**Complete the summary below.**

**Choose NO MORE THAN TWO WORDS from the passage for each answer.**

**Write your answers in boxes 27-31 on your answer sheet.**

A government can undergo austerity measures by cutting spending and/or raising \_\_\_27\_\_\_. If banks do not believe that a government will settle its debts, they may ask for \_\_\_28\_\_\_ that are too high to pay back. In these cases, the IMF is sometimes prepared to lend money to these governments. One of the conditions of IMF loans is that recipient countries undergo austerity measures to reduce their \_\_\_29\_\_\_ and repay any debts.

The IMF has attracted criticism for its role in Asia after the 1997 financial crisis. The crisis was caused when international investors pulled their money out of the region at once, causing \_\_\_30\_\_\_ to fail and unemployment to rise. The IMF's austerity measures set conditions that lowered incomes and \_\_\_31\_\_\_. These policies have caused great suffering internationally.

**Choose FOUR letters, A-G.**

**Write the correct letters in boxes 32-35 on your answer sheet.**

**Which four items are identified as features of the Greek government's austerity measure programmed in 2010?**

A. reducing public sector wages between 2010 and 2014

B. cutting allowances for public sector workers

C. raising the sales tax

D. making the compulsory retirement age the same for both genders

E. multiple general strikes

F. making cigarettes more expensive

G. eliminating the budget deficit

**Look at the following statements (Questions 36-40) and the list of people below.**

**Match each person with an appropriate statement, A-F.**

**Write the correct letter, A-F, in boxes 36-40 on your answer sheet.**

List of Statements

A. Businesses will grow after the government and consumers spend more.

B. Harsh austerity measures have caused some economies to decline.

C. Government spending can help a country get out of debt.

D. Governments should not raise spending while the economy is expanding.

E. It is wasteful for governments to spend while the economy is getting smaller.

F. Governments that introduce austerity measures are rewarded with economic success.

36 John Maynard Keynes

37 David Cameron

38 Marshall Auerback

39 Joseph Stiglitz

40 Paul Krugman