

Complete the gap fill with the words below.

“economic bubble” stimulus recession “credit crunch”
“smaller piece of the pie” inflation “economic crash” “bear market”
“the global financial crisis” foreclosure inequality
bailout “credit card debt” austerity

1. _____ is when the government cuts spending to try to reduce the deficit.
2. A _____ is when someone gets a smaller share of the money.
3. An _____ is when the economy suddenly collapses.
4. A _____ is when there is a lack of money available to lend.
5. _____ is when a person owes money to a credit card company.
6. _____ is the rate at which the prices of goods and services increase.
7. A _____ is when the stock market is going down.
8. _____ is a time when the world's economies are in a recession.
9. A _____ is when a government or financial institution gives money to a company or country that is in financial trouble.
10. A _____ is when the economy is not doing well and people are losing their jobs.
11. A _____ is when the government gives money to the economy to try to improve it.
12. An _____ is when there is too much money in the economy and prices rise too quickly.
13. _____ is when there is a large gap between the rich and the poor.
14. A _____ is a legal process in which a borrower loses their home because they have not made their mortgage payments.

The Recession

The recession was a tough time for everyone. Austerity measures meant that people had less money to spend and the economic crash also led to a credit crunch. People were struggling to pay off their credit card debt. Stock prices fell and the bear market turned into a global financial crisis. Governments had to bailout some big banks and companies. Stimulus measures helped revive the economy, but also led to an economic bubble. Not only that, prices went up and inflation hit 10%. Some people got very rich, but most people remained poor. This inequality meant that people were struggling to keep their homes and many people lost their homes to foreclosure.

1. What were some of the effects of the recession?

2. What were some of the long-term effects of the recession?

3. How did the recession affect different groups of people?

4. Could the recession have been prevented?

5. What lessons can be learned from the recession?