

Supplement 8 Notes

World Leaders Pledge \$1.1 Trillion for Crisis

deep divide =

paralyzed (global economy) =

to *bail out* (developing countries) =

G-20 meeting =

stringently =

What were the 3 items that the leaders of the G-20 countries agreed on?

1.

2.

3.

no guarantee =

host =

Who is Gordon Brown?

Which country is this year's host of the G-20 meeting?

summit =

What was the reason for calling the G-20 summit or meeting this year?

The current global downturn is the biggest since when?

“increase (the IMF's) capital” =

How much did the leaders of the G-20 commit in new funds to the IMF this year?

loan =

loan guarantee =

division (between Europe and the U.S.) =

spending measures =

What was the “stubborn division” between Europe and the U.S.?

accord =

plight (of emerging economies) =

sideswiped =

proposed remedies =

peripheral (effects) =

thorny =

What does this statement mean: “. . . the final accord was far more forceful in addressing the plight of emerging economies that had been sideswiped by the financial crisis than it was in addressing the deep recession in the largest countries where the crisis began?”

how to grapple (with) = how to

“toxic assets” =

(toxic assets) *clotting* (the financial system in Europe and the United States) =

declaration (of goals) =

eased (fears) =

protectionism =

the Great Depression =

high-profile =

debut =

projected =

contrition =

the meltdown =

extol =

(global) *resolve* =

mediate =

dispute =

tax haven =

What was the dispute between France and China in the G-20 meeting?

quirks =

Why did Obama say that it was hard to get more than 20 countries to agree to common steps?

exemplify =

herald (a new age) =

elite (club) =

“elite club of Western powers” =

the Bretton Woods agreement in 1944 =

hangar =

hangarlike =

concrete (step) =

“the monetary fund” =

How much new capital was pledged or committed *directly* to the IMF?

waning relevance =

emerge =

first responder =

emergency loan =

trade credit =

cross-border (trade) =

rating agency =

crackdown =

publicly (identified) =

sanction =

tax information =

Aside from giving the IMF new capital, what were the other steps announced/detailed by Prime Minister Brown of Britain during the G-20 meeting?

1.

2.

What was the reaction of stocks markets around the world as a result of the G-20 announcements?

(less) *cheered* =

arcane (change) =

defer (writing) =

accounting regulations =

What does this statement mean: “. . . accounting regulations that would make it easier for banks to defer writing down the value of their most troubled toxic assets?”

dispose (of toxic assets) =

less crippling =

in denial =

financial sector =

emerging markets =

paper over =

public dispute =

fiscal stimuli =

What is one of the most public disputes of the G-20 leaders?

balk (at American pressure) =

social safety net =

vague (wording) =

leeway =

sustained (economic growth) =

lavish (praise) =

fruitful (discussion) =

Why did the leaders of the G-20 countries need new rules to govern the bonuses of bankers?

erect =

trade barrier =

protectionist sentiment =

What does this statement mean: “name and shame” countries that erected trade barriers?

Why did the G-20 leaders want to “name and shame” countries that erected trade barriers?

sweeping (global regulation) =

monitor (the financial system) =

signs (of risk) =

regulator =

cross-border (authority) =

advocated =

Which country advocated cross-border authority for the regulators of the new Financial Stability Board?

coordinate =

Which banks are mentioned as examples of “systemically important” financial institutions in the world? Why?

mechanism =

insolvent risks =

“winding down of insolvent risks” =

Who led the push to reinforce the capital of the monetary fund? Who is the Treasury Secretary in the U.S.?

mandate =

early warning system =

How much are countries expected to contribute to the new additional capital of the IMF?

Special Drawing Rights (SDR) =

synthetic currency =

How many member countries does the IMF have?

overhaul =

Which countries are advocating the overhaul of the IMF by 2011? Why?

Who is the managing director of the IMF?