

ECON 4918: ECONOMICS OF CONFLICT

The first two exercises below are based on the article “On the Saliency of Ethnic Conflict” by Joan Esteban and Debraj Ray.

(i) Revisit Proposition 1. Try to work through the proof.

(ii) Consider Proposition 2. In the proof, the authors claim that under the symmetric benchmark n_p exceeds σ_p . Is that obvious? Demonstrate.

(iii) Review the concept of inequality and its measurement. What is Lorenz consistency? How is the Gini coefficient defined?