

Headline English

2010, week 44 *Learn English through reading on current world affairs*

1 Paul Krugman

2 **British fashion victims**

3 original at:

4 http://www.nytimes.com/2010/10/22/opinion/22krugman.html?_r=1

5 In the spring of 2010, fiscal austerity became fashionable. I use the term
6 advisedly: the sudden consensus among Very Serious People that
7 everyone must balance budgets now now now wasn't based on any kind of
8 careful analysis. It was more like a fad, something everyone professed to
9 believe because that was what the in-crowd was saying.

10 And it's a fad that has been fading lately, as evidence has accumulated
11 that the lessons of the past remain relevant, that trying to balance
12 budgets in the face of high unemployment and falling inflation is still a
13 really bad idea. Most notably, the confidence fairy has been exposed as a
14 myth. There have been widespread claims that deficit-cutting actually
15 reduces unemployment because it reassures consumers and businesses;
16 but multiple studies of historical record, including one by the International
17 Monetary Fund, have shown that this claim has no basis in reality.

18 No widespread fad ever passes, however, without leaving some fashion
19 victims in its wake. In this case, the victims are the people of Britain, who
20 have the misfortune to be ruled by a government that took office at the
21 height of the austerity fad and won't admit that it was wrong.

22 There's no question that Britain will eventually need to balance its books
23 with spending cuts and tax increases. The operative word here should,
24 however, be "eventually." The sensible thing, then, is to devise a plan for
25 putting the nation's fiscal house in order, while waiting until a solid
26 economic recovery is under way before wielding the ax.

27 But trendy fashion, almost by definition, isn't sensible — and the British
28 government seems determined to ignore the lessons of history.

Questions

- 1) What word in sentence 1 of the article does the word 'term' (line 5) in sentence 2 refer to?
- 2) Explain the meaning of 'fad' (line 8).
- 3) Who are the 'Very Serious People' (line 6)?
- 4) What is the 'confidence fairy' (line 13).
- 5) Why has the British Government, according to the article, embraced the austerity strategy?
- 6) Explain the meaning of 'operative word' (23).
- 7) Is Krugman generally opposed to cuts in public spending?
- 8) What is his suggestion with regard to balancing public budgets?
- 9) Does Krugman think that Britain is likely to adhere to what he thinks is a sound budget policy?
- 10) Explain the title of the article ('British fashion victims')!
- 11) What is your opinion on budget spending? Do you think that the Czech public sector needs to spend less or more? Why?

Vocabulary

austerity (line 6 and elsewhere) – strictness, asceticism, rigor, economic conditions in which there is not much money to be spent

balance its books (line 22) – get expenditure and revenue even, pay off one's debts

under way (line 26) – proceeding; in progress:

wielding the ax (line 26) – making cuts in public spending. 'Ax' or 'axe' means, amongst others, severe cutting down of expenditure, esp. the removal of unprofitable sections of a public service

You can find additional explanation and more examples to help you understand and use English words and phrases at <http://dictionary.reference.com>, <http://dictionary.cambridge.org/>, <http://www.merriam-webster.com/> or <http://www.ldoceonline.com/>

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