Here’s the midterm along with my notes from grading. Most people did well on 1a-1c, so I did not make notes on those.

You have 90 minutes for the exam, but you may be able to finish it in less time. The questions are weighted with 70 total points. Completing the exam at the rate of one point per minute will give you 20 minutes to check over your work. Please turn in your written exam, this exam sheet, and your one page of notes (if you prepared this page).

1. (25 points) The following questions refer to Figure 2.1 from Haskins (2001) (although you will be able to answer this question even if you have not yet read that article).

Figure available in article, reproduced in notes from 11/24.

1a. Breathe deeply. In two or three sentences, describe the information in the graph.

1b. Interpret Figure 2.1. In two or three sentences, describe the story that is told.

The following graph (Figure 4.5A from Blank, 1997) describes the same underlying phenomenon.

Blank book available in SSW library. Figure reproduced in notes from 11/24.

1c. Interpret Figure 4.5 and contrast it with the first graph. In three or four sentences, describe the story told by Haskin’s Figure 4.5 and how it is different from the story told by Blank’s Figure 2.1.

1d. Both graphs are correct. Assume that differences between the two are not a result of different time periods or samples. Explain in a paragraph how both graphs can be correct.

7/7 example from a classmate “These figures are an illustration of the point in time versus ever on paradox of poverty: “Most people who are poor are poor for a short time while most poor people are long-term poor.” Haskins’ figure reflect the latter portion of this paradox, that most poor people are long term poor (65%). Blank’s figure reflects the former notion that most people who are poor are poor for a short time (45.5 % receive AFDC for only one year.) These figures can both be correct because they are looking at two different measurements, over two different timeframes. Haskins present a point-in-time view, while Blank takes an ever-on timeframe.”

6/7 - ID point in time, but w/o application or explanation of which is which.
5/7 – other persuasively argued explanations, point-in-time/ever on ID’d incorrectly
4/7 – other feasible explanations

(Optional bonus question). 1e. Of Haskins and Blank, one has worked for a Democratic president (Clinton’s Council of Economic Advisers) and the other was a staffer on a Republican-controlled congressional committee. Which was which? Describe how you could know that on the basis of just these two graphs and a knowledge of the debate over dependency?

This was worth one point. Haskins, the Republican, emphasizes that most welfare recipients at a given time are long-term dependents. Blank, the Democrat, emphasizes that most welfare recipients only use it for a short term.
2. (15 points) You work for an program that serves persons with emergency food and shelter needs (i.e. a food pantry / housing assistance agency). You are the only such agency in your service area.

Part of your funding comes from the city. The city links the amount of funding to the current poverty rate, as measured by the Federal Poverty Line. Your agency has noticed an increase in the number of persons seeking help, but the city refuses to increase your funding. Their figures show that the poverty rate is the same as it’s been for the last several years.

Your boss asks you to examine the city’s poverty study. You find that their numbers are correct, but you tell your boss that some more information could help show the increased need that your agency has noticed.

You write a memo to the city explaining why the poverty rate could be the same, yet need has increased. Describe three reasons in two or three sentence each. For each critique, name a specific concept related to the measurement of poverty or the distribution of income.

3 reasons @ 5 points per reason
5/5 – reason described, related to why the poverty line is an inadequate measure for the purpose of determining need
4/5 – reason named but not fully described, or tangentially related and described
3/5 – general correct comment on measurement of poverty

Relevant reasons
- depth of poverty
- duration of poverty (spend-down of reserves)
- assets (spend-down)
- decrease in other in-kind benefits
- regional cost-of-living
- Poverty Line versus Self Sufficiency Standard
- I accepted changes in income distribution IF an argument was made as to how it was related to poverty line

3. (30 points) CHOOSE EITHER 3A or 3B and answer with two or three paragraphs incorporating arguments from class readings and exercises. A partial bibliography is given below so that you can cite readings. You may use readings that are not on the bibliography if you feel they are related.

OPTION 3A.) What is the difference between income and wealth? Give an example of how a historical U.S. policy created unequal opportunities for wealth development along lines of race and/or class. How could these past inequalities affect well-being and income equality today?

Full-credit responses were accurate, thoughtful and contained the following elements:
- Definitions of income, wealth and an explanation of the difference
- Discussion of specific American policies.
- Discussion of connection between past inequalities and current well-being or income.
- Citation of readings, including Oliver & Shapiro or Anders (Cherokee Nation)

OPTION 3B.) It’s often said that the rich are getting richer and the poor are getting poorer. Is this true or false? Is inequality good or bad?
Using the United States over the last two decades as an example, give some evidence about income inequality. Describe a way to think about the relationship between income inequality and well-being, including specific mechanisms.

**Full-credit responses were accurate, thoughtful and contained the following elements:**

- **Answers to the two questions**
- **Evidence from the US.**
- **Discussion of connection between inequality and mechanisms**
- **Citation of readings, including Kawachi et al or Krugman**

**Partial bibliography**