The Persistence of Poverty

Why the Economics of the Well-off Can't Help the Poor

Charles Karelis

Contents

Preface ix

Acknowledgments xv

What Poverty Is i

Behavioral Factors in Poverty 12

Some Theories 27

A Closer Look at the Inefficiency Argument 49

Appendix. Using Indifference Curves to Identify UtilityMaximizing Allocations 88

A New Way to Rationalize the Conduct that Prolongs and Worsens Poverty 61

Appendix. Further Exploration Through Graphical Analysis 92

- 6 Responses to Challenges and Questions 102

 Appendix. The Case of Alfred Marshall 130
- 7 Policy: What Should We Do Differently If We Believe That Marginal Utility Is Increasing Amid Scarcity? 132
- 8 Economic Justice Reconsidered 153

Notes 165

Index 183