Rio 2016: What if the Olympics were a country... how unequal would it be?

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Imagine, for a minute, that the Olympics were a country, the delegations its citizens, and the medals their incomes. How would that fictitious nation fair in the inequality rankings?

The most common measure of inequality is the Gini coefficient. It was proposed in 1912 by Italian statistician Corrado Gini and measures the distance between a country's income distribution and that of an idealistic society where all citizens have the same income. The coefficient spans from 0 to 100 so that the closer to 0, the closer the country is to the totally egalitarian society and the closer it is to 100, the more the country approaches a totally unequal society where one citizen holds the entire available income.

According to The World Bank data (which refers to different years depending on the country, http://data.worldbank.org/indicator/SI.POV.GINI) the most equalitarian country is Azerbaijan, with an incredibly low Gini coefficient of 16.6 in 2005, followed by Ukraine that had a Gini coefficient of 24.6 in 2013. Japan's Gini coefficient was 32.1 in 2008. Europe's Nordic countries figure among the most egalitarian nations; for instance, Norway, Finland and Sweden have Gini coefficients of 25.9, 27.1 and 27.3 in 2012, respectively.

On the other side of the ranking, South Africa had the highest Gini coefficient of 63.4 in 2011, making it the most unequal society in the World Bank dataset, followed by Namibia (61.0 in 2009). Latin America and the Caribbean countries rank badly, with Haiti being the third most unequal society with a Gini coefficient of 60.8 in 2012. Sadly, Brazil also occupies a leading position in inequality: in spite of the significant progresses in the last decade, its Gini coefficient was 52.9 in 2013.

Now, where, in that classification, do you believe the Olympics country would rank? Would it be around 50, like Brazil, the 2016 Olympics host country? Or more equalitarian, around 30, like the next Olympics host country, Japan? Or would it be more unequal, closer to 60, like South Africa?

If you guessed the fictitious Olympic country would rank badly, you guessed right. Rio 2016 Olympic Games have the impressive Gini[1] coefficient of 87.74, i.e., this would be, by far, the most unequal country in the world!

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[1] In order to convert medals in income, while preserving the lexicographic ordering used in the Olympic Games committee, gold medals were given a weight of 100, silver medals were given a weight of 10 and bronze, 1. Other weights would generate similar results. For example, 10000, 100 and 1 for gold, silver and bronze,

Given such impressive level of inequality, one may wonder why, instead of condemning such unequal event, people around the world appreciate to strongly the Olympic Games.

That is, naturally, a difficult question, since people intrinsically tend to dislike inequality. However, one though comes immediately to mind. In the Olympic Games, the best wins. The competitions are essentially meritocratic mechanisms where a poor athlete from the countryside may become the first Brazilian to win three medals in the same Olympic Game and a Kenyan may be the gold medal of the most prestigious of all competitions, the marathon. One cannot contest the fact that richer countries tend to send a larger and better trained group of participants. However, once the game start, all competitions are decided based on merit. The Olympic Games may represent a good example of the difference between income inequality and inequality of opportunities. Opportunities are the same for all participants, although the results are extremely unequal. One can't help to wonder if it isn't that vision of equal opportunities that makes the Olympic Games such an appreciated and loved event by so many different nations worldwide…

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respectively, yields a Gini coefficient of 88.24 whereas weights 4, 2 and 1 for silver and bronze, respectively, yields a Gini coefficient of 85.83.