lh = health index;

Ie = education index;

Ii = income index

Inequality-adjusted HDI (IHDI)

- $Ax = 1 - \frac{\sqrt[3]{X_1 \dots X_n}}{X}$

- $Ix^* = (1 - Ax)Ix$

- $IHDI = \sqrt[3]{Ih^* * Ie^* * Ii^*}$