



Hey, Kids!

In the list below are twelve words that have to do with money and business. See how many of them you can find in the word puzzle — words can be horizontal, vertical, or diagonal; letters of one word can be right next to another word; and a letter can be part of more than one word.

And if you want another challenge, look for and circle these same words on the other three pages of the *Stewpot*!

- |           |          |            |             |
|-----------|----------|------------|-------------|
| BANK      | ECONOMY  | EMPLOYMENT | BUDGET      |
| MONEY     | MILLION  | BILLION    | TRILLION    |
| RECESSION | INTEREST | SPEND      | FORECLOSURE |

B	A	N	K	W	T	V	R	M	V	T
I	R	E	C	E	S	S	I	O	N	R
L	B	C	Z	Q	U	F	H	E	S	I
L	W	E	C	O	N	O	M	Y	F	L
I	P	Q	M	G	D	Y	M	G	O	L
O	R	T	O	V	O	X	O	B	R	I
N	M	I	L	L	I	O	N	Z	E	O
S	C	J	P	B	N	R	E	G	C	N
W	P	M	Q	F	T	C	Y	D	L	J
R	E	E	G	P	E	H	N	A	O	B
Z	M	J	N	T	R	L	R	R	S	M
L	B	A	Q	D	E	P	C	I	U	O
J	R	F	V	F	S	B	J	K	R	R
B	U	D	G	E	T	F	W	U	E	Z

## OUR CURRENT CRISIS

By Gordon Botting, DrPH, CHES

There is no question in any of our minds that these last twelve months have been a tumultuous period, particularly in the areas of finances and employment. The economic statistics the United States government has been reporting to us over the last six months have been staggering. This short quiz cannot do justice to the figures that are daily thrown at us, because there are so many, but see how you do on these items that have been in the news.

### 1. As of May 2009, our Federal budget deficit had reached...

- |                   |                   |
|-------------------|-------------------|
| a. \$1.8 trillion | c. \$2.8 trillion |
| b. \$2.4 trillion | d. \$3.1 trillion |

Answer: a. To help you get your mind around this figure, consider it as 1.8 trillion seconds — and that is equivalent to approximately 57,000 years. (Source: *Bottom Line Personal*, May 1, 2009)

### 2. What would you guess is the national credit card debt?

- |                  |                  |
|------------------|------------------|
| a. \$580 billion | c. \$970 billion |
| b. \$690 billion | d. \$989 billion |

Answer: c. This is 50 percent higher than the last economic slowdown in 2000.

### 3. How many United States banks failed in 2008?

- |       |       |
|-------|-------|
| a. 21 | c. 25 |
| b. 23 | d. 29 |

Answer: c. If you chose d., you are correct for those in the first four months in 2009. Interestingly, there were only 3 bank failures in 2007 and none in 2006. (Source: Internet – Bank failures & Assistance, April 29, 2009)

“That most delicious of all privileges — spending other peoples money.” (John Randolph)

**4. During this current recession, approximately how many individuals have been laid off?**

- a. 2 million
- b. 3 million
- c. 4 million
- d. 5 million

Answer: b. (Source: *USA Today*, April 23, 2009)

**5. How many credit card accounts had their interest rate raised during the period March 2007 to February 2008?**

- a. 30 million
- b. 55 million
- c. 70 million
- d. 85 million

Answer: c. During this period nearly one in four consumers had their interest rate increased, resulting in at least \$10 billion in additional financial charges. (Source: *USA Today*, April 23, 2009, page 28)

**6. The Dow Jones (stocks) is down approximately how much for the first four months of 2009.**

- a. 5%
- b. 10%
- c. 15%
- d. 20%

Answer: b. (Source: *USA Today*, April 23, 2009, page 67)

**7. What percentage of Americans over age 45 would like the government to assist families who are facing foreclosure to stay in their current homes?**

- a. 83%
- b. 78%
- c. 71%
- d. 68%

Answer: d. However, if you chose a., you would have been correct for assistance for those who had lost their employment to keep or purchase health insurance. If you chose b., that would have been correct to provide unemployment benefits for as long as people are looking for work, and if you chose c., you would have been correct to make home mortgages more affordable. (Source: *AARP*, May & June 2009, page 68)

**8. In the first four months of 2009, how many houses in the U.S. defaulted into foreclosure?**

- a. 1.3 million
- b. 988,765
- c. 788,750
- d. 678,940

Answer: c. As of the last day of April, according to the Center of Responsible Lending.

**9. Which state leads in the number of default or foreclosed properties in America?**

- a. California
- b. Nevada
- c. Florida
- d. Arizona

Answer: a. California had the highest total number with over 57,000 in the month of April. Florida was second with 30,000+ in January. However, Nevada has the highest rate in the nation. (Source: *Bloomberg*, April 29, 2009)



“One who thinks that money can do everything is likely to do anything for money.” (Anonymous)

**10. Which city in the United States has the dubious honor of being the top foreclosure city?**

- a. Sacramento
- b. Orlando
- c. Chicago
- d. Las Vegas

Answer: d. Sacramento was 6<sup>th</sup>, Orlando was 8<sup>th</sup>, Chicago was 3<sup>rd</sup>. Florida has four cities in the top ten, followed by California with three. (Source: Internet, May 2009)



**11. Because of the changing economy, how many individuals have decided to plan to work five additional years before retiring?**

- a. 11%
- b. 19%
- c. 24%
- d. 46%

Answer: c. If you chose a. 11%, that would be the number of individuals who are planning on 1-2 more years. If b., that would be the number who are planning to work 3-5 more years. If d., these are not changing their retirement plans. (Source: “Money,” *USA Today*, April 22, 2009, page 1B)

**12. At the end of 2008, what percentage of Americans over 45 were confident that they had enough money to retire?**

- a. 73%
- b. 68%
- c. 59%
- d. 45%

Answer: c. If you checked b., you would have had the correct answer when *AARP* asked the same question in April 2008. (Source: *AARP*, May & June 2009, page 68)

**13. Which of the following names is not correctly named as one of the top financial bubbles?**

- a. The Dutch Tulip Bubble
- b. The North Sea Bubble
- c. The Mississippi Bubble
- d. The 1920's Bubble

Answer: b. The real bubble was entitled the South Sea Bubble. (Source: *Manias, Panics, and Crashes: A History of Financial Crises*, Charles P. Kindleberger & Robert Aliber)

How did you do? Did some of these questions make you think about your own economic situation and what you need to do regarding your household finances? Next month's *Stewpot* will be dealing with how to survive this downturn and stay afloat during this recession

