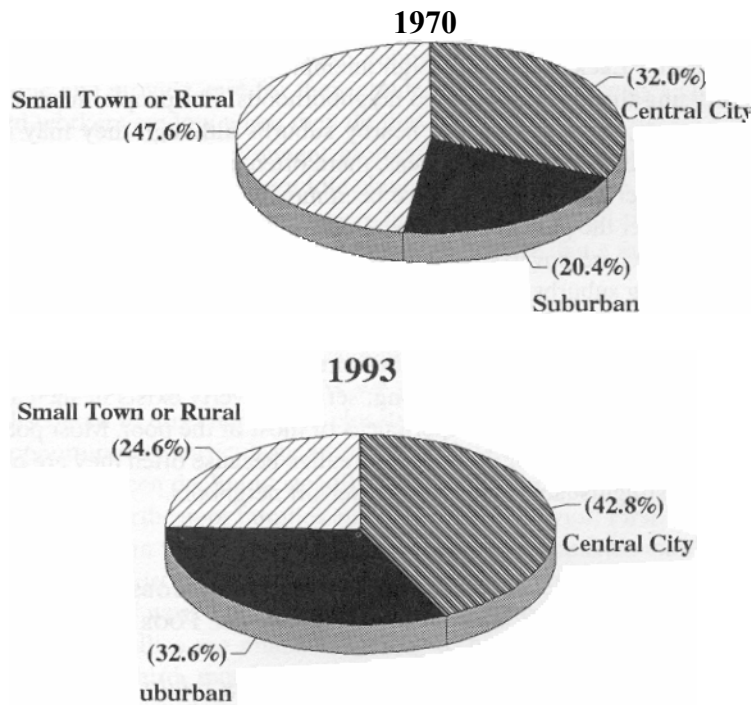


Poverty and Inequality Midterm Study Guide Sections C & YA

There will be one question on a figure or table from the reading. Here is an example of such a question with sample answers.

1. Describe the following Figure (Figure 1.8 from Blank book). What is one stereotype of the poor that the data presented here combat?



A good answer would be: “People assume that poverty is an inner city issue and that most of the poor live in big cities. This figure shows the composition of the poor by where they live in 1970 and 1993. In 1970, about 48 percent of the poor lived in a small town or rural location, 20 percent lived in the suburbs and 32 percent lived in the center city. By 1993, the proportion of poor living in small town or rural settings had dropped to about 25 percent while the percentage living in suburbs and center cities had increased to 33 percent and 43 percent respectively. Although the proportion of the poor living in the center city has increased, the majority of the poor still live in rural areas, small towns or suburbs.”

Note that it's OK to round numbers a little.

The following answers are less good (and one is wrong). Why?

“This figure shows where the poor live. In 1970, 48 percent lived in small towns or rural locations, 32 percent live in central cities and 20 percent live in suburbs.

In 1993, 25 percent live in small towns, 43 percent live in center cities and 33 percent live in suburban areas.”

“People assume that lots of people in rural areas are poor. This figure shows poverty rates by geographic area. In 1970 in small towns and rural areas, 47 percent of the people are poor, in center cities it is 32 percent and in suburbs it is 20 percent. The poverty rates in 1993 are 25 percent for small towns and rural areas, 33 percent for suburbs and 43 percent for center cities. So more people in center cities are poor.”

Here are some other questions. I will use some of these on the exam as well as some new questions. Questions 1 & 2 are more straight-forward and will carry less weight than questions 3 & 4.

2. Compare the following facts for these two families in 2001. Both families have one adult and two kids and rent their housing.

Family A earned \$11,000 and spent \$11,000.

Family B earned \$11,000 and spent \$30,000.

Which family or families are officially poor given the federal poverty line of \$14,269? Do you think this measure adequately reflects the two families' situations? Why or why not? If yes, describe another way to measure poverty that would do an equally good job. If no, describe another way to measure poverty that would do a better job.

3. You are working for a non-governmental organization in "Landiastan," a developing country. Your group has identified that income inequality is a problem standing in the way of development in general, and is a problem for the families with whom you work in particular. The Landiastanian Prime Minister says that he doesn't believe this because average income is rising, but if you can convince him, he promises to lobby for some more progressive tax policies. He believes statistics. How can you convince him?

5. Does it matter that the rich are getting richer and the poor are getting poorer? Two articles we have read directly address this question, the Kawachi, Wilkinson & Kennedy piece on Income Inequality and Health and the Sen piece on Globalization. Pick one of these pieces and summarize the author's argument. Do you agree or not? Support your stance drawing on a social justice framework.