

Learning Objectives

Chapter 20

In this chapter you will

- Examine the difference between absolute and relative poverty
- Examine the degree of economic inequality in our society
- Consider how the poverty rate is measured
- Consider some problems that arise when measuring economic inequality
- See how political philosophers view the government's role in redistributing income
- Consider the various policies aimed at helping poor families escape poverty

You should be able to

- State the difference, using examples, of absolute and relative poverty
- Apply a measurement of the poverty rate to different countries to assess the number of people living in poverty
- Explain how the changing role of women in the economy has affected the distribution of income
- Name some factors that cause the measurement of income distribution to exaggerate the degree of income inequality
- Compare and contrast utilitarianism, liberalism, libertarianism and libertarian paternalism
- Outline at least three policies designed to reduce poverty
- Explain the concept of a negative income tax