

Redistribution of Wealth

by Milton Friedman



Video: Economist Milton Friedman, Redistribution of Wealth
<https://www.youtube.com/watch?v=MRpEV2tmYz4>

Watch the following video, and answer the discussion questions



Economic phrases/words used in the video:

Distribution of wealth – This refers to the reality that individuals are born with access to a certain portion of the wealth that exists on Earth, depending on the financial circumstances of their parents and community/nation. In other words, wealth is distributed across Earth's population. Because this distribution is unequal, some argue that wealth should be re-distributed by government for fairness' sake.

Capital – Money, assets, resources, investments, wealth

Free market – Conditions where individuals are freely allowed to make contracts and exchange goods with other individuals, and prices are negotiated by the buyer and seller without government intervention or regulation. An economic system.

Utility – The usefulness or enjoyment a consumer can get from a service or good

Discussion Questions

- ★ *Essentially, Friedman says in this video that people have a natural desire to provide the best for themselves and their families through sacrifice and work and the market system uniquely enables and incentivizes them to do so. When the government protects an individual's right to earn a living without being taxed severely, do you think the worker has greater incentive to strive for financial success for themselves and their families? And, on the other hand, is the worker's incentive for success removed or faded when taxes substantially cut into their paycheck?*
- ★ *Do you think there is much of an effect on strong family/self reliance when government destroys incentives to have and accumulate wealth?*
- ★ *Although some circumstances require temporary assistance, what can we do to help people believe in their own abilities to care for themselves and their families so they can free themselves from government assistance?*
- ★ *Some people are convinced that wealthy individuals and supporters of capitalist ideas don't care about the success of those who are born into poverty. What evidence in this video shows that Friedman sincerely cares about people having opportunity for success and to create a better life for themselves?*
- ★ *Ask a group member to explain what Friedman describes about America being a family society and how he's seen parents give their children the best that they can achieve, even if it's not rational. What does this teach us?*
- ★ *What does Friedman express about the consequences of a society that wastes money on excessive entertainment instead of saving or investing in productive causes?*
- ★ *Are there other thoughts you had about this video that you'd like to share?*