

Crisis, crisis ...

Lesson 3

It's all about financial crisis this time. Enjoy! ☺

Greece will come through crisis without bailout, IMF head says

The head of the International Monetary Fund believes Greece will resolve its debt crisis without an IMF bailout, and today dismissed fears that other European nations will be engulfed by the crisis.

Dominique Strauss-Kahn insisted this morning that other eurozone countries with large public deficits would not be forced into the same predicament as Greece. Speaking to Reuters in Nairobi, Strauss-Kahn said the wider European economy was still strong - despite fears that Greece might default on its debts. While the IMF is poised to assist Greece if needed, Strauss-Kahn remains confident that Europe's leaders could resolve the issue. (...)

"We have a problem with Greece. We don't have a problem with Spain to date. The eurozone has to deal with the Greek problem. They are doing this," said Strauss-Kahn. (...)

Portugal, Ireland, Italy and Spain have been grouped with Greece as the "Pigs" (or sometimes "Piigs"). Each of them has seen the cost of insuring their debt rise, as the financial markets question whether they can repay their borrowings. (...)

Today, the Portuguese government announced an austerity budget in an effort to cut its deficit to below 3% of GDP by 2013. (...) Last week Greece succeeded in selling €5bn of bonds to institutional investors - bolstering hopes that the country could fix its ailing economy without a formal bailout from the IMF

Retrieved from: *The Guardian*, March 8, 2010 (www.guardian.co.uk)

Replace the underlined words or phrases in each sentence with one that appears in the text above:

- a) The country needs a series of reforms to strengthen its economy → B _ _ _ T _ _
- b) A vast majority of Russia's state-owned companies need government rescue plans → B _ I _ _ U _
- c) Strict economy is often dubbed ... → _ U S _ _ R _ _ Y
- d) Stranded in a strange city without money, he was in a strange and difficult situation. →
P _ _ D _ C _ _ _ N _
- e) Unfortunately, you are dealing with a financially troubled corporation. → _ I _ I _ G
- f) Most economists fear that G-7 economies will be further swamped by the crisis. → E _ _ U L _ _ D