Unit 6.1: Microloans: breaking the cycle of poverty

LISTEN

D 2.11 1.25 **LISTEN FOR MAIN IDEAS** Listen to each segment of the lecture. Choose the statement that best expresses the speaker's main idea in each segment.

Segment 1

_____ **1.** Many people in the world live in poverty.

_____ **2.** The interest on microloans is very low.

_____ **3.** Microloans can help people in poverty.

Segment 2

_____ **1.** Education offers the best way out of poverty.

_____ **2.** Education can make microloans more effective.

_____ **3.** Microloans are not as effective as some aid agencies say they are.

E 2.12 **LISTEN FOR DETAILS** Read the notes below. Then listen to segment 1 of the lecture and complete the notes with the correct symbols.

What is Gulu like?

_____ (1) 50% live in poverty

> half _____ (2) farmers

How do microloans work for Gulu farmers?

Microloans _____ (3) regular bank loans; collateral (house) not needed

Loans $50 _____ (4) $100; no collateral needed

Interest rates _____ (5) 35%

After microloans _____ (6) farmers invest in farms

_____ (7) bigger profits

Part of the profits _____ (8) payment of loan

LIVEWORKSHEETS

F 2.13 Listen to segment 2 of the lecture. Write the missing word(s) in the excerpts below

1. *"I have given money to organizations that make microloans. _____ they are the most effective way to help poor people."*
2. *"That depends on your what your measure is. There is some evidence of success. First, _____ that borrowers almost always pay back the loans."*
3. *"Borrowers almost always pay back the loans—about 95 percent. In addition, _____ by researchers at the Massachusetts Institute of Technology _____ that microloans help one group the most: people who already own a business."*
4. *"No, I wouldn't, because _____ such small amounts of money can make much of a difference."*
5. *"Well, you are right. These _____ that the loans resulted in no change in the usual measures of poverty."*
6. *"There is another way to look at the situation, though. Although economic experts do _____ that people in poverty often remain poor after they take out a microloan, the same _____ also _____ that loans allow the families to become more financially stable."*
7. *" _____ aid suggests that this kind of support increases the chance that microloans will help people break the cycle of poverty."*

AFTER YOU LISTEN

H **THINK CRITICALLY** **Analyze.** Work with a partner. Complete the sentences with information from the lecture.

1. What are three ways in which microloans have been successful?
   - **a.** Ninety-five percent of borrowers _____.
   - **b.** Microloans help people who _____ to get ahead
   - **c.** Microloans help poor families become _____.

LIVEWORKSHEETS