

Deviations From Core Prices And Income Inequality In The Arab World

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Paper Abstract: A genetic algorithm is proposed to extract the core trend of inflation in selected countries of the Arab World. This genetic estimator is based on the behaviour of a semelparous organism, the Gold Octopus (*Octopus Mimus*): the females of the *octopus mimus* stop feeding before spawning and die after reproduction, due to the drastic biochemical alterations and the irreversible structural deterioration of the muscle and the digestive gland. The deviations from the core trend were used to evaluate if short term shocks in prices are drivers of income inequality, as this shocks could have a distributional impact on purchasing power. Bayesian quantile regression was used to test this hypothesis.