

Sociology 125

Lecture 14: Solutions to poverty and excessive inequality

I. The problem of “welfare”

1. What is welfare?
2. Two main forms of welfare:
 - (1) *Direct government spending*
 - (2) *Tax subsidies*
3. Examples of Welfare directed at relatively privileged people

II. Some solutions to Excessive Inequality & Poverty

1. Strengthen Unions
2. Increase the “social wage”
3. Asset redistribution
4. Basic Income Grants

III. Basic Income

1. The design of the program
2. Contrast of *means-tested* and *universal* programs
3. Problems with means-tested programs
4. Desirable consequences of Basic Income Grants
5. Will it work? Is it feasible? – the problem of sustainability