LESSON 2

Handout 2-1: Building a Lorenz Curve for the citizens of Maple Land

Name: _____ Date: _____

Directions: Follow along with your teacher's lesson and complete each step. By the end of the presentation, you will have a Lorenz Curve.
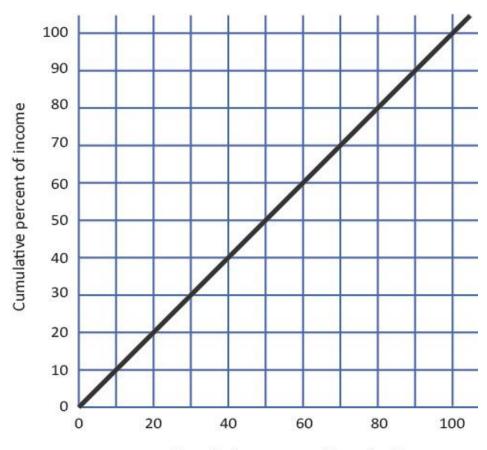
You are given the following data for the small country of Maple Land.

Name	Income
Scott	$90
Seth	$15
Bob	$70
Joe	$200
Bonnie	$125

1. Use the table below to arrange the residents in ascending order by income. Complete the name and income columns.
2. Find the percent of total income earned by each individual. Divide each worker's income by the total. Round your answers and place them in the percent of total income column.
3. Calculate the cumulative percent of total income. For two workers, the cumulative percent is the first worker's share (3%) plus the second worker's share (14%) = 17%.

Name	Income	Share of Total Income	Cumulative Share of Total Income
TOTAL	**$500**		

4. Use the graph below to plot the workers share of income by quintile creating a Lorenz Curve.