



Economic Inequality

Reading Test

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Student

Time: *Approximately 1 hour*

Two types of lesson

Lesson#1: [Easy] ***** [B2/C1]

1. Try to predict the content of text / write down key terms / ideas
2. Read text – check words and meanings with a dictionary
3. Answer questions
4. Check answers (pass mark is 70%)

Lesson #2: [Hard] ***** [C1]

1. Read text – no dictionary
2. Answer questions
3. Check answers (pass mark is 70%)

Teacher

Two types of lesson

Lesson#1: [easy] ***** [B2/C1]

1. Give out text a week before the test – students read, check vocabulary and meaning.
2. Test day – give out a new copy of text and the questions (no dictionary or notes)
3. Set 1 hour to read text and answer the questions
4. Take in and correct or go through answers in class (pass mark is 70%)
5. Extra activity – students write the summary* (add 30 minutes to test)

Lesson #2: [hard] ***** [C1]

1. Test day – give out text and questions
2. Set 1 hour to read text and answer the questions
3. Take in and correct or go through answers in class (pass mark is 70%)
5. Extra activity – students write the summary* (add 30 minutes to test)

***Summary writing**

Link: www.academic-englishuk.com/summary

Economic inequality

By A. Watson (2019)

1. Economic inequality covers a wide variety of topics. It mainly refers to either income distribution or the distribution of wealth. Besides measurements between countries or states, there are important types of economic inequality between groups of people. Important types of economic measurements focus on wealth, income, and consumption.

such as the most popular Gini index coefficient, but also National Income indices and Inequality Databases (from the World Bank, United Nations and OECD). Important perspectives of equality include **equity**, equality of outcome, and

Research by Temple (2017), emphasises that economic inequality **predominately** hinders the duration of growth but not its rate. Whereas globalization has reduced global inequality between nations, **it** has increased inequality within nations. This article will mainly focus on the economic inequality of income distribution.

2. Income inequality in OECD (Organisation for Economic Co-operation and Development) countries is at its highest level for the past half century. The average income of the richest ten percent of the times that of twenty-five years ago (Piketty et al, 2018). Uncertainty and fears of social decline and **exclusion** have now begun to reach the middle classes in many societies and there is now a real urgency to address 2018). **This** is certainly true in controlling emerging economies, such as China and India, where strong economic growth has lifted millions of people out of absolute poverty, but distributed and high levels of income inequality have risen further to over fifty percent.

3. Official inequality reports often use **synthetic** measures of inequality such as the Gini index. The Gini corresponds to the average distance between the income or wealth of individuals in a society. It is appropriately normalized so that complete equality corresponds to 0, and However, Piketty et al. (2018) stresses that this kind of index is technical both in its calculation and in the mathematical knowledge required of the reader to interpret it. According to the World Bank (2018), the UK has a coefficient of 0.35 but what does this actually imply? To **many** making sense of such metrics are incredibly complicated. Rather than using a single index, it is preferable to use groups of the population are driving the evolution of inequality (Piketty et al, 2018). Using Average Income and Inequality Databases it is possible to (2018) analysis highlights that in the U.S, an adult needs to earn more than \$124 000 per year to break into the top 10% group. On average, the top 10% earners make \$317 000 per year. y, most people can relate to such measures and compare these values to their own income.

4. A study published by Norton and Kiatpongsan (2015) [redacted] and an unskilled worker. They found that “respondents underestimate actual pay gaps, and their ideal pay gaps are even further from reality than those underestimates.” For example, most believed the gap was around 30:1 but the reality is 354:1. This research suggests that although there is acknowledgement that the gap between the rich [redacted] declares that just five percent of Americans think that inequality is a major problem in need of attention. Another key element of support to **this view** is the ability of Social Mobility. According to Pew Research (2017), most Americans believe the economic system unfairly favors the wealthy, but 60% believe that most [redacted] highlight a very different perspective with over 65% of the bottom 10% unable to rise out of that group (DeParle, 2012). In fact, America has the worst social mobility out of all the developed countries and this lack of **elasticity** is set to increase.

5. Drawing on inequality data published by OECD (2018), global inequality has increased rapidly over the last 40 years. The World Inequality Report (2018) maintains that tax systems are crucial [redacted] improve progressive income taxation; this is a proven tool to combat rising income and wealth inequality at the top. The second is that tax evasion needs to be addressed. The [redacted] to more than 10% of global GDP. These settings prevent accurate measurements and taxations of wealth and capital income in a globalized world. Reducing financial **opacity** is critical to improving data on wealth and its distribution. Finally, the need for governments to invest more in the future, both to address education and improve low-paid jobs to prevent further increases. **These** are good in [redacted] become poor and heavily indebted over the past decades. Overall, the moral obligation should be on eliminating poverty, not achieving equality, and striving to make sure everyone has the means to lead a good life.

References:

- DeParle, J. (2012) Harder for Americans to rise from the lower rungs. Retrieved March 03, 2019, from [redacted]
- Fitz, N. (2015) Economic Inequality: It's far worse than you think. Retrieved March 03, 2019, from <https://www.scientificamerican.com/article/economic-inequality-it-s-far-worse-than-you-think/>
- Lufkin, B. (2017) There's a [redacted], from <http://www.bbc.com/future/story/20170706-theres-a-problem-with-the-way-we-define-inequality>
- OECD. (2018) Inequality & income. Retrieved March 03, 2019, from <http://www.oecd.org/social/inequality.htm>
- Piketty, T. Saez, E., [redacted] Retrieved March 03, 2019, from <https://wir2018.wid.world/>
- Temple, J (2017). "The New Growth Evidence". *Journal of Economic Literature*. **37** (1): 112–56. [redacted]

Comprehension Questions

1. Headings – choose a subtitle for each paragraph – one title is not needed

1	B	A	Common perception
2		B	Overview of economic inequality
3		C	Wealth distribution inequality
4		D	
5		E	Top priority to regulate
		F	Calculating inequality values

___ / 5

True / False / Not Given – one question per paragraph

2. T/F/NG

1) Economic Inequality is mainly associated with income inequality.	
2) [REDACTED]	
3) The Gini Index is unpopular because of its technicality.	
4) Most people have no idea how serious economic inequality is.	
5) Tax [REDACTED]	

___ / 5

Open answer questions

Paragraph 1

3. What is the key effect of economic inequality?

i.	
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___ / 1

Paragraph 2

4. Why are the [REDACTED] ?

i.	
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___ / 1

Paragraph 3

5. Why is the Gini Index seen as complicated?

i.	
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___ / 1

Paragraph 3

6. Why can [REDACTED] Database easily?

i.	
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___ / 1

Paragraph 4

7. Is the research by Norton and Kiatpongsan (2015) credible?

i.	Yes / No (circle one)
ii.	Why?

___ / 2

Paragraph 4

8. What is the [redacted] ?

i.	
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___ / 1

Paragraph 5

9. What are the three key improvements suggested?

1.	
2.	
3.	

___ / 3

Paragraph 6

10. Is the author optimistic about economic inequality improving?

i.	Yes / No (circle one)
ii.	[redacted]

___ / 2

Reference Words

11. Reference words – explain what these reference words connect to: (underlined in the text)

Paragraph	Word	Connection
1	<i>it</i>	<i>globalisation</i>
2	<i>this</i>	
3	<i>many</i>	
4	[redacted]	
5	<i>these</i>	

___ / 4

Vocabulary

12. Key language – explain these terms from the context / use synonyms where appropriate

Paragraph	Word	Explanation
1	<i>equity</i>	<i>Monetary value / worth</i>
1	<i>predominately</i>	
2	<i>Exclusion</i>	
2	██████████	
3	<i>Synthetic</i>	
3	<i>Transparent</i>	
3	██████████	
4	<i>Respondents</i>	
4	<i>Elasticity</i>	
5	<i>Havens</i>	
5	██████████	

___ / 10

Critical thinking

13. Find two points in the text that you question.

i.	
ii.	

___ / 2

Reporting Verbs

14. Reference verbs – note four reference verbs used in the text

i.	Emphasises ...
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___ / 4

Overall Total: ___ / 38

Comprehension Questions ANSWERS

1. Headings – choose a subtitle for each paragraph – one title is not needed

1	B	A	Common perception
2	E	B	Overview of economic inequality
3	F	C	Wealth distribution inequality
4	A	D	
5	D	E	Top priority to regulate
		F	Calculating inequality values

___ / 5

True / False / Not Given – one question per paragraph

ALL ANSWERS GIVEN IN PAID VERSION...