

## South Korea government to help people in debt

2nd December, 2017



Many people around the world have a lot of debt. They owe a lot of money. They are using credit cards more and more. People are taking out loans to help them buy food. More young people are borrowing lots of money and have

huge student loans. One country is doing something to help people with debt. South Korea is going to write off the debts of as many as 1.6 million people. The government wants to help people on low incomes who have money problems. It has a scheme called the National Happiness Fund. It wants to help people to make a fresh start in life, without money worries. South Koreans who are struggling to pay back debts of less than \$9,000 could get help.

The National Happiness Fund started in 2013 to help the poorest people in Korea with their debts. The scheme was a big promise of a former South Korean president. He wanted to reduce growing inequality in the country. Household debt is a big issue in South Korea. The Happiness Fund will help with this. However, there is still a big problem with middle and higher-income workers. These people have most of the debt in South Korea. The Korea Times newspaper said the government is, "preventing numerous working families from going bankrupt under a mountain of debt". It said the government needed to act soon because there could be a big debt crisis coming.

Sources: [bbc.com](http://bbc.com) / [kbs.co.kr](http://kbs.co.kr) / [koreatimes.co.kr](http://koreatimes.co.kr)

## Writing

How big a problem is debt? Discuss three ways to stay away from debt.

## Chat

Talk about these words from the article.

debt / owe money / credit cards / student loans / low incomes / happiness / money / poorest people / promise / inequality / income / newspaper / bankrupt / mountain

## True / False

- a) People are using credit cards a lot more often. T / F
- b) More young people are borrowing money. T / F
- c) A happiness fund could help up to 16 million people. T / F
- d) South Koreans with debts of less than \$9,000 could get help. T / F
- e) The National Happiness Fund began two years ago. T / F
- f) South Korea's current leader started the National Happiness Fund. T / F
- g) Lower-income families have the most debt in South Korea. T / F
- h) A newspaper said there was little chance of a debt crisis coming. T / F

## Synonym Match

(The words in **bold** are from the news article.)

- |                      |                   |
|----------------------|-------------------|
| 1. <b>taking out</b> | a. assist         |
| 2. <b>huge</b>       | b. earnings       |
| 3. <b>help</b>       | c. project        |
| 4. <b>scheme</b>     | d. cut            |
| 5. <b>fresh</b>      | e. getting        |
| 6. <b>former</b>     | f. many           |
| 7. <b>reduce</b>     | g. new            |
| 8. <b>income</b>     | h. very, very big |
| 9. <b>numerous</b>   | i. do something   |
| 10. <b>act</b>       | j. previous       |

## Discussion – Student A

- a) What do you think about what you read?
- b) How can countries focus more on people's happiness?
- c) How much inequality is there in your country?
- d) What advice do you have for people who are in debt?
- e) Should borrowing money be more difficult?
- f) What does debt do to families?
- g) What would you take a loan out to buy?
- h) What questions would you like to ask someone with a lot of debt?

## Phrase Match

- |                                      |                              |
|--------------------------------------|------------------------------|
| 1. They owe a                        | a. lots of money             |
| 2. South Korea is going to write     | b. of debt                   |
| 3. More young people are borrowing   | c. back debts                |
| 4. help people to make a fresh       | d. issue in South Korea      |
| 5. Koreans who are struggling to pay | e. off the debts             |
| 6. reduce growing                    | f. crisis coming             |
| 7. Household debt is a big           | g. start in life             |
| 8. middle and higher-                | h. inequality in the country |
| 9. going bankrupt under a mountain   | i. lot of money              |
| 10. there could be a big debt        | j. income workers            |

## Discussion – Student B

- What do you think of debt?
- How much debt have you been in?
- What can we do to stay out of debt?
- Why do people get into debt?
- What do you think of South Korea for helping people in debt?
- What are the bad things about credit cards?
- How can countries help poor people?
- How would you like to make a fresh start in life?

## Spelling

- They ewo a lot of money
- people are bornowgir lots of money
- huge student laons
- help people on low ecsmnio
- a cmsehe called the National Happiness Fund
- money srrwoie
- help the peoorts people in Korea
- a big ispmroe
- crdeue growing inequality
- a big ieuss in South Korea
- going nktaurpb
- a big debt irissc coming

### Answers – Synonym Match

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

## Role Play

### Role A – A New iPhone

You think a new iPhone is the worst thing to borrow money for. Tell the others three reasons why. Tell them why it isn't as bad to get a loan for their things. Also, tell the others which is the best of these to get a loan for (and why): clothes, education or starting a business.

### Role B – Clothes

You think clothes is the worst thing to borrow money for. Tell the others three reasons why. Tell them why it isn't as bad to get a loan for their things. Also, tell the others which is the best of these to get a loan for (and why): a new iPhone, education or starting a business.

### Role C – Education

You think education is the worst thing to borrow money for. Tell the others three reasons why. Tell them why it isn't as bad to get a loan for their things. Also, tell the others which is the best of these to get a loan for (and why): clothes, a new iPhone or starting a business.

### Role D – Starting a Business

You think starting a business is the worst thing to borrow money for. Tell the others three reasons why. Tell them why it isn't as bad to get a loan for their things. Also, tell the others which is the best of these to get a loan for (and why): clothes, education or a new iPhone.

## Speaking – Borrowing

Rank these with your partner. Put the worst things to borrow money for at the top. Change partners often and share your rankings.

- |             |                       |
|-------------|-----------------------|
| • a car     | • education           |
| • clothes   | • starting a business |
| • a holiday | • to pay bills        |
| • a house   | • a new iPhone        |

### Answers – True False

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