
Testing Inter-Country Inequality: The Case of the Arab World

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EXECUTIVE SUMMARY

The objective of this paper is to test the existence of Kuznets's inverted-U pattern of inequality at the intercountry level inside a group of 20 countries belonging to the Arab League. In order to achieve this objective, an intercountry inequality index was calculated then the existence of an inverted-U pattern was tested. The results seem to confirm the existence of this pattern between the Arab countries between 1982 and 2006.

Keywords: Kuznets inverted-U hypothesis, Arab World, Inequality, Theil's Entropy Index