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# Capitalism and Poverty

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Segment Length: 6:02 minutes; 4:25 minutes

## **Videos:**

“Does Capitalism Actually Reduce Poverty?”

<https://www.youtube.com/watch?v=Co4FES0ehyI>

“How capitalism lifts people out of poverty”

<https://www.youtube.com/watch?v=K2Xth2Z9ke0>

## **Guide:**

The questions below will help students achieve a better understanding of the arguments made on either side of a contentious topic. Because these questions often touch upon statements made briefly in the videos, we recommend reading the questions before watching each video.

Students are encouraged to take notes during the videos, and it may be helpful for students to break into groups, each taking responsibility for only a few questions, before coming together for discussion.

## **Analysis Questions:**

1. Shankar Singh says that globalization has helped lift hundreds of millions of people out of poverty. What is globalization? Prior to this video, what have you heard about it? Did you have a positive or negative view?
2. Richard Wolff argues that the standard for global poverty (earning less than \$1.90/day) is unrealistic, which inaccurately inflates the number of people lifted out of poverty. If so, has capitalism received more praise than it deserves? How does this impact the principles explained by Shankar Singh?
3. Shankar Singh says that wealth creation is the best way to lift people out of poverty. How would Richard Wolff respond?
4. Richard Wolff says that most of the reduction of poverty occurred in China, which does not have American-style capitalism. How would Shankar Singh respond? Does he address this in his video?
5. Shankar Singh says that government laws and regulations can destroy wealth, hurting the impoverished. How would Richard Wolff respond?
6. One of Richard Wolff’s points is that while capitalism may have reduced poverty for some people, it has not and will not reduce it enough. How would Shankar Singh respond?

7. Shankar Singh says that competition benefits the poor, because it encourages businesses to provide better products to consumers at more affordable prices, and creates wealth. How would Richard Wolff respond?
8. Shankar Singh says that while many governments think competition is about businesses, it's really "all about consumers." What did he mean by this?
9. Richard Wolff says that poverty will exist under any economic system based on profit. How would Shankar Singh respond?
10. Shankar Singh says that property rights are essential to lifting people out of poverty, because property rights allow businesses to compete. How would Richard Wolff respond?
11. Richard Wolff points to the successes of Cuba, a socialist country, as an example of how government programs increase quality of life. Should more countries aspire to be like Cuba? How would Shankar Singh respond?
12. Richard Wolff believes that government programs are the best solution to poverty, while Shankar Singh thinks global freedom and competition are the best solutions. After watching these videos, what are your thoughts?
13. Have these videos changed your opinion of capitalism? If so, how?
14. Have these videos changed your opinion of global poverty? If so, how?