**RWS #10: Market Failure #5 - Poverty and Inequality**

**DUE FOR lessons w/b 22nd May 2018**

**GENERAL INSTRUCTIONS:**

*Please complete a revision worksheet summarizing the work from the last two weeks. The work should be taking you* ***up to 2 hours*** *to complete and should consist of a 1 A4 double paged summary based on the questions below. Please print out a double sided version to be handed in and marked on the date above (emails will not be accepted so make sure you are printing off your sheet before the lesson).*

*Remember to use all of the space over your two sides of A4 and make sure the ‘margins’ in Word are put as ‘narrow’. Feel free to reduce the size of the font if you are running out of space but nothing less than size 10. A better way to reduce would be to reread what you have written and try to be more succinct; it must fit onto two sides of A4 only!*

*You should be reading and using all the compulsory resources below (remember you will have already read an awful lot of these for homework and in class but there are a few extras I want you to read.*

*This revision worksheet should be taking you 2.5 hours…I suggest you spend 45 minutes writing up all your notes from class into a rough draft. Then, spend the next hour reading any extra information or clarifying concepts if you do not understand them. Then use the final 45 minutes to edit the work, make it look pretty and print it off.*

*REMEMBER THAT IF YOU DO NOT HAVE A PRINTER AT HOME YOU MUST FIND TIME BEFORE THE LESSON TO PRINT IT OFF AT COLLEGE*

*ALSO MAKE SURE THAT AS WELL AS STORING A COPY ON A MEMORY STICK, YOU ALSO EMAIL YOURSELF SO THERE CAN BE NO COMPUTER ISSUES WHEN IT COMES TO PRINTING OFF YOUR WORK*

**SOURCES:**

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| **Compulsory (must look at)**   * **All notes** from class & group discussions, PREP homework and any department handouts * **Powerpoint –** has good arguments on working tax credit, poverty targets etc. amongst other things * **Course Textbook** for the Second Year (You can download this as an ebook or read it online): Pages 118-139 (skim through the pages)   + LINK 1: Click on this link - <https://www.dawsonera.com/abstract/9781471829864>   + LINK 2: If the link above does not work, goto the ILC page on GOL OR click on <https://online.godalming.ac.uk/course/view.php?id=37> . Click on DAWSONERA box and accept terms and * **Worksheets on GOL**   + PREP HWK 1 and 2 Worksheets * **Articles on GOL**    + Political causes in detail   + Poverty Targets in the UK   + Taxation considerations   + Free markets solve inequality not Government | **Extension (optional reads if time – try to access at least one source)**   * Series of extra articles on poverty and inequality in the UK (on GOL under ‘extension resources’ folder   + “Inequality or Poverty” by Simon Wren-Lewis   + “London Inequality is Good”   + Minimum Wage Essay   + Measuring Inequality |

**INSTRUCTIONS**

**Introduction (1/4 side of A4)**

* Define income inequality, wealth inequality, absolute poverty and relative poverty. Also, what is income or wealth ‘inequity’?
* More in depth overview of poverty and inequality in the UK – measurement and history since 1979
* What has caused poverty and inequality in the UK to increase (or have an upward trend) from 1979? Distinguish between possible ‘market failures’ (so Globalisation and neo liberalism) .v. possible ‘Government Failures’ (interventions that have made poverty and inequality worse)
* Effects of poverty and inequality – what can poverty in the UK lead to in terms of educational opportunity, wage earning potential and general health? Also, what are the arguments for saying that inequality can be good and bad?

**History of Government Intervention in the UK to combat poverty and inequality (1/4 side of A4)**

* Produce a timeline that covers the three main periods: Thatcherism (1979-1997), Blairism (1997-2010) and ‘Austerity Politics’ (2010-2020)
* For each period explain what ‘Thatcherism’, ‘Blairism’ and the Conservative (Austerity) positions/philosophies are and some of their main policies. How are they similar and how are they different?

**Government Intervention 1: Redistributing income and wealth through Taxation and Benefits (3/4 side of A4)**

* Brief overview of the tax and benefit system in the UK – define the types of taxation and benefits (including ‘in kind’) that we have in the UK
* What are the advantages and disadvantages of moving from a more regressive taxation scheme to a progressive taxation scheme in a bid to reduce poverty and inequality? (try to think of three clear points and back them up with arguments for and against). Useful terms to use are ‘trickle down effect’, ‘disincentive to work or invest’ etc.
* What are the advantages (successes) and disadvantages (failures) of increasing benefits to reduce poverty and inequality (again remember there are different types of benefits for unemployed, the sick and the working on low wages – working tax credits). Perhaps have three points – one for benefits for the unemployed (so JSA, disabled etc.), one for benefits for low incomes (e.g. working tax credits) and perhaps one for state pensions?
* Conclusion – do you feel that the UK needs to change the way it redistributes income and wealth and reduces poverty through taxation and benefits? If you feel there does need to be a change, explain why and a possible plan forward. If you feel it does not need to change, then you must justify why everything is perfect! ☺ Remember to state your position, back it up and then explain why any arguments against your position are not valid….see me if still unsure of how to write effective conclusions.

**Government Intervention 2: Government Legislation – e.g. the Minimum (or “Living”) Wage (1/2 a side of A4)**

* Provide a brief description of the type of measures this might include and a history of legislation in the UK (including plans for the new “Living Wage” that has been brought in.
* Arguments for and against these types of measures for reducing poverty and inequality
* Conclusion – an opinion and justification
* What is ‘Universal Basic Income’ or UBI and what are the advantages and disadvantages of such a piece of legislation?

**Government Intervention 3: Government Targets and Initiatives (1/4 side of A4)**

* Provide a brief description of the type of measures this might include and a history since 1997 – so look at New Labour’s (Blair and Brown’s) as well as Cameron’s approach (Coalition and Conservatives) in terms of ‘The New Deal’ (not Roosevelt’s one!), the ‘Work Programme’ and targets that Government’s have adopted (Child Poverty etc.)
* Conclusion – have these targets been a success and has the Government done enough to encourage people into work?