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11.007 Day 3 Notes: **Policy Goals--Equity/Efficiency**

## **POLICY GOALS: EQUITY & EFFICIENCY**

What does Stone say, in general, about such policy goals as equity, efficiency, security and liberty?

### **Equity**

Equity concerns are at the heart of most distributive conflicts (who gets what). What sorts of issues involve distributive conflicts?

Stone points out that each of the main goals she discusses have a basic definition. What's the general definition of equity?

The general definition masks some important questions:

--What things are like one another?

--What does equal treatment consist of?

More generally, people tend to fall into one of two camps in their views on distributive questions. What are the elements of each camp's position? What are the dimensions along which they differ?

### **Efficiency**

What's a general definition of "efficiency"?

What's missing from those simple definitions? What's wrong with those definitions?

### **Equity vs. Efficiency**

Is there a tradeoff between equity and efficiency? How might you answer "yes" to this question? How might you answer "no" to it?

## **CASE: WELFARE REFORM**

What is welfare, and how was the federal welfare program reformed in 1996?

What were some of the assumptions underpinning the 1996 welfare reform with respect to equity and efficiency? Does it appear that those assumptions were valid?