

Subject	Year	Term
Economics (micro)	Year 13	Spring 2
<b>Topic</b>		
<b>4.1.7. The distribution of income and wealth: poverty and inequality</b>		
<b>Content (Intent)</b>		
<b>Prior Learning</b>		
<ul style="list-style-type: none"> <li>• Sections 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.5, 4.1.6, 4.1.8.</li> <li>• The following topics are particularly helpful: Labour markets, how markets function, causes of market failure, fiscal policy (particularly relating to taxation), supply side policies, equity and equality</li> </ul>		
<b>This section of the syllabus is split into 3 topics (4.1.7.1 to 4.1.7.3)</b>		
<b>4.1.7.1. The distribution of income and wealth</b>		
<ul style="list-style-type: none"> <li>• The difference between income and wealth.</li> <li>• The various factors which influence the distribution of income and wealth.</li> <li>• The difference between equality and equity in relation to the distribution of income and wealth.</li> <li>• The Lorenz curve and Gini coefficient.</li> <li>• The likely benefits and costs of more equal and more unequal distributions. Some knowledge of the distribution of household income and wealth in the United Kingdom is expected.</li> </ul>		
<b>4.1.7.2. The problem of poverty</b>		
<ul style="list-style-type: none"> <li>• The difference between relative and absolute poverty.</li> <li>• The causes and effects of poverty.</li> </ul>		
<b>4.1.7.3. Government policies to alleviate poverty and to influence the distribution of income and wealth</b>		
<ul style="list-style-type: none"> <li>• The policies which are available to influence the distribution of income and wealth and to alleviate poverty.</li> <li>• The economic consequences of such policies. Students should be able to evaluate the various approaches to redistributing income and wealth and alleviating poverty, recognising the moral and political perspectives</li> </ul>		
<b>Future Learning:</b>		
<p>This section of the syllabus is particularly helpful for section 4.1.6 (Labour markets). It gives examples of government interventions in labour markets. It adds depth to the understanding of causes and consequences of market failure (inequality/inequity). It helps students to explore the concept of value judgements and the importance of morality when shaping economic policy. Many of the policies outlined link to fiscal/supply side policies contained in the macro syllabus</p>		
<b>How will knowledge and skills be taught? (Implementation)</b>	<b>How will your understanding be assessed &amp; recorded (Impact)</b>	
<p>This topic will involve, but not be limited to:</p> <ul style="list-style-type: none"> <li>- Teacher led lesson content</li> <li>- Independent learning tasks</li> <li>- Group discussion/debates and questioning</li> <li>- Using economic terminology</li> <li>- Reference to economic examples throughout</li> </ul>	<ul style="list-style-type: none"> <li>- Past Paper responses and essays. Marked and feedback given.</li> <li>- Verbal responses. Individual and class feedback given.</li> </ul>	
<b>How can parents help at home?</b>		
<ul style="list-style-type: none"> <li>• Discussing ideas and content at home &amp; linking it to real world situations that they are aware of.</li> <li>• Watch the news and/or read a good quality newspaper</li> <li>• Watch any topical films or documentaries that link to economics e.g. Panorama, dispatches etc.</li> <li>• Support us with our department's high expectations of spelling, grammar, punctuation, and minimum standards.</li> </ul>		

## Helpful further reading/discussion

### Reading

- Economics A level textbooks
- Tutor 2u website and YouTube channel
- [www.econplusdal.com](http://www.econplusdal.com)
- <https://www.tutor2u.net>
- BBC website for current economics articles
- Exam board subject website  
<https://www.aqa.org.uk/subjects/economics/as-and-a-level/economics-7135-7136>
- CIA website for international economic data  
<https://www.cia.gov/the-world-factbook/>

### Vocabulary Key Words

- Income
- Wealth
- Distribution of income
- Distribution of wealth
- Redistribution of income
- Redistribution of wealth
- Equality
- Equity
- The Lorenz curve
- Decile
- Quintile
- The Gini coefficient
- Relative poverty
- Absolute poverty
- Alleviate
- Gross income
- Net income
- Tax thresholds
- Fiscal drag
- Marginal tax rates
- Universal benefits
- Means tested benefits
- Poverty trap
- Earnings trap
- The unemployment trap
- Trickle down effects

### Careers Links

The whole section provides insights into careers. It focuses on why certain jobs provide higher incomes, how governments can support those earning incomes and it outlines how individuals can work out how much they will earn from their work. It also explores some moral questions relating to careers – is it fair that some careers are more lucrative than others?

Every topic within the section gives students a greater understanding about work and careers.

In general, A level economics develops skills and knowledge that help in a wide range of careers. An understanding of how changes in economic variables impacts the economic environment that firms operate in is useful for careers in a wide range of industries. Data handling and interpretation skills, along with the ability to construct alternative arguments to a problem before drawing conclusions are valued in many careers.