The haves and the have-nots

VOCABULARY PRACTICE
UPPER-INTERMEDIATE | B2

Name: _____ Date: _____

1 Match each precise term with its definition.

1 wealth gap ____	**a** the growing difference in accumulated wealth, distinct from income, between richest and poorest
2 socioeconomic status ____	**b** a person's or family's social and economic position, based on income, education and occupation
3 intergenerational poverty ____	**c** poverty that persists across multiple generations of the same family
4 precariat ____	**d** a social class characterised by chronic job and income insecurity
5 trickle-down economics ____	**e** the theory that benefits to the wealthy eventually benefit the wider economy
6 welfare safety net ____	**f** government programmes providing minimum support to prevent extreme hardship
7 gentrification ____	**g** the transformation of a neighbourhood that often displaces lower-income residents
8 living wage ____	**h** an income sufficient to afford a basic, adequate standard of living
9 conspicuous consumption ____	**i** visibly spending on luxury goods partly to display wealth or status
10 asset inequality ____	**j** unequal distribution of property, savings and investments, as opposed to income alone

2 Choose the word with the most suitable connotation.

1 For the growing gap in accumulated wealth: wealth gap / equal distribution.

2 For poverty persisting across generations: intergenerational poverty / temporary hardship.

3 For a class marked by chronic job insecurity: the precariat / secure employment.

4 For the theory that wealth benefits eventually spread: trickle-down economics / direct redistribution.

5 For government support preventing extreme hardship: welfare safety net / no support at all.

6 For a neighbourhood transformation displacing residents: gentrification / preservation.

7 For an income sufficient for basic adequate living: a living wage / a poverty wage.

8 For visibly spending to display status: conspicuous consumption / modest saving.

3 Complete the inequality collocations with one word.

1 a widening wealth _____ (= growing gap in accumulated wealth)

2 _____ poverty (= persisting across generations)

3 the _____ (= workers facing chronic insecurity)

4 a _____ safety net (= government support for the vulnerable)

5 a _____ wage (= sufficient for a basic standard of living)

6 _____ status (= a person's social and economic position)

7 _____ consumption (= spending to display wealth)

8 asset _____ (= unequal distribution of property and savings)

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4 Complete the case notes with words and phrases from the box.

asset inequality | conspicuous consumption | gentrification | intergenerational poverty | living wage | socioeconomic status | the precariat | trickle-down economics | wealth gap | welfare safety net

Case A: Economists documented a widening 1 _____, with the top one percent controlling a disproportionate share of assets.
Case B: Families trapped in 2 _____ often lack the resources needed to break the cycle, regardless of individual effort.
Case C: Growing numbers of workers now belong to 3 _____, lacking stable contracts or predictable income.
Case D: Critics of 4 _____ argue that tax cuts for the wealthy rarely translate into meaningful benefit for lower-income households.
Case E: Advocates campaigned for a genuine 5 _____, arguing the legal minimum remained insufficient for basic needs.
Case F: The neighbourhood underwent significant 6 _____, displacing many long-term residents as property values rose.
Case G: A person's 7 _____ strongly predicts health outcomes and educational attainment, researchers found.
Case H: Critics noted that 8 _____ among the wealthy contrasted sharply with cuts to the 9 _____ relied upon by struggling families, highlighting broader 10 _____ beyond income alone.

5 Read the text and answer the questions briefly.

Wealth versus income inequality

Economists increasingly distinguish between income inequality and the less visible but arguably more consequential asset inequality, since accumulated wealth compounds over time in ways annual earnings alone do not capture. A family with modest but stable income and significant inherited assets may enjoy considerably more financial security than a family with higher income but no savings or property to fall back on during a crisis. This distinction matters for policy: taxes targeting income alone may leave the wealth gap largely untouched, since much of the wealthiest households' advantage derives from accumulated assets rather than current earnings. Addressing intergenerational poverty, researchers argue, therefore requires attention to asset-building opportunities, not merely wage growth.

1 What distinction do economists increasingly draw? _____

2 Why is asset inequality arguably more consequential than income inequality? _____

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3 What example illustrates this distinction in the text? _____

4 Why does this distinction matter for policy? _____

5 Where does much of the wealthiest households' advantage derive from? _____

6 What does addressing intergenerational poverty require, according to researchers? _____

6 Rewrite each sentence using the word in capitals. Do not change the meaning.

1 The gap between rich and poor's accumulated wealth is widening. WEALTH GAP _____

2 Poverty persisted across several generations of the family. INTERGENERATIONAL POVERTY _____

3 The neighbourhood changed as wealthier residents moved in and prices rose. GENTRIFICATION _____

4 The minimum wage was not enough to live on adequately. LIVING WAGE _____

OVER TO YOU

Write a 120-150 word account analysing the difference between income and wealth inequality, distinguishing observation from policy argument.

[ ] Use at least twelve target expressions. [ ] Control connotation carefully. [ ] Avoid unsupported assumptions.

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ANSWER KEY

1 Precise terms

1 a 2 b 3 c 4 d 5 e 6 f 7 g 8 h 9 i 10 j

2 Connotation

1 wealth gap 2 intergenerational poverty 3 the precariat 4 trickle-down economics 5 welfare safety net 6 gentrification 7 a living wage 8 conspicuous consumption

3 Collocations

1 gap 2 intergenerational 3 precariat 4 welfare 5 living 6 socioeconomic 7 conspicuous 8 inequality

4 Case notes

1 wealth gap 2 intergenerational poverty 3 the precariat 4 trickle-down economics 5 living wage
6 gentrification 7 socioeconomic status 8 conspicuous consumption 9 welfare safety net 10 asset inequality

5 Reading - suggested answers

1 Between income inequality and asset inequality.
2 Because accumulated wealth compounds over time in ways annual earnings alone do not capture.
3 A family with modest stable income and inherited assets enjoying more security than a family with higher income but no savings.
4 Taxes targeting income alone may leave the wealth gap largely untouched.
5 Accumulated assets rather than current earnings.
6 Attention to asset-building opportunities, not merely wage growth.

6 Rewriting - possible answers

1 The wealth gap is widening. 2 The family experienced intergenerational poverty.
3 The neighbourhood underwent gentrification. 4 The wage was not a living wage.

Over to you

Answers will vary. Check lexical precision, appropriate connotation and separation of fact from inference.