



<b>FACULTY/COLLEGE</b>	College of Business and Economics
<b>SCHOOL</b>	School of Economics
<b>CAMPUS(ES)</b>	APK
<b>MODULE NAME</b>	Poverty and Inequality
<b>MODULE CODE</b>	PAI9X01
<b>SEMESTER</b>	First
<b>ASSESSMENT OPPORTUNITY, MONTH AND YEAR</b>	Final Summative Assessment Opportunity June 2019

<b>ASSESSMENT DATE</b>	1 June 2019	<b>SESSION</b>	8h30 – 11h30
<b>ASSESSOR(S)</b>	Prof JMM Viljoen		
<b>MODERATOR(S)</b>	Prof EPJ Kleynhans – North-West University		
<b>DURATION</b>	3 hours (180 min)	<b>TOTAL MARKS</b>	150

<b>NUMBER OF PAGES OF QUESTION PAPER (Including cover page)</b>	2
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### INFORMATION/INSTRUCTIONS:

- This is a closed-book assessment.
- There are 4 questions. **Answer any 3 questions**
- Answer each question in a different book.
- Read the questions carefully and answer only what is required.
- Number your answers clearly and correctly as per the question paper.
- Do not use a pencil.

### QUESTION 1

**[50 MARKS]**

According to Ravallion (1998), it is important to measure poverty as it helps “...focusing the attention of policy makers on the living conditions of the poor.” Discuss the measurement of poverty. In your answer, you should refer to other reasons for measuring poverty, steps to be followed in measuring poverty, poverty lines and their uses, the measures of welfare, and the main problems that arise using survey data. (50)

**QUESTION 2**

**[50 MARKS]**

Critically discuss whether growth is good for the poor by reflecting on the results of researchers such as Dollar and Kraay, Chen & Ravallion (2001) and Datt & Ravallion. Also discuss the methodology used by them and how they reached their conclusions on the effect of growth on the poor. (50)

**QUESTION 3:**

**[50 MARKS]**

The World Bank broadened the poverty analysis by separating anti-poverty activities (as distinct from pro-growth activities) into three groups namely i) promoting opportunity, ii) facilitating empowerment, and iii) enhancing (income) security. Discuss each of these aspects in detail and, as prospective Local Economic Development practitioner, recommend anti-poverty policies in the South African context. (50)

**QUESTION 4:**

**[50 MARKS]**

- a) Discuss the commonly used summary measures of inequality and elaborate on the results of inequality in South Africa using each of these measures. Also mention how the results differ when certain factors are included or excluded. (25)

AND

- b) Discuss the main causes of poverty and distinguish between regional, community, household, and individual characteristics. Construct policy recommendations to address any four of these causes. (25)

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