

Iceland leader quits over Panama Papers

7th April, 2016



The prime minister of Iceland quit on Tuesday because of a new global financial scandal.

Sigmundur Gunnlaugsson resigned because his name was in secret documents leaked from a Panama

law firm. Journalists reported on the 11.5 million leaked e-mails and letters over the weekend. They contain information about how the world's richest and most famous people avoid paying tax. Thousands of the world's most powerful people appear in the documents. Iceland's leader is the first to resign because of the scandal. The Panama Papers name over 215,000 companies and 14,153 clients of the Panamanian law firm Mossack Fonseca, including many current and former world leaders.

Many governments and celebrities around the world are now trying to keep the scandal from hitting them. British prime minister David Cameron could be embarrassed because his father was one of the law firm's clients. Sports figures identified in the leaks include Lionel Messi and the new FIFA president Gianni Infantino. He is shocked that people are questioning his honesty. Mossack Fonseca could also be in trouble. Journalists say it worked with 33 people or companies that were the part of international sanctions, including a cousin of the Syrian president Bashar al-Assad, and companies in North Korea. A British tax expert said there is up to \$32 trillion in untaxed financial wealth around the world.

Sources: *NY Times* / *NPR.org* / *Sky.com*

Writing

What are the advantages and disadvantages of tax? How much should people pay?

Chat

Talk about these words from the article.

Iceland / financial scandal / resigned / secret documents / tax / powerful / companies / celebrities / embarrassed / clients / leaks / honesty / journalists / sanctions / wealth

True / False

- Iceland's prime minister quit because of an academic scandal. T / F
- Over 10 million documents were leaked from a law firm. T / F
- Ten thousand of the world's most powerful people are in the papers. T / F
- The Panama Papers name over 210,000 companies. T / F
- The British prime minister's father was one of the law firm's clients. T / F
- The soccer player Lionel Messi is one of those in the Panama Papers. T / F
- The law firm worked with 333 people under international sanctions. T / F
- There is \$32 million of untaxed wealth in the world. T / F

Synonym Match

- | | |
|----------------|--------------------|
| 1. quit | a. keep away from |
| 2. documents | b. recognised |
| 3. contain | c. famous people |
| 4. avoid | d. resigned |
| 5. former | e. penalties |
| 6. celebrities | f. past |
| 7. identified | g. truthfulness |
| 8. honesty | h. official papers |
| 9. sanctions | i. specialist |
| 10. expert | j. include |

Discussion – Student A

- What do you know about the Panama Papers?
- What do you know about WikiLeaks?
- What do you think about Iceland's prime minister quitting?
- What do you think about what you read?
- How interested are you in the leaked documents?
- What do you think of very rich people avoiding tax?
- What do you think of very poor people avoiding tax?
- What should happen to people who avoid tax?

BreakingNewsEnglish - The Mini Lesson

Phrase Match

- | | |
|----------------------------------|----------------------------|
| 1. a new global | a. questioning his honesty |
| 2. people avoid | b. Panamanian law firm |
| 3. the first to resign | c. financial wealth |
| 4. 14,153 clients of the | d. from hitting them |
| 5. many current and | e. because of the scandal |
| 6. trying to keep the scandal | f. sanctions |
| 7. sports | g. paying tax |
| 8. He is shocked that people are | h. former world leaders |
| 9. international | i. figures |
| 10. \$32 trillion in untaxed | j. financial scandal |

Discussion – Student B

- Why do the rich and powerful get away with breaking laws?
- Should David Cameron resign?
- Should FIFA's new president resign?
- What are the effects on society of rich people avoiding tax?
- What should happen to the law firm?
- What do you think of tax?
- What could the \$32 trillion in untaxed financial wealth be used for?
- What questions would you like to ask the boss of the law firm?

Spelling

- his name was in secret nuemoctds
- 11.5 million ldeeka e-mails
- They icnoatn information
- oviad paying tax
- 14,153 tnsciel
- many nuertcr and former world leaders
- governments and eerebtislic
- sports sugirfe
- questioning his nthoyes
- a osicun of the Syrian president
- A British tax xrteep
- fcnlaanii wealth

Answers – Synonym Match

1. d	2. h	3. j	4. a	5. f
6. c	7. b	8. g	9. e	10. i

Role Play

Role A – Financial

You think a financial scandal is the most interesting. Tell the others three reasons why. Tell them things that aren't so interesting with their scandals. Also, tell the others which is the least interesting of these (and why): a sporting scandal, an academic scandal or a royal scandal.

Role B – Sporting

You think a sporting scandal is the most interesting. Tell the others three reasons why. Tell them things that aren't so interesting with their scandals. Also, tell the others which is the least interesting of these (and why): a financial scandal, an academic scandal or a royal scandal.

Role C – Academic

You think an academic scandal is the most interesting. Tell the others three reasons why. Tell them things that aren't so interesting with their scandals. Also, tell the others which is the least interesting of these (and why): a sporting scandal, a financial scandal or a royal scandal.

Role D – Royal

You think a royal scandal is the most interesting. Tell the others three reasons why. Tell them things that aren't so interesting with their scandals. Also, tell the others which is the least interesting of these (and why): a sporting scandal, an academic scandal or a financial scandal.

Speaking – Scandals

Rank these with your partner. Put the most interesting at the top. Change partners often and share your rankings.

- | | |
|-------------|------------------|
| • financial | • academic |
| • political | • medical |
| • sporting | • royal |
| • family | • product safety |

Answers – True False

a	F	b	T	c	F	d	T	e	T	f	T	g	F	h	F
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Answers to Phrase Match and Spelling are in the text.