

Third term English exam

Read this text carefully.

Living in Debt

Many developing countries have very large debts, and the amount of money they owe is quickly increasing. Trying to pay off the debt has become a serious problem for these countries, and it causes great hardship for their people.

How did the Debt Crisis start ?

At the end of the 70's, many oil exporting countries had large amounts of extra money. They put this money into Western banks. The banks then loaned a lot of money to Third World countries for big development projects. However, several factors (a rise in world interest rates, a global recession, and low commodity prices) caused the size of these debts to start growing very fast.

The amount of money owed by developing countries has increased dramatically since the early 80s. These countries now owe money to commercial banks and also to organizations like the World Bank, the International Monetary Fund, and to First World governments.

Loans have to be repaid in hard currencies (for instance the Japanese yen, the American dollar and the Swiss franc).

Developing countries have soft currencies : they go down in value. Therefore, when the value of a developing country's money goes down, the cost of its debts rises. Moreover, the value of the commodities that a Third World country exports can go down. This makes it more difficult for the country to repay its loans. In Latin America, for example, debt is growing faster than earnings from exports.

New Internationalist, 1999.

A/Reading/Interpreting:

1/ Say if these statements are true or false: (1,5points)

- The debt has become a serious problem for the developed countries.
- The amount of money owed by developing countries has increased.
- When the value of developing country's money goes down, the cost of its debts rises.

2/ In which paragraph are these ideas mentioned(1,5points)

- a/ The increase of debts.§
 b/The beginning of the debt.§
 c/ The reasons why it is difficult to repay debts.....§3

3/ Answer these questions according to the text:(2points)

- a/ What are the factors that cause debts to grow quickly ?
 b/ What characterizes soft currencies ?

4/ What or who do the underlined words in the text refer to ?(2points)

They:5§ that:5§ its:5§ these:3§

B/Text exploration(8points)

1/ Choose the best answer (a,b,c) to explain the underlined words. :(0,75point

1. The amount is increasing it is:
 a/ rising b/ diminishing c/ falling down

2.Hardship means :

- a/ comfort b/ dependence c/ suffering

3.A rate is a

- a/ a note b/ percentage c/bill

2/Find in the text words or phrases closest in meaning to the following(0,75point)

a-slow#2§ b-imports#5§..... c-decreased#3

3/ Rewrite the sentence (b) so that it means the same as sentence:(3points)

- They are on strike in order to increase their salaries
 They are.....so that The manager
- She opened the window in order to have some fresh air.
 She so that we
- The doctor is vaccinating the baby so that he will protect him from virus
 The doctor..... In order to

4/ Join these sentences with the connector between brackets:(2points)

- He had sent an application letter to the firm. He received a reply
 (as soon as)
- The doctor had examined Peter. He gave him a long prescription (after)

5/Cross the silent letter(1,5points)

Debt -drought-knowledge-high-psychologist-buy

Written expression:(5points)

Write a paragraph of about 80 words about the following topic:

Business and commercialization are important in the development of our countries