Teacher Answer Key

Case Study

1. • Skills programs lifted lower-wage earners, narrowing the wage gap, but property and investment gains continued to fuel overall income inequality.

2. • Individuals owning real estate or capital benefited significantly, whereas wage earners saw slower growth.

Multiple Choice

1. D

2. C

3. D

Matching

1-B, 2-E, 3-D, 4-C, 5-A

Fill-in-the-Blank

1) Redistribution, 2) Economic, 3) Wealth accumulation

Short Answer (Sample Responses)

Q1: Wage inequality focuses on pay from employment, while income inequality includes returns from investments, property, and other sources of wealth.

Q2: Better education and training boost earning potential for workers, but those who already own property or capital may still see faster income growth.

Q3: Higher taxes can reduce inequality but risk discouraging investment or driving wealthy individuals to move money elsewhere