

Economic Inequality Project
Presentations: April 25th/26th
Structured Debate: April 28th/29th
50 Points

Overview | How big of an issue is poverty in America today, and what are the most effective ways to address it? Is America still the great land of opportunity — where if you work hard and play by the rules, you can make it?

Warm Up: Watch [this video](#) about wealth inequality that went viral on YouTube in 2014. Take note of academic language terms presented in the video as well as any questions you have.

Read | In the news analysis “[50 Years Later, War on Poverty Is a Mixed Bag](#),” Annie Lowrey looks at the progress the United States has made in fighting poverty as well as the current debate about how the country should move forward. Read the piece and look for evidence about the effectiveness of the war on poverty and possible solutions for addressing today’s problem of poverty.

To many Americans, the war on poverty declared 50 years ago by President Lyndon B. Johnson has largely failed. The poverty rate has fallen only to 15 percent from 19 percent in two generations, and 46 million Americans live in households where the government considers their income scarcely adequate.

But looked at a different way, the federal government has succeeded in preventing the poverty rate from climbing far higher. There is broad consensus that the social welfare programs created since the New Deal have hugely improved living conditions for low-income Americans. At the same time, in recent decades, most of the gains from the private economy have gone to those at the top of the income ladder.

Questions | For reading comprehension and discussion (Your responses must be typed):

1. What evidence suggests that the government’s war on poverty has been a failure?
2. What evidence suggests the opposite — that the war on poverty has largely been a success?
3. What suggestions did you find in the article for further combating poverty?
4. What economic and sociological trends help explain why so many children and adults remain poor?
5. Why has economic growth generally failed to translate into income gains for workers over the past 30 years, according to the article?

Project | While the United States may have eradicated the most dire forms of poverty seen elsewhere in the developing world, alarming numbers of Americans are still living below or near the poverty line. In fact, poverty has become mainstream — to the point that “half of all American children will at some point during their childhood reside in a household that uses food stamps for a period of time.” (Rank, 2014)

In this project, you will research and develop a new war on poverty for 2016. What do you think are the best ways to eliminate poverty in the United States? Working in a small group, you will research a possible policy solution. You will then draft a policy proposal outlining why you think your assigned solution will be most effective in eradicating poverty. At the end of the project, the class will hear from each group and then vote on the various proposals.

GROUP ONE-Raise the Minimum Wage: With recent [strikes by fast-food workers](#) calling for \$15-an-hour wages, and Democrats rallying around an increased federal minimum wage, the issue of low wages has made it front and center as a possible target to address in a new war on poverty. Yet some critics contend that raising the minimum wage only forces employers to cut down on overall hiring, thereby eliminating any gains made in the fight against poverty.

Read the article linked above about the politics and economic theory behind the minimum-wage fight and then select articles to read from the Room for Debate feature, “[Making Low Wages Livable](#),” such as this [argument in favor](#) of raising the minimum wage and this one [opposing](#) it.

GROUP TWO-Strengthen the Safety Net: President Franklin D. Roosevelt’s New Deal during the Great Depression established Social Security as a means to prevent the elderly from living in poverty. President Johnson expanded the safety net with programs like Medicare, Medicaid, Head Start and the Food Stamp Act. Other programs like subsidized housing and unemployment benefits also try to help people from getting stuck in poverty. The United States definitely has a safety net, but some argue it is not strong enough.

This [map](#) shows how much Americans have come to depend on government benefit programs. As this article points out, even [critics of the safety net](#) increasingly depend on it. But as the country makes hard choices about how to rein in government spending and get the economy moving again at full speed, some of these programs, such as [food stamps](#) and [unemployment benefits](#), have already been cut.

GROUP THREE-Job Creation: Some say that work, and not government benefit programs, is the best answer to poverty. The unemployment rate has gradually fallen

since its peak of 10 percent in 2009, but it still clings to 7 percent — and that number hides the many who have completely given up looking for work.

Peter Cove, in this [opinion piece in the New York Daily News](#), argues that we need a “subsidized employment program in the private sector and Works Progress Administration-type effort.” Along the same line of thinking, some economists such as Jared Bernstein propose we [adopt a full employment policy](#) — the concept that everyone who wants to work should be able to work. If the free market falls short in providing enough jobs, then the government should step in to fill the gap.

GROUP FOUR-Education: Education can be the great equalizer, the springboard that propels children born into poverty into the middle class. An important part of President Johnson’s war on poverty was the Elementary and Secondary Education Act, which tried to equalize educational opportunities for all children. Yet 50 years later America still faces a [stubborn achievement gap](#) between rich and poor.

As a possible solution, Nicholas D. Kristof argues that [focusing on the youngest children](#) will reap the biggest rewards. Others highlight the [difficult transition from high school to college](#), and the immense obstacles that face lower-income students as they make the leap to college. This related [graphic](#) shows how much of an advantage affluent students have over poorer students.

Perhaps a more equal system of public education funding would help? This article points out the widespread funding formulas that [reward wealthier students](#), while depriving poorer school districts.

GROUP FIVE-More Progressive Tax System: Collecting revenue through taxation creates complicated and controversial issues for governments. Governments need tax revenue in order to operate. In addition to supplying revenue, however, a tax system should also be viewed as fair. But what is fairness in taxation? And how do taxes relate to economic inequality? There are a number of ways to think about this question. Economists often approach it by applying the principle of *vertical equity*. According to this principle, a fair system of taxation is one in which households with higher incomes will pay a larger share of their incomes in taxes than households with lower incomes. Most people believe that vertical equity implies a progressive tax system. This sounds straightforward, but in practice governments often find it difficult to achieve vertical equity in their tax systems (National Council of Economic Education).

Some experts believe that a [progressive tax system](#) will help solve economic disparity in our country. This [Georgetown professor](#) outlines three reasons for a progressive tax system, and our tax system is a [hot issue](#) in this year’s [Presidential election](#). However, many others think that a [flat tax system](#) is the best approach to economic challenges.

Project Components |

- 1) Each group member is responsible for closely reading the assigned articles and completing the note taking guides (one guide for each article, each student must submit his/her own guide).
- 2) Groups must find AT LEAST two additional sources about their solution topic and complete note taking guides.
- 3) Each group will complete the policy proposal form.
- 4) Each group will construct a PowerPoint/Google Slides/Prezi proposal meant to convince the audience that their solution is the most effective at eradicating poverty.
- 5) The class will engage in a structured debate around the five possible solutions and will vote on what is the best choice. Each student will prepare TWO arguments for the debate exercise.

Structured Debate Preparation |

- 1) Become an expert in a topic OTHER than your assigned research area
- 2) Read all related articles in that given topic
- 3) Write one page argument in favor of your assigned research topic AND a one page argument in favor of your chosen topic. Your typed arguments should be MLA formatted, include at least two references (with in-text citations), and be well crafted.
- 4) You will use your two prepared arguments to engage in our class debate.

Presentation Guidelines |

- 1) Every group member must contribute: both with slide construction and during the presentation.
- 2) Groups should follow the Public Speaking Tuesdays guidelines for SLIDE CONSTRUCTION and DRESS CODE.
- 3) Presentations should not exceed SIX MINUTES.