



Global Debt

Reading to Writing Summary

EXAMPLE

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Student

Two types of lesson

Lesson#1: [Easy] **** [B2/C1]

1. Predict the content of the text. Write down key terms & ideas.
2. Read the text & check words & meanings with a dictionary.
3. Identify the key points and supporting details and complete the **outline**.
4. Write a one-paragraph summary of 200-250 words.
5. Check key points with the **completed outline** & **model answer** (try to achieve 4 key points and 4 supporting points).
6. Answer the critical thinking questions & check possible answers.

Lesson #2: [Hard] **** [C1]

1. Read the text – no dictionary.
2. Identify the key points and supporting details and complete the **outline**.
3. Write a one-paragraph summary of 200-250 words.
4. Check key points with the **completed outline** & **model answer** (try to achieve 4 key points and 4 supporting points).
5. Answer the critical thinking questions & check possible answers.

Teacher

Two types of lesson

Lesson#1: [easy] **** [B2/C1]

1. Distribute the text a week /day before the test. Students read, check vocabulary & meanings.
2. Test day: distribute a **new copy of text** and the **summary question**.
3. Set 1 hour to read the text, take notes and write a one-paragraph summary of 200-250 words.
4. Feedback¹: take in and mark [[use our correction code*](#)].
5. Feedback²: distribute **completed outline** & **model answer**. Students compare with their own work.
6. Summary marking: **should contain at least 4 main ideas with support** – see **summary key points**.
7. Extra: critical thinking questions / group discussion (30 minutes).

Lesson #2: [hard] **** [C1]

1. Set 1 hour to read the **text** and write a one-paragraph summary of 200-250 words.
3. Feedback¹: take in and mark [[use our correction code*](#)].
4. Feedback²: distribute **completed outline** & **model answer**. Students compare with their own work.
5. Summary marking: **should contain at least 4 main ideas with support** – see **summary key points**.
6. Extra: critical thinking questions / group discussion (30 minutes).

Correction code*: www.academic-englishuk/error-correction

Global Debt **EXAMPLE**

By J. Smith (2022)

Global debt can be defined as a combination of worldwide government, household and corporate debt. [redacted] to be fast approaching \$300tn, which is more than three times the annual economic output of the world [redacted] on Earth owing \$32,500 (CNBC, 2020). As the world has never before been as indebted as it is currently, [redacted] asking [redacted] in the face of a potentially devastating, emerging crisis.

In order to measure which countries have the largest debts, the debt to Gross Domestic Product (GDP) metric is used to [redacted]. Currently, Japan has the highest national debt in the world, with 234.18% of GDP and a national debt of over \$9tn, followed by [redacted]. Also, in the top ten of countries with the biggest debts is the United States with a debt-to-GDP ratio of 106.70%. [redacted] national debt has increased from 41.54% to 54.44% of GDP (World Population Review, 2022). According to Corporate Finance Institute (2022), for developed economies, above 77% debt-to-GDP [redacted] debt [redacted] points of annual growth, whereas for emerging markets, the threshold is even lower at 64%, and equal [redacted].

As several countries have debt-to-GDP ratios considerably over the threshold, it is to be expected that [redacted], currently 256% of GDP, of which two-fifths is public debt at 99%. In advanced economies in particular, who [redacted] support, [redacted] of GDP in 2007 to 124% in 2020 is comparable to the increase seen during the financial crisis of 2008, yet for emerging markets and low-income [redacted] to funding and higher borrowing rates, total debt rose from 54% to almost 170% of GDP in 2018, and [redacted] the same could be said for private debt in advanced economies, currently at 178% of GDP (The World Bank Group, 2022; Gaspar et al., 2021). These [redacted] be largely attributed to the onset of the Covid-19 pandemic, in which borrowing by governments was used to boost the fragile economy and support the private sector to help protect livelihoods, yet [redacted] for [redacted] in borrowing in 2020, it is emerging markets and low-income developing countries who will find it much harder to pay back their debts (CNBC, 2020; Gaspar et al., 2021).

Although this impending crisis greatly worries experts, it is not the first financial crisis that has arisen. In fact, [redacted] debt as 'waves'. Between 1970 and 2009 there were three waves of debt, wherein advanced economies, on the one hand, experienced regulatory easing of their financial markets [redacted] lenders, and more debt accumulating in the private sector, which went unnoticed as GDP was also growing, [redacted] were becoming dependent on borrowing heavily and being forced to devalue their currencies (CNBC, 2020; The World Bank Group, 2022). What is [redacted] to the World Bank Group (2022) is that they all started during periods of promoting borrowing and [redacted] which is also what could happen with the current fourth wave, except this time it involves public and [redacted] and is much more widespread.

In conclusion, as the World Bank Group (2022) warns of the likelihood of another serious financial crisis, [redacted] high levels of inflation and weak growth prospects in an already fragile economy, ‘policymakers must find the right mix of fiscal and monetary [redacted] right balance [redacted] circumstances, and commitment to credible and sustainable medium-term fiscal plans’ (Gaspar et al., 2021). [redacted] with how fast and far-reaching it has accumulated, the effects of the latest global debt crisis could be felt [redacted].

Reference list

CNBC International, (2020). *Is a global debt crisis coming?* [online]. Available at: https://www.youtube.com/watch?v=Cf7o_YH5M [Viewed 16.04.2022].

[redacted] (2022). *Debt-to-GDP ratio* [online]. Available at: <https://corporatefinanceinstitute.com/resources/knowledge/economics/debt-to-gdp-ratio/> [Viewed 16.04.2022].

Gaspar, V., Medas, P., and Perrelli, R., (2021). [redacted] [online]. Available at: <https://blogs.imf.org/2021/12/15/global-debt-reaches-a-record-226-trillion/> [Viewed 17.04.2022].

[redacted], (2022). *Global Waves of Debt: Causes and Consequences* [pdf]. Available at: <https://www.worldbank.org/en/research/publication/waves-of-debt> [Viewed 16.04.2022].

World Population Review, (2022). *Debt to GDP Ratio by Country 2022*. Available at: [redacted]

Summary: Key Points

Take notes on the key points of the text.

1. Main idea:
Support:
2. Main idea:
Support:
3. Main idea:
Support:
4. Main idea:
Support:
5. Main idea:
Support:

Summary: Key Points (ANSWERS)

Take notes on the key points of the text.

<p>1. Main idea: Definition of global debt</p> <p>Support:</p> <ul style="list-style-type: none"> • Glob. debt = comb. of wrldwd gov., househ. & corp. debt. • 2020: > [redacted] = > 3 x annu. econ. output of the wld & equiv. 2 each of the 7.7bn ppl on Earth owing \$32,500 (CNBC, 2020). • Fin. [redacted] debt sit. cld b devastating.
<p>2. Main idea: How global debt is measured</p> <p>Support:</p> <ul style="list-style-type: none"> • Measure. = [redacted] can prod. • Highest countries: Japan, Greece, US, but also UK & China mentioned (World Population [redacted]). • Developed econ. > 77% [redacted] (Corporate Finance Institute, 2022).
<p>3. Main idea: An analysis of global debt</p> <p>Support:</p> <ul style="list-style-type: none"> • Glob. debt = rec. levels. • Adv. econ. = [redacted]. 2 fin. crisis of 2008. • EME & low-inc. countries = B/C lmt access 2 funding & high borrow. rates, public debt > [redacted], 2022; Gaspar et al., 2021). • Rises in debt = attributed 2 COVID 19. Govs borrow. + 2 boost econ. & support ppl's jobs & biz. • EME & [redacted] (CNBC, 2020; Gaspar et al., 2021).
<p>4. Main idea: The past financial crises</p> <p>Support:</p> <ul style="list-style-type: none"> • Not the first fin. crisis. • [redacted] 'waves'. • Adv. econ. = reg. ease of fin. mrkts → [redacted]. & > debt in pub. sector (CNBC, 2020; The World Bank Group, 2022). • [redacted] 2 devalue currencies (ibid). • All 3 waves = same. Started promot. borrow. & [redacted] downturn or rec. (World Bank Group, 2022). • But this 4th wave [redacted] & is more widespread.
<p>5. Main idea: Future predictions</p> <p>Support:</p> <ul style="list-style-type: none"> • [redacted] Group (2022) = serious fin. [redacted], high infltn & weak growth. • Policymakers = [redacted] bal. • Debt + how fast & far-reaching it is = effects of [redacted]

Summary

Task: Write a 200-250 word summary on the key features of the text.

Word Count: _____

Summary: Global Debt

Global debt is an amalgamation of worldwide government, household and corporate debt. At more [REDACTED] of the world (CNBC, 2020), societies are currently seeing unprecedented levels of deficit. Using debt-to-GDP [REDACTED] can produce, [REDACTED] of debt a nation has. When a country's debt-to-GDP ratio is over a particular threshold, [REDACTED] growth (Corporate Finance Institute, 2022). This may not have so much of an impact on advanced [REDACTED] central banks for support, but it will have an impact on emerging economies and low income countries [REDACTED], and this could lead to [REDACTED] (CNBC, 2020; Gaspar et al., [REDACTED] is not a new state of affairs. In the past fifty years, there have been three 'waves' of debt, and [REDACTED] (World Bank Group, 2022); they all started during a time of promoting borrowing and low interest rates and [REDACTED] This fourth debt [REDACTED], but this time it involves more players and [REDACTED] potentially be felt for a many number of years.

240 words

Critical Thinking Questions

i) What's the stance of the author? What is the evidence for this?

[2 points]

ii) Is this a credible article? Yes /no – why?

[2 points]

iii) Highlight four ideas in the text you would use for an essay on: “To what about the level of global debt?”

[4 points]

iv) Highlight two areas in the text that you question, disagree with or lack evidence.

[2 points]

Critical Thinking Questions

i) What's the stance of the author? What is the evidence for this?

The writer believes that that the amount of global debt is worrying. This is mentioned in para 4 & the conclusion through her choice of language:

-**except this time** it **involves** public and private debt with **new types** of creditors and is **much more widespread**.
- The **extraordinary** amount of debt amassed, **coupled** with how **fast** and **far-reaching** it has accumulated, the **effects** of the latest global debt crisis **could be felt for many years to come**.

[2 points]

ii) Is this a credible article? Yes /no – why?

Yes, good source choice with five credible sources used. But who is the author? Not published or supported by a journal publication. It's probably a good idea to use the primary sources.

[2 points]

iii) Highlight four ideas in the text you would use for an essay on: "To what extent should we be concerned about the level of global debt?"

P1: Glob. debt = definition = "a combination of worldwide government, household and corporate debt". In 2020, surpassed \$200tn & currently estim. \$300tn. > 3 x annual econ. output of wrld & equiv. 2 each of 7.7bn ppl on Earth owing \$32,500 (CNBC, 2020).

P1: Wrld = never been in so much debt. Fin. experts & econ ask lawmakers 2 act quick..

P2: Measure. = debt 2 GDP metric cf country's debt....

ALL ANSWERS INCLUDED IN PAID VERSION...

iv) Highlight two areas in the text that you question, disagree with or lack evidence

P1: What amount of global debt would be devastating for humankind? [Is \$300tn bad? Will this figure keep rising? How long will it continue to rise?]

P1: Finance experts and economists are asking policymakers to act quickly, but what can they do? [Are they waiting for higher growth to lower debt burdens? Will they privatise any public assets to lower government debt....]

ALL ANSWERS INCLUDED IN PAID VERSION...