

Class: Sociology and Economics

Subject: English

Part One: Reading

(Score: 24/40)

In the following article, Fareed Zakaria draws a comparison between Greek and American economy. Read it carefully, and then answer the questions that follow.

It's All Greek to U.S.

1 As Europe confronts another act in its Greek drama, many are watching and wondering, is the U.S. next? Could our debt-ceiling debate be the beginning of a crisis that makes the world lose faith in American credit? Anything could happen, but it's worth noting the big differences between Greece and the U.S.

2 Greece faces three problems. First, it has an uncompetitive economy that cannot generate growth. Its labor is too expensive, it exports few products, and its people are not rich enough to power an expansion. This is not a recent problem. Greece has never been an economic dynamo.

3 Greece also has a long history of borrowing too much and being unable to pay its debts. Over the past 179 years, it has been in default about 50% of the time. Its debts are huge and could not be paid under any plausible scenario. Finally, because **it** is part of the euro zone, Greece does not have control over its currency, which means it cannot make its goods cheaper on world markets.

4 The U.S., by contrast, remains one of the world's most competitive economies. It is home to the leading companies in the most advanced industries, houses the largest capital markets and continues to spawn new companies and, indeed, whole new industries. It exports everything from aircraft to entertainment to health care products around the world. Its demographics are strikingly healthy: it will be the only rich country in the world to actually increase its population over the next 30 years — which means more young workers, producers, entrepreneurs and taxpayers. It also has control over its currency. Finally, America's credit history is **impeccable**. The U.S. has never defaulted on its debt.

5 Greece faces a set of terrible choices. In order to get more funds to pay its loans and bills, it needs to make severe spending cuts and tax increases that will surely choke economic growth. The situation in the U.S. could not be more different. The solutions to America's **deficit** problems are relatively straightforward, almost simple.

6 Take a few examples. If Congress were to **enact** the recommendations of the Simpson-Bowles commission, it would reduce the deficit by \$3.8 trillion over 10 years. By 2015, the U.S. would have a deficit that was 2.2% of GDP, among the lowest of the world's major economies. Were Congress to do nothing and let the Bush tax cuts expire and return rates to what they were

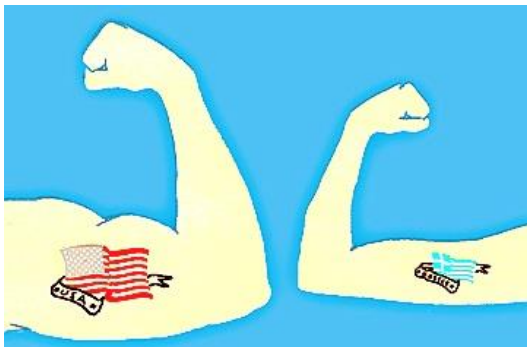
during the Clinton era, that would generate an estimated \$3.6 trillion in tax revenue over the next decade, largely solving the short-term deficit problem.

7 The great truth facing the U.S. is not that we lack solutions to our problems but that our political system seems unable to do anything. With a deficit as large as the one we face, it should be clear that we cannot sort things out through either spending cuts alone or tax increases alone. (Spending on Social Security, Medicare and Medicaid is set to rise from 10% of GDP now to 15% by 2030. **That** is simply unjustifiable.) And yet the two parties seem stuck in adolescent fantasies, one ruling out tax increases, and the other ruling out any serious cuts in entitlement spending. Sure, in a country of 312 million, people will disagree. But on the deficit, the disagreement is not a theological one. Debates over money are always ready to compromise. You can split the difference!

8 The world has not lost faith in the U.S. economy. People lend America money more cheaply than they do any other country. Our stock markets remain strong. Our companies continue to **thrive**. But as you watch the dangerous game of chicken in Washington, it is easy to conclude that the U.S. has lost a serious governing class and has become a place where ideology and talk-radio rhetoric have replaced the business of governance. That Republicans would consider playing games with America's creditworthiness is not simply terrible public policy but also, as Richard Stengel pointed out in the previous issue of TIME, almost certainly not allowed by the government.

9 Right now, we could actually learn something from Greece. The current Greek government has faced up to its problems and **initiated** a series of spending cuts and tax increases and the sale of state-owned properties. What it has proposed dwarfs anything contemplated in the U.S. And the Greek government has made the case to its people patiently and persistently, not pandering* to populist opinion — despite crowds rioting in the streets. It has also set about enacting a longer-term program to make the economy more competitive.

**pandering: doing what someone wants even though it is not reasonable*



A- Answer the following questions in 2-4 sentences of your own words:

1. What are the problems faced by Greece? Explain. (Score:2)
2. How does paying the Greek debts affect its economic growth? (Score:2)
3. Why is the U.S political system unable to solve the economic problems? (Score:2)
4. Write a two sentence commentary on the above illustration /photo. (Score:2)

B-

1. Identify the type of introduction, state two purposes it serves. (Score 2)
2. What is the thematic relation between paragraphs 3 and 4? Explain. (Score:2)
3. Select two types of audiences, and tell what interest each type would find in it. (Score:2)
4. Describe the tone in paragraph 8. Back up your answer with pieces of evidence. (Score:2)

C-Refer to paragraph 4 to complete the following chart with suitable information, using phrases. (Score: 2)

Characteristics of the American Economy
1-
2-
3-
4-

D- Identify the pattern of the underlined sentences, and then write the indicators. (Score: 1.5)

1-Sentence 2, paragraph 4

2- Sentence 2, paragraph 6

3- Sentence 6, paragraph 7

E-Use contextual clues to figure out the meaning of each word in the box below. Then fill in the blanks with the correct words to complete the following sentences.(score:2)

Impeccable(Paragraph 4)
Deficit(Paragraph 5)
Enact (paragraph 6)
Thrive (Paragraph 8)
Initiated (Paragraph 9)

1- Olive oil is classified as having an absolutely ----- taste and aroma.

- 2- Unless the government raises taxes or lowers spending, the -----will continue to rise.
- 3- The institute ----- a program that can help handicapped people.
- 4- Turkeys ----- well, grow to a fine size and have flesh of tender quality.

F- Write a one-sentence summary of paragraph 9. (Score: 2.5)

Part Two: Writing

(Score: 16/40)

Choose one of the following two writing questions and develop it fully.

1. “A strong economy leads to a stable social and political life. When the country is financially prosperous, people would live peacefully.” Write a problem -solution essay in which you discuss **two solutions to solve the problem of youth unemployment in Lebanon**. Develop your ideas in a 250-300- word essay of unified, coherent, and properly sequenced paragraphs. See that, in your introduction, you put your reader in the general atmosphere of your topic and provide a thesis statement; and that each of your body paragraphs starts with a topic sentence which you back up with relevant supporting details. Draft, revise, and proofread your essay. **(07 pts for ideas, 07 pts for language and style, 02pts for tidiness and legible handwriting)**.
2. The above text highlights in paragraph 2 some reasons for the economic crisis in Greece. With reference to the text, and from your general background information, **write an essay in which you discuss two causes of a weak economy**. Develop your ideas in a 250-300-word essay of unified, coherent, and properly sequenced paragraphs. See that, in your introduction, you put your reader in the general atmosphere of your topic and provide a thesis statement; and that each of your body paragraphs starts with a topic sentence which you back up with relevant supporting details. Draft, revise, and proofread your essay. **(07 pts for ideas, 07 pts for language and style, 02pts for tidiness and legible handwriting)**.

Best Wishes

Answer Key

Competencies:

- Utilize reading strategies
- Develop literal and interpretive understanding of printed discourse
- Produce transactional writing

Part One: Reading

(Score: 24/40)

A. (2 pts each)

- 1- Greece faces three problems. First, it has an uncompetitive economy that cannot generate growth. Its labor is too expensive, it exports few products, and its people are not rich enough to power an expansion.
- 2- Greece faces a set of terrible choices. In order to get more funds to pay its loans and bills, it needs to make draconian spending cuts and tax increases that will surely choke economic growth.
- 3- The U.S political system is unable to solve the economical problems since they cannot sort things out through either spending cuts alone or tax increases alone . The two parties seem stuck one ruling out tax increases and the other ruling out any serious cuts in entitlement spending.
- 4- A suggested answer : This photo symbolically reflects the idea in the text that Greece has a weak economy. By contrast, America has stronger muscles that indicate a prosperous economy.

B.

- 1.The writer posed series of questions so that readers would think about possible answers .His purpose is to arouse the reader’s curiosity,introduce the topic,grab the reader’s attention etc....**(1 for the type,1 for the purposes)**
- 2.The thematic relationship between paragraphs 3 and 4 is that of contrast.In paragraph 3, the writer presents the characteristics of the Greek economy, and then in paragraph 4, he presents the different characteristics of that of the U.S.**(2pts)**
3. Possible audiences(politicians,businessmen,economists....)**(1 for the audience,1 for the interest)**
- 4.The writer sounds optimistic and hopeful since the world still trusts the U.S. economy.Moreover, people lend America money more cheaply and the American stock markets are still strong (Accept any reasonable justification).**(1 for the tone ,1 for the evidence)**

C. (any four aspects)

(0.5 each)

Characteristics of the American Economy
1-home to the leading companies
2-houses the largest capital markets

3-healthy demographics
4-has control over its currency/ 5- has never defaulted on its debt.

- D-1.**Listing (, , and) **(0.25 for pattern, 0.25 for indicator each)**
- 2.Cause/effect (if)
- 3.Contrast (but)

- E- 1-Impeccable (0.5 Each)**
- 2-Deficit
- 3- Initiated
- 4- Thrive

F- (0.5 pts for citation, 2pt for summary)

In paragraph nine of It's All Greek to U.S., Fareed Zakaria, concludes his article with the idea that America should benefit from the Greek experience in solving its economic crisis.