О.А. Терехова

РАЗВИТИЕ НАВЫКОВ
ПРОФЕССИОНАЛЬНОЙ КОММУНИКАЦИИ
НА ИНОСТРАННОМ ЯЗЫКЕ

Учебно-методическое пособие
по дисциплине «Иностранный деловой язык (английский)»

Иркутск 2015
Рекомендовано к изданию редакционным советом ИрГУПС

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Терехова О.А.

Учебно-методическое пособие по развитию навыков профессиональной коммуникации на иностранном языке предназначено для студентов направления подготовки 080100.62 «Экономика» профиля подготовки Э.1 – «Мировая экономика».
Цель пособия – формирование умений строить речевое поведение адекватно специфике профессионального дискурса. Пособие предполагает детальное изучение лексических особенностей рассматриваемой сферы профессионального общения.
Тексты и упражнения к текстам нацелены на развитие навыков монологической и диалогической речи по темам, предусмотренным рабочей программой учебной дисциплины.

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Part 1. CAREERS

Why Work?

I. Match the words (a–h) to the definitions (1–8):

<table>
<thead>
<tr>
<th>Word</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) promotion</td>
<td>1) large, larger than necessary</td>
</tr>
<tr>
<td>b) expenses</td>
<td>2) money spent in carrying out a job</td>
</tr>
<tr>
<td>c) get on (well) with</td>
<td>3) the state of being or making safe, free from danger</td>
</tr>
<tr>
<td>d) insurance</td>
<td>4) state in which a person or a thing is</td>
</tr>
<tr>
<td>e) responsibility</td>
<td>5) to work, live in a friendly way</td>
</tr>
<tr>
<td>f) security</td>
<td>6) the rising of a person to a higher rank or position</td>
</tr>
<tr>
<td>g) conditions</td>
<td>7) the promise of a sum of money in event of accident to someone</td>
</tr>
<tr>
<td>h) generous</td>
<td>8) something which a person has to look after, do; the state of having important duties</td>
</tr>
</tbody>
</table>

II. Fill in the gaps with the words (a–h):

1. His firm paid his traveling ___________.
2. He has just been given a ___________. He’s an assistant manager now.
3. Have you paid the ___________ on your car?
4. I’m so hungry! I’m thinking of ___________ piece of cake!
5. This alarm system will give the factory some ________.
6. He takes his ______________ very seriously.
7. Some students don’t have good living ___________.
8. We _______ very well together.

III. Which of these do you think are the most important in a job? Rank them according to the degree of importance. Give your reasons. Discuss with your partner.
✓ chance of promotion
✓ comfortable working conditions
✓ company car
✓ freedom
✓ generous expenses
✓ getting on with your boss
✓ good holidays
✓ good salary
✓ good pension
✓ health insurances
✓ interesting work
✓ responsibility
✓ security
✓ short hours
✓ traveling
✓ working with nice people

Then write one or two things you like and one or two things you don’t like about your present study and your future activity.

IV. Answer the following questions:
1. Is the profession of an economist very prestigious? Why?
2. Should an economist know foreign languages?
3. Who advised you to enter this University?
4. Why have you chosen this faculty?
5. Why have you chosen this University?
V. International Business Relations

Read the following text. What’s your idea of International Business Relations as a profession?

What am I going to do after university? Maybe I should consider a job in the financial world. There’s a surprisingly wide range to choose from. For example, I could work for a big international company, run my own international business research agency or write about economics as a financial journalist.

What features are characteristic of world economy? You are about to begin an exciting, important and necessary task – the exploration of international business. It is exciting, because it combines the science and the art of business with many other disciplines, such as economics, geography, history, language, jurisprudence, statistics, and demography. International business is important and necessary because economic isolation has become impossible.

Failure to become a part of global market assures a nation to declining economic influence and a deteriorating standard of living for its citizens. Successful participation in international business however, holds the promise of improved quality of life and a better society, even leading to a more peaceful world.

Each nation must take on challenge of competing aggressively in the international arena or risk becoming a second-rate power in today’s borderless economy.

The system of accounting for transactions between countries provides useful information to policy markers, international authorities, and the business people by presenting data in consistent form. An informed user of international accounting data can analyze the financial position of one country relative to others.

The foreign market opportunity analysis is very important as well. When a firm starts its international activities, basic guidelines must be found quickly and at low cost.
The major stock markets don’t just affect the financial life of their own countries, they also play a vital role in the total world economy. These days, banks and stock-exchanges can move millions at the touch of a button. So, this specialty of “narrow specialization” is unique, challenging but very promising.

VI. Professions Related to Economy

Read the outline of the professions connected with economy.

1. Gist task. Match the jobs (a–d) to the paragraphs (1–4):

   a) dealer
   b) the small-business adviser
   c) financial journalist
   d) entrepreneur

   1. Works in three main areas – newspapers, radio and television. Their job is to understand what’s happening in the financial world and to explain it as quickly and accurately as possible. Economic journalists don’t just report today’s news, though. They need the ability to predict future events, too. Will interest rates rise or fall? Will the stock market go up or down? And what about trade? Are exports going to increase or decrease?

   This job is a very competitive career. In Britain, for example, there are only 2,000 jobs available.

   2. Works for companies which buy and sell, for example foreign currencies or commodities like oil or steel. They work in large, noisy rooms, called dealing rooms and do most of their business over the phone and on computer screens. The majority of them also earn very big salaries because their work involves huge amounts of pressure and responsibility. You don’t need a degree to be a dealer. What you do need, though, is talent, energy, confidence and ambition.

   3. A wealthy and powerful person in business or industry. If you are the independent, creative type, why not start your own business? Lots of people do
these days. Some aren’t successful, of course. But plenty are – and if you succeed, the rewards of being your own can be enormous. To become a business tycoon you need to have an original idea; be practical, reliable and well-organized; understand the business world; keep control of your finances.

4. Banks provide a wide range of services to their customers. This includes advice for people with small business. “How do I start a business?”, “How much money can I afford to borrow?”, “How do I plan ahead to make my business successful?” It’s questions like these, which this specialist is there to answer.

2. Detailed comprehension. Answer the following questions.

According to the text….

1. What is the job of financial journalist like?
2. What things should they analyse?
3. What sort of companies do dealers work for?
4. Why do dealers earn much?
5. What do you need to become a dealer?
6. What do you need to succeed in business as a private entrepreneur?
7. What do small-business advisers advise their clients?

3. Find English equivalents to the following Russian words and expressions:

объяснить как можно быстрее и точнее, что происходит в финансовом мире, способность предсказывать, процентные ставки, рынок акций, возрастать/уменьшаться (3), торговля, имеются в наличии (доступны), иметь дело с, иностранная валюта, продукты (товары), большинство из них, много зарабатывать, требовать большой ответственности, уверенность в себе и целеустремленность, предприниматель, совет, советовать, позволять себе, занимать (у кого-либо), планировать вперед, преуспевающий и могуце-
4. Fill in the gaps (1–12) with the words (a–l):

a) interest  
g) industry
b) stock market  
h) finance
c) currency  
i) financial
d) salary  
j) lend
e) commodities  
k) borrow
f) goods  
l) entrepreneur

If you have shares you can buy and sell them in a ____1___________.

Mr. Jason has a small toy factory. The factory produces plastic toys. Mr. Jason employs 35 people, so he is a private ____2___________.

A private business can deal at once with many fields such as production of ____3______________, marketing, management, and ____4______.

When someone wants to buy something big and good like a car, for example, she can ____5__________ money from a bank.

Oil ____6____ is the basis of the Russian economy.

If you ____7___ your money to a bank and put it to a deposit you will have the money back plus ____8_____.

Good ____9____ and ____10_______ stability is very important for a young employee.

A physical substance, such as food, grains, and metals, which is interchangeable with another product of the same type, and which investors buy or sell is called ____11______________.

Any form of money that is in public circulation. ____12____ includes both hard money (coins) and paper money.
5. Discuss with your partner:

Have you ever thought of these jobs as your future career?
Is it important to have the economical knowledge?
How the economical knowledge can be used nowadays?

VII. Work Ethics

1. Before reading the article, look up the following words in a dictionary:

employer (n) reward (n)
owner (n) valuable (adj)
excel at (v) purpose (n)
contribute to (v) show up (v)
hire (v) rely on (v)
earnings (n) improvement (n)
expenses (n) hardly (adv)
profit (n) fire (v)

2. Read the article and answer the following questions.

1. Who worked harder: Marcia or Jan? Why?
2. Why did the owner fire Marcia?
3. What does “working smart” mean?
4. According to Rothberg, why are workers hired?
5. What did Jan’s extra work give to the company?
6. What is Nancy Kim’s position at the National Institute of Child Health and Human Development?
7. Can one say Nancy has a “bigger picture” in her mind? Why?
8. What are the steps of developing a winning work ethic?
9. What are the characteristics of a good worker?
Once upon a time on The Brady Bunch, there were two sisters named Marcia and Jan. To make extra money, both girls took after-school jobs at a local ice-cream parlor.

At first, it was a lot of fun. Marcia worked hard, but when things slowed down, she’d kick back and joke with her friends. Jan had fun, too, but she tried not to spend too much time goofing off. When she wasn’t busy with customers, she’d sweep the floor or make a list of flavors to restock.

One day the owner decided he only needed one worker – and that would be Jan.

“Why?” Marcia asked.

“You’re good, Marcia,” he explained, “but Jan is a little bit better.”

So why did Jan get to keep her job, while Marcia didn’t? The answer is simple: Jan demonstrated a stronger work ethic.

**Working Smarter, Not Just Harder**

To excel at most jobs, you must work hard. But is that really all there is? “No,” says Steve Rothberg, founder of CollegeRecruiter.com. “Just ‘staying busy’ is not what your boss wants.” Instead, says Rothberg, a good work ethic means “you’re not just working hard, but working smart.”

When you’re working smart, you’re thinking about more than just yourself. “A good worker is someone who understands why they are there,” explains Diane Foucar-Szocki of James Madison University in Virginia.

“You think about the bigger picture and show respect for the job.” In part, this is reflected in your appearance and behavior. “You show your respect in the way you dress, by showing up on time, and by following through,” says Foucar-Szocki.

But even how you dress or behave isn’t the whole story. Ultimately, a really strong work ethic comes from understanding how you contribute to the com-
pany’s success. “You’re hired to do one of two things: either to increase the company’s earnings or decrease their expenses,” Rothberg explains.

In the case of Jan Brady, her extra work – sweeping the floor, keeping on top of inventory – helped the store attract more customers, so she was helping to improve the company’s profits. And that helped her keep her job.

_The Big Picture_

Nancy Kim, a senior at Quince Orchard High School, in Gaithersburg, Maryland, has also seen the rewards of keeping the big picture in mind. As an intern at the National Institute of Child Health and Human Development in nearby Rockville, Nancy has earned high praise from her supervisors. As a lab assistant, she helps out with clinical research by entering data, learning to screen patients, and assisting with experiments. Sometimes the work is tedious, but Nancy always keeps the purpose in mind. “The data is important, so I need to be accurate,” she says. “Even if it takes a long time, I always make the effort to get it right.”

For Nancy, the big picture of helping the researchers study illnesses motivates her to do her best. The result is a strong work ethic that makes her valuable in the lab.

_Be a Superstar_

So what can you do to ensure you’re developing a winning work ethic? Joseph Weintraub, a professor at Babson College in Massachusetts, suggests you start by developing a clear picture of the worker you want to be. “Hang around people who are positive and who think about excellence in what they do,” he suggests. “Avoid those who cut corners or simply get by.”

Next, do an inventory of your performance on the job to see if you’re exhibiting the basic behaviors of a strong work ethic:

Are you on time to work? Do you show up a little early?
Do you offer to stay late when needed?
Can your co-workers rely on you?
If you answered yes to these questions, you’re doing well, but there still may be room for improvement. A good worker always finishes the work that’s assigned, but an employee with a superstar work ethic takes the initiative to figure out what else he or she could be doing. “You always want to offer to do more,” advises Rothberg. “Don’t wait for the work to come to you.” For example, if you know that sweeping the floor helps make the store attractive to customers; why not ask the boss if she wants the shelves dusted as well?

Learn to look for opportunities to do more and put the company’s success first, and you’ll develop the kind of work ethic that has employers lining up to hire you.

(Career World, vol. 32, No. 6, April/May 2004)

3. Follow up. Discuss with your partner:
1. Being a superstar on the job means more than just showing up. Do you agree? Why?
2. What is important for career success? Give some advice.
3. Imagine you’re a boss who’s planning to hire a new employee. What qualities and work habits would you want that person to have?

4. Follow up. Consider each of the following situations, and suggest how you could go from getting by to getting a better work ethic.
   a) For your summer job at a food stand, you're required to arrive each morning at 7:30. But every day, you barely get things ready in time to open at 8:00. What would you do?

   b) While working in a plumbing store, you often hear customers complain that it's hard to find what they need. Your co-workers agree that the store is disorganized but say they can't do anything about it.

   c) Your job at the grocery store is to stock the shelves. One day you notice a long line forming at the cashier because there's no one to bag the groceries.
5. Writing. Imagine you’re a boss who’s planning to hire a new employee. Write a job advertisement to attract the best employees.

VIII. People’s Characters

1. Study the words describing characters. Match the words and the columns:

<table>
<thead>
<tr>
<th>Attitudes to life:</th>
<th>Intellectual ability:</th>
<th>Attitudes towards other people:</th>
<th>Attitudes to work:</th>
</tr>
</thead>
</table>

1) intelligent, bright, gifted, able, brainy (разр.), cunning;
2) optimistic, tense, relaxed, sensible, down-to-earth, sensitive, self-assured;
3) sociable, quarrelsome, argumentative, cruel, easy-going, impolite, rude, ill-mannered, honest, trustworthy, reliable, envious;
4) ambitious, pushy, broad-minded, original, economical, mean.

Do all the words have positive meaning? Choose some more words for each of the columns (not less than 2).

2. Discuss with your partner:

What professional skills and personal features will you use in your job?

Why? Will all your skills be used in your job?

3. Before you read... Study the following words:

- influence (v) – влиять
- virtue – достоинство, добродетель
- insolent – высокомерный
- define – определять
- impertinent – дерзкий, грубый
- subconscious – бессознательное
- broad-mindedness – ширина взглядов
- encourage – побуждать
People's Characters


The abstract tells that:

A. People don’t understand their feelings.

B. Our character influences our relations and behavior.

C. It’s bad to be impertinent and greedy.

All people are different, and our characters influence and define our behaviour in life situations. Actually we don't realize why we behave in this particular way, we are not aware of the fact that our actions are determined on the level of subconsciousness. Due to it we often can't change anything in ourselves or it can be very difficult. Of course, our character and behaviour influence our relationships with other people. That's why we like some people and don't care much about some others.

In fact, psychologists say that our sympathy and antipathy depend mostly on our own character. Sometimes it is difficult to explain why we don't sympathize with a nice, easy-going and well-behaved person and we can't change our opinion to the better. But it turns out that our features of character don't correspond to his or hers, and we'll never be on friendly terms.
Reliability is perhaps one of the best features of the person's character. It's the greatest virtue but unfortunately you don't often meet such people. This quality is especially important in men.

Vivacity is an indispensable quality of human character. We usually don't really like people who always conceal their true feelings or who are too served to give out their thoughts. We prefer to see the reaction to the events and actions, otherwise it leads to indifference.

We often seek broad-mindedness in people as such people can really understand us and become true friends.

In fact, there are some features which arouse our contradictory feelings. First of all it's impudence. Insolent people irritate us because they don't think about others. But on the other hand, impudence is second happiness. So impertinent people reach their aims more often than others because they value themselves more than other people. Unfortunately, our society encourages such people.

Of course, greediness is one of the worst vices. Greedy people think that they can save something but actually they lose friends, relatives and respect of other people.

5. **Detailed comprehension. True or False? According to the text…**

1. We always understand the way we behave.
2. It’s easy to change people’s characters.
3. Our character determines our likes and dislikes of people.
4. People always like those who are nice and easy-going.
5. Men should be reliable.
6. Broad-minded people can make true friends.
7. Insolent people can be lucky in their lives.
8. Greedy people can have much.

6. Complete the sentences.
1. Actually we don't realize why we…
2. We like some people and don't care much about some others because…
3. Sometimes we don't sympathize with a nice, easy-going and well-behaved person because…
4. Unfortunately you don't often meet people who are…
5. Vivacity is an important quality of human character because…
6. Only … can really understand us and become true friends.
7. Insolent people…
8. Our society …
9. Greedy people …

IX. Working for Microsoft

1. Work on the words.
A. Look up the following words in a dictionary:
   frugal
   tough
   complain
   recruit

B. Complete the graph. Use a dictionary.
C. Give some examples of a challenging task/situation in your student life, in business, in politics.

2. Working for Microsoft

Gist task. Match the headings (a–e) to the paragraphs (1–5).

a) Competitive
b) Hard work
c) Challenging
d) Tough
e) Frugal

Famous for its Windows operating system, Microsoft is the world’s No. 1 software company. With sales of over $3 billion, it’s growing fast but the corporate culture remains strong. So, what’s it like to work there?

1. Complaining about how hard you work at Microsoft is like complaining about the weather in Seattle. Everyone is overworked. Microsoft deliberately understaffs its product teams because it saves money, helps communication and encourages the lighting spirit.

2. The pay may be good but there are no fancy expense accounts. Bill Gates, the CEO, is one of the richest men in America but he still flies economy class to
Japan. Recently his administrative assistant was rushed off his feet by phone calls and letters and asked if he could hire someone to help out. “Who am I, the Queen?” asked Gates.

3. Microsoft has been beaten in some markets by more sharply-focused competitors, but they keep fighting. They may get it wrong several times before they get it right but they never give up.

4. Microsoft employees are well-informed, logical and thick-skinned. They’ve got to be able to stand up for themselves when their bosses criticize.

5. Authority is pushed down through the ranks. Microsoft picks and chooses recruits from the graduates of the elite universities and business schools, then gives them lots of responsibility straight away.

3. Working for Microsoft. Detailed comprehension. Read the article and answer the questions.

1. What company’s Microsoft like?
2. Why is everyone overworked?
3. Why there are not enough workers?
4. Why can it be funny to work for Microsoft?
5. What kind of people do they hire?
6. What’s the pay like?
7. How does the company reduce its expenses?
8. Why working for Microsoft can be that challenging?
9. Microsoft has been extremely successful all the time, hasn’t it?

4. Discussion. After you read the text would you still like to work for Microsoft? Do you think you could cope up with it?
5. Write an Essay *My Future Career and/or International Business Relations* (700–900 words). Use the following questions as a possible plan:

✓ Why have you chosen this faculty?
✓ Why have you chosen this University?
✓ Is the profession of an economist very prestigious? Why?
✓ Should an economist know foreign languages?
✓ Is it important to have the economical knowledge?
✓ How the economical knowledge can be used nowadays?
✓ Are you ambitious? Why? Why not?
✓ Do you have a career plan?
✓ What do you think is the most important in a job?
✓ What are the characteristics of a good worker?
✓ What soft skills are important? Why?
✓ What is important for career success? Give some advice.
Part 2. COUNTRIES’ ECONOMIES

The UK Economy

I. Vocabulary. Match the words (1–13) to the definitions (a–m).

<table>
<thead>
<tr>
<th>Word</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) enterprise</td>
<td>the science or practice of farming</td>
</tr>
<tr>
<td>2) reduce</td>
<td>a level of quality</td>
</tr>
<tr>
<td>3) own</td>
<td>give work to someone and pay for it</td>
</tr>
<tr>
<td>4) standard of living</td>
<td>make smaller</td>
</tr>
<tr>
<td>5) tax</td>
<td>possess</td>
</tr>
<tr>
<td>6) share</td>
<td>money you get for or through investments</td>
</tr>
<tr>
<td>7) run</td>
<td>income</td>
</tr>
<tr>
<td>8) utilities</td>
<td>a business or company</td>
</tr>
<tr>
<td>9) agriculture</td>
<td>water supply and drainage system</td>
</tr>
<tr>
<td>10) employ</td>
<td>be in charge of, manage or organize</td>
</tr>
<tr>
<td>11) revenue</td>
<td>any equal parts into which a company’s capital is divided</td>
</tr>
<tr>
<td>12) expenditures</td>
<td>the amount of money spent</td>
</tr>
<tr>
<td>13) income</td>
<td>the sum of money a person or business pays to government</td>
</tr>
</tbody>
</table>

II. The Economy of Great Britain. Part I

1. Read the text and rank (1–7) the paragraphs (a–g)
   a) Agriculture in the British economy
   b) General information
   c) Employment
   d) Energy resource production
e) Financial industry
f) Industries in the British economy
g) Main Industrial centres

1. The United Kingdom of Great Britain and Northern Ireland is situated on the British Isles. There are 6 countries in the United Kingdom – England, Scotland, Wales, Northern Ireland, the Isle of Man and the Channel Islands. The territory of it is 224,000 square km. The population is 56.5 ml. people. The capital of the country is London. The UK is a monarchy and the Queen is the head of the state. But in fact it is ruled by the government with a Prime Minister at the head. The climate of Great Britain is mild, because of the influence of the warm waters of the Gulf Stream. Britain lives by its industry and trade.

2. The United Kingdom has a developed mixed private- and public-enterprise economy and ranks among the top industrial countries in growth rates, productivity, and competitiveness. The gross national product (GNP) is growing faster than the population. The GNP per capita is among that of most other European countries. With a population representing only 2 per cent of the world total, it is one of the largest trading nations in the world, providing about 10 per cent of world exports of manufactured goods.

3. Britain is a highly industrialized country and today 28 people work in manufacturing, mining and building for every one engaged in agriculture. Just under half of the total population is in the labour force. The highest proportion of employees (more than two-thirds) are in the service sectors, financial services and distribution. Manufacturing, although it has declined, employs more than one-fifth of all workers.
4. Manufacturing industries account for one-fifth of the GNP. Small companies predominate, though companies with 500 or more employees employ a larger percentage of the work force. Major manufactures include motor vehicles, aerospace equipment, electronic data-processing and telecommunication equipment, metal goods, precision instruments, petrochemicals, and other chemicals. The textile industry is considered to be the most extensive one: immense quantities of cotton and woolen goods and artificial silk are produced and exported. High-technology industries are being developed.

5. But great disadvantage of its economy is that it possesses very few of the raw materials necessary for its industry. Most of them must be imported. The heart of England’s industry are the Midlands. The textile and metal working industries have grown up there in and near the iron ore and coal mining districts. Birmingham is an important industrial centre in the Midlands. One can find any type of production here, from steel smelting to manufacturing the most delicate articles: from motor cars & railway engines to pins and buttons.

6. There are also a few hydro-electric schemes, especially in Scotland. The main centre of coal-mining is Wales. The United Kingdom's coal industry, despite its steady decline since the early 1950s, remains one of the largest and most technologically advanced in Europe. With the discovery and exploitation of oil and natural gas from the bed of the North Sea, Britain has become self-sufficient in these kinds of energy. Nuclear power stations produce about 10 per cent of Britain's electricity although most electricity is produced by coal-fired or oil-fired power stations.

7. Britain is also a big market for food and other consumer goods, British agriculture, though highly efficient, produces just about two-thirds on the country's
food requirements. Agriculture accounts for less than 2 per cent of the GNP and employs some 2 per cent of the work force. Farming is highly mechanized, though farms are not extremely large, and is dominated by the raising of sheep and cattle. The United Kingdom is not agriculturally self-sufficient. The main grain crops are wheat, barley, oats and rye, potatoes and vegetables are grown in all parts of Britain. In order to pay for the food and other materials it needs, Britain relies not only on the sales of manufactures.


Read and answer the following questions.

1. What parts does the UK comprise?
2. Who really runs the country?
3. What type of economy has the UK got?
4. What fields does it lead in?
5. Where is the major population employed?
6. What part of the population is employed?
7. What are the main industries?
8. Why does the UK have to import mineral resources?
9. Why are the main industries located in the Midlands?
10. What do they produce in the Midlands?
11. What types of energy does the UK produce?
12. What are the main energy resources?
13. Does the UK agriculture produce enough food for the country?
14. What are the main agricultural products?
15. How many people do work in the agriculture?
III. The Economy of Great Britain. Part II

1. Read the text and rank (1–4) the paragraphs (a–d).

a) Recent changes  
b) Foreign trade  
c) Britain as World’s greatest financial centre  
d) Governmental regulations  

1. The country is a major world financial and banking centre. The City of London contains probably the greatest concentration of financial expertise in the world. The London Stock Exchange, with its vast experience and world wide network of communications, is one of the world's markets in securities. Other important financial institutions in the City include the Bank of England as well as hundreds of commercial banks, British and foreign, and several large international commodity markets, for example for metals, rubber, grain, cocoa, coffee and tea.

2. Nowadays, government policies include the close monitoring and frequent adjustment of interest rates; a gradual reduction in the level of direct personal taxation; a reduction in the levels of power and influence of national trade unions in national labour negotiations; the encouragement of wider home ownership and of individuals' share holdings in companies. Considerable emphasis is placed on increased exposure of the economy to market forces. The government controls the production of coal, steel, and ships, it also runs certain utilities, the railways, and most civil aviation.

3. The state sector was reduced during the 1980s and 1990s owing to policies of privatization, or denationalization, of publicly owned corporations. There was also an improvement in the standard of living. Unemployment and inflation rates were gradually reduced but remained high. Public revenues ordinarily fall short of expenditures and are chiefly derived from income taxes,
which are highly progressive, and excises. A single graduated income tax was introduced in 1973. Deficits are offset by public borrowing.

4. After Britain joined the European Economic Community, its foreign trade expanded substantially. Britain imports huge quantities of primary products and exports about a third of its manufactured goods. Chief exports are: china, automobiles and other vehicles, wooden goods, steel, electrical and mechanical machinery, tractors, scientific instruments, chemicals, petroleum. Chief imports of Great Britain are: metallic ores, except iron ore, food. Nowadays, there appeared additional opportunities to expand the volume of British trade after signing wide-scale trade agreements with the republics of CIS.

2. Part II. Detailed comprehension. Read and answer the following questions.

1. What are the main services?

2. What are the major financial centres?

3. What does the UK government regulate?

4. What does it reduce?

5. What does it stimulate?

6. What sectors of the economy does the government control?

7. What are the main recent changes in the UK economy?

8. Where does the government take money from?

9. What helps to develop foreign trade?

10. What are the UK main imports?

11. What are the UK main exports?
IV. The Economy of Great Britain. After you read.

Match the parts to make up full sentences:

<table>
<thead>
<tr>
<th>Most electricity</th>
<th>fall short</th>
<th>for</th>
<th>1/5 of the GNP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>relies not only</td>
<td>by</td>
<td>less than 2 per cent of the GNP</td>
</tr>
<tr>
<td>Agriculture</td>
<td>lives</td>
<td>of</td>
<td>the sales of manufactures</td>
</tr>
<tr>
<td>Manufacturing industries</td>
<td>employ</td>
<td>by</td>
<td>ordinarily expenditures</td>
</tr>
<tr>
<td>Public revenues</td>
<td>is produced</td>
<td>for</td>
<td>its industry and trade</td>
</tr>
<tr>
<td>Britain</td>
<td>accounts</td>
<td>on</td>
<td>some 2 per cent of the work force</td>
</tr>
<tr>
<td>Britain</td>
<td>account</td>
<td></td>
<td>coal-fired or oil-fired power stations</td>
</tr>
</tbody>
</table>

V. Complete the sentences by the information from the text.

1. The UK is a monarchy but in fact .................
2. The United Kingdom has a developed ................. economy.
3. It ranks among the top industrial countries in ......................
4. It provides about .........................
5. The highest proportion of employees (more than two-thirds)........
6. Major manufactures include ................................
7. Great disadvantage of its economy is that it .........................
8. With the discovery and exploitation of oil and natural gas from the bed of the North Sea, Britain ................................
9. Britain is also a big ...........................................
10. British agriculture produces ................................
11. The London Stock Exchange is ................................
12. Other important financial institutions in the City include ...........
13. There are several large international ........................................
14. Nowadays, government policies include........................................
15. The government controls ..............................................................
16. It also runs ...................................................................................
17. Britain chief exports are.................................................................
18. Chief imports of Great Britain are..................................................

VI. Discussion. Do you agree that:
1. The economy of Great Britain is among the less developed countries in
growth rates and competitiveness.
2. The United Kingdom has a developed mixed private- and public-enterprise
economy.
3. The state sector increased considerably during the 1980s and 1990s.
4. A gradual reduction in the level of direct personal taxation is one of the ac-
tual policies of the British government.
5. Small companies predominate in the economy of the UK.
6. Agriculture accounts for more than 50 per cent of the GNP.
7. The United Kingdom's coal industry remains one of the largest and most
technologically advanced in Europe.

VII. Prove that:
1. The United Kingdom is an attractive country for foreign investors.
2. UK has many natural resources for its developed industry.
3. UK is a large market for national producers.
4. UK is a perfect place for international trade.
American Economy in Brief

VIII. The USA (Part I)

Study the information about the USA. Find the paragraph about USA political system and draw a chart about it.

The United States of America were formed by emigrants in 1382. The USA are composed of 50 states. All these states are sovereignty.

The USA occupy a large territory and are situated in the central and southern part of North America. The USA are washed by the Atlantic Ocean in the east and by the Pacific Ocean in the west. In the north, the USA have borders on Canada and in the south on Mexico. The USA are divided into three areas: Eastern area is a highland, central area is a plain and Western area is mountains including the Rocky Mountains and the Sierra Nevada. There are five great lakes in the northern part of the USA. There are: Huron, Michigan, Superior, Ontario and Erie. There is the most famous to the whole world fall called Niagara Fall. Mississippi together with its tributary Missouri is the longest river in the world.

The population of the USA is more than 236 million people. Most of the people live in towns. The largest cities are New York, Boston, Chicago, Philadelphia, Detroit, San Francisco. The capital of the USA is Washington. It’s a very small town situated on the Potomac River in the District of Columbia.

New York is the largest city and port. It is the financial and business center. It is famous for its sky-scrapers. Chicago is one of the biggest industrial cities in the USA. San Francisco on the Pacific coast is a big port and ship building center. Detroit is the heart of car manufacturing.

Under the Constitution, the federal government is divided into three branches. The Congress is vested with the legislative power and made up of two houses: the Senate and the House of Representatives. There are 435 members in the House of Representatives and 100 senators. Each state elects two members of the Senate.
The executive branch is headed by the President, who proposes bills to Congress, serves as commander-in-chief of the Armed Forces. The President is chosen in nation-wide elections every 4 years. The second person in executive branch is vice President, elected from the same political party as the President.

The judicial branch consists of Federal District Courts, 11 Federal Courts and the Supreme Court. Federal judges are appointed by the President. Federal courts decide cases involving federal law, conflicts between citizens of different states.

Constitution is the most important document in the USA. Constitution has been amended 26 times. The Bill of Rights guarantees individual liberties: freedom of speech, religion and so on.

IX. The USA (Part II). National Economy

1. Read the text without a dictionary and think of the headlines to the paragraphs (1–7).

1.

The USA is one of the greatest industrial nations in the world. With only about 5 percent of the world's population and about 6 percent of its land area, the U.S. produces around 25 percent of the world's industrial products, agricultural goods, and services.

2.

Heavy industry prevails in USA, including such branches as the mining, metallurgical, and engineering industries. The USA is the world leader in many branches, for instance, biochemical and genetic engineering, aerospace research and development, communications, computer and information services, and similar high-technology fields. USA has also well-developed light industry which includes textile, tanning and footwear industries.
The USA is rich in mineral resources, such as aluminum, salt, zinc, coppers. The country is rich in coal, natural gas, gold and silver, too. It holds one of the first places in the world for the production of coal, iron, oil, natural gas.

4.

The state of Illinois is especially rich in coal. Iron is mined near Great Lakes and in other areas. The USA has rich oilfields in California, Texas, Alaska and other. The heavy industries are for the most part in the Middle West, around Detroit and Chicago, and other. Ship-building is developed in San Francisco and Seattle. The machine-building is highly developed especially in Detroit.

5.

The USA is also the world's leading agricultural nation, which not only feeds its own people but many other people in the world as well. Both animal husbandry and farming takes big place in the economy of the USA. The USA is a highly developed industrial country, and its agriculture is highly mechanized. The USA produces more than 52 per cent of the world's corn, wheat, cotton, tobacco.

6.

There are many reasons, which can explain why the USA has been able to become the leading industrial and agricultural resources. Large reserves of oil, coal, iron and other minerals are solid base of development of Americans industry. Another very important reason is America's vitality, its so-called spirit of enterprise and initiative. The rapid progress of American industry and agriculture is also the result of the constant willingness to experiment and to find new solutions to old problems. The USA is divided into regions that have different kinds of land and climate, different ways of living and working, and their own characteristics and problems. And each has its own groups of people whose origin and traditions make them different from any of the others. However, out of these differences the American people were able to create a political and social system in
which all of these regions and groups were represented and which formed one nation out of many parts.

7.

From the founding of the Republic, the U.S. federal government has strongly supported the development of transportation. It financed the first major canal system and later subsidized the railroads and the airlines. It has developed river valleys and built dams and power stations. It has extended electricity and scientific advice to farmers, and assures them a minimum price for their basic crops. It checks the purity of food and drugs, insures bank deposits and guarantees loans.

2. Read the text for more details and answer the following questions:

1. In what fields of the economy is America the world leader?
2. What natural resources does it possess?
3. What are the leading industrial states and cities? Why?
4. Why is American agriculture so effective?
5. What are the main reasons of America’s economic achievements?
6. What are the main features of American entrepreneurs today?
7. What is “spirit of enterprise”?
8. What is the role of the American government in the development of national economy?

X. Did you know that:
   – most Americans consider themselves members of the middle economic class, and relatively few are extremely wealthy or extremely poor;
   – three-fourths of all married couples own their own homes;
– the U.S. leads the world in the percentage of the population that receives a higher education;
– more than 86.7 percent of America's 208.8 million farms are owned by the people who operate them;
– women now constitute more than half of America's total work force;
– approximately 27 million Americans are employed in selling, another 19.2 million work in manufacturing and 17.5 million work for federal, state and local governments?

XI. Prepare a report on any aspect of the USA economy. Present it in the class.

Test section. The United Kingdom

The United Kingdom. Close procedure test.

Choose the right word for each gap. Put the word in a suitable grammatical form. Some words can be odd.

<p>| The United Kingdom of Great Britain and Northern Ireland is situated on two large <em><strong>1</strong></em>____ and about 5 thousand small ones, called the British Isles, to the North-West of Europe. | 1) islands, irelands, ilands |
| The <em><strong>2</strong></em>__ island is Great Britain which – 3__________ 4_____ three parts: England, Scotland, and Wales, and the smaller is Ireland. | 2) great 3) consist 4) by, of, in |
| The British Isles cover an area of about 95,000 square miles. Great Britain <em><strong>5_____6</strong></em>_ the continent <em><strong>7</strong></em>____ the English Channel, the narrower part of it is called the Strait of Dover. | 5) is separated, is divided, is included 6) by, with, from 7) on, by, with |
| The country <em><strong>8</strong></em>______ by the Atlantic Ocean, the North Sea, the Irish Sea. | 8) wash |</p>
<table>
<thead>
<tr>
<th>There are mountain chains in Scotland, Wales and North-West England, but they are not very high. North-West England is also _<strong><strong>9</strong></strong> for its beautiful lakes.</th>
<th>9) important among, famous by, famous for</th>
</tr>
</thead>
<tbody>
<tr>
<td>The rivers of Great Britain are not very long but usually deep and never freeze in winter. The <strong><strong>10</strong></strong>_ and <strong><strong>11</strong></strong>_ rivers are the Severn and Mersey, the Thames on which stands the capital of Great Britain – London.</td>
<td>10) long 11) famous</td>
</tr>
<tr>
<td>Britain has a <strong>12</strong>___ and temperate climate.</td>
<td>12) warm, mixed, mild</td>
</tr>
<tr>
<td>London, the capital, is one of the most important industrial centres. Lots of things such as clothes, foodstuffs, cars, aircrafts, instruments, medical <strong><strong>13</strong></strong> are produced in and around London. It is also the biggest port.</td>
<td>13) facility, equipment, insurance</td>
</tr>
<tr>
<td>Oxford and Cambridge <em><em><strong>14</strong> not big industrial centres but they are famous all over the world as <strong><strong>15</strong></strong></em> centres. The oldest and most famous universities of Great Britain <strong><strong>16</strong></strong></em> there.</td>
<td>14) be 15) cultural, educational, administrative 16) is situated, is begun, are situated</td>
</tr>
<tr>
<td>Since the dates of their origin in the 12\textsuperscript{th} and 13\textsuperscript{th} centuries, the Universities of Oxford and Cambridge <strong><strong>17</strong></strong>_ the most <strong><strong>18</strong></strong>____ educational centres of the nation.</td>
<td>17) are, have been, were 18) prestigest, prestige, prestigious</td>
</tr>
<tr>
<td>The United Kingdom of Great Britain and Northern Ireland is <strong><strong><strong>19</strong></strong></strong>_</td>
<td>19) parliamentary monarchy, constitutional monarchy, queen’s monarchy</td>
</tr>
<tr>
<td>Legislative power <strong><strong>20</strong></strong> _<em><strong>21</strong></em> the Queen and the Parliament, which _<strong><strong>22 _____ 23</strong></strong> the House of Commons and the House of Lords.</td>
<td>20) belongs, consists, comprises 21) of, by, to 22) belongs, consists, comprises 23) of, by, to</td>
</tr>
<tr>
<td>The powers of the Queen <strong><strong>24</strong></strong>___ by the constitution.</td>
<td>24) is limited, is regulated, is controlled</td>
</tr>
</tbody>
</table>
Great Britain is one of the world's leading industrialized nations. Within the manufacturing sector, the largest service industries include machine tools; electric power, automation, and railroad equipment; ships; aircraft; motor hardware and parts; electronic and communications equipment; metals; chemicals; coal; petroleum; paper and printing; food processing; textiles; and clothing.

By the early 21st cent., banking, securities, insurance, business services, and other service industries accounted for almost three fourths of the gross domestic product and employed 80% of the population.

Great Britain has rich supplies of coal, oil, and natural gas. Production of oil from offshore wells in the North Sea began in 1975, and the country is self-sufficient in petroleum.

Other work power include iron ore, tin, limestone, salt, china clay, oil shale, gypsum, and lead.

The country's chief exports are manufactured goods, fuels, chemicals, food and beverages, and tobacco.

The chief imports is machinery, fuels, and foodstuffs.

Its agriculture is highly mechanized and extremely productive; about 2% of the labor force produces 2% of the country's needs.
Since the early 1970s, Great Britain's trade focus has shifted from the United States to the European Union, which now accounts for over 50% of its trade. The United States, Germany, France, and the Netherlands are the main trading partners.
Part 3. LEGAL FORMS OF BUSINESS. COMPANIES

I. Sole Proprietorship

1. Vocabulary. Study the new words. Make up as many verb (1–13) + noun (a–p) meaningful word combinations as possible. Match the verbs with all appropriate nouns.

1) to own a) assets
2) to have b) the right(s)
3) to pay c) business
4) to invest d) capital
5) to raise e) debts(s)
6) to lose f) the duty(-ies)
7) to set up g) an enterprise
8) to run h) a firm
9) to borrow i) funds
10) to state j) losses
11) to make k) the liability
12) to hire l) money
13) to fire m) staff
      n) decisions
      o) the rules
      p) profits

2. Fill in the table. Use a dictionary. Which suffixes can change words?

<table>
<thead>
<tr>
<th>Noun</th>
<th>Adjective</th>
<th>Verb</th>
</tr>
</thead>
<tbody>
<tr>
<td>pay</td>
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</tr>
<tr>
<td>invest</td>
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<tr>
<td>lose</td>
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<td>borrow</td>
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<td>trade</td>
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<td>liability</td>
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<td>profit</td>
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<td>decision</td>
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<td>finance</td>
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<td>legal</td>
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<td>success</td>
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<td>failure</td>
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<tr>
<td>responsibility</td>
<td></td>
<td></td>
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</tbody>
</table>
3. Analyse the way suffixes can change words. Study the following word family. Translate the words.

![Word family diagram]

Make up the word families alike with “own” and “proprietor”.

4. Before you read… Which of these firms, in your opinion, are likely to be small business? Why?

- Aerospace company
- Bakery
- Auto repair shop
- Bar, café, restaurant
- Computer manufacturing
- Hairdresser’s shop
- Computer games salon / I-net café
- Pharmaceutical company
- Dentist
- Chemist’s (drugstore)
- Dress-making establishment
- Law consultancy
5. Sole proprietorship. Read and answer the questions referring to the text.

1. What legal forms of business are described in the text?
2. How many people can own a sole proprietorship?
3. What liability has a sole trader for his/her business? What does this mean?
4. How can one raise funds to set up a sole proprietorship?
5. What happens to a sole proprietorship if its owner dies?

Having decided to set up your own business, you should choose the legal form it will take. There are three legal forms to choose from: sole proprietorship, partnership and corporation (limited company). No one form is better than another. Each has its advantages and disadvantages. The important thing is to be sure the chosen form is best for you.

Many businesses are sole proprietorships, which means that they are owned and run by one person. Setting up a sole proprietorship is easy, it does not need many formalities. As a sole trader, a person is fully responsible for the success or failure of his/her business. Any profits go to the owner, any losses are his or her responsibility as well. If losses become greater than the investment, the owner is responsible for paying them, even if this touches all personal assets. This feature is called unlimited liability.

There is no legal difference between the owner and the business. As the business is personal to the owner, it is liquidated upon the death of the owner. Finances for a sole trader are usually limited to his or her own savings or to what can be borrowed from family or friends. Therefore sole proprietorships are usually small businesses.

6. State the characteristics of the sole proprietorship by completing the sentences.
A sole proprietorship is owned by ______
A sole trader is responsible for _____// can make all ______
He/she decides on _____// can hire and fire______
Gets all_______
Is liable for ____// can lose _____

7. Speaking about future. Imagine that you are planning to start your own business. Speak about your plans, say what you are going to do; what you will do / won't do.

8. Fill in the gaps (1–16) with the words (a–r). Two words are odd!

a) owned losses  g) losses  m) borrow
b) knowledge  h) many formalities  n) responsible
c) managed  i) makes all decisions  o) hire
d) staff  j) capital  p) assets
e) taxes  k) profits  q) ownership
f) debts  l) unlimited liability  r) raise

**Sole proprietorship** is a business 1_________ and 2______ by one individual. The owner receives all the profits and is 3_________ for all the 4_________. It is called 5___________.

There are some advantages and disadvantages of a sole proprietorship. **The advantages are as follows:**

- Ease of starting and going out of business
  Setting up doesn’t need 6__________
- Control over 7_______ and business operations
  The owner 8__________ and can 9 _______ or fire the 10_______
- Pride of 11__________
- Lower 12 ________
On the other hand there are some disadvantages:

- Unlimited liability
- Difficult to 13______ financial 14____________
- Responsibility for all 15__________
- Management 16________________ may be limited

II. Partnership

1. Match the business terms (1–6) to their definitions (a–f).

| 1)   | Sole proprietorship                        |
| 2)   | Partnership                                |
| 3)   | Limited liability                          |
| 4)   | Bankruptcy                                 |
| 5)   | Asset                                      |
| 6)   | Unlimited Liability                        |

a) The financial status of a firm or an individual legally judged to have debts that exceed assets and thus unable to pay its bills.
b) A business owned and managed by one individual who bears all the losses.
c) Something of monetary value owned by an individual or an organization.
d) A business owned and managed by two or more individuals. The owners receive all the profits and bear all the losses.
e) Full financial and legal responsibility for the operation of the business.
f) The liability of a firm’s owners for no more money than they have invested in the business.

Legal Forms of Business. Partnership

2. Before you read. Discuss with your partner: Why should a businessman form partnership?

When a proprietor wants to expand a business, one way to do so is to form a partnership, a business formed for profit by two or more co-owners. The rights and duties of a partnership are regulated by laws and by a legal agreement made
by the partners. Usually an agreement states how much capital each partner has put up, how profits will be shared, and how the business will be run between the partners.

All partners are legally responsible for any of the firm's activities, in other words, each partner has unlimited liability, meaning that all partners are liable for the debts of the business. They share the risks and the profits or losses associated with their business.

A way to avoid the risks of unlimited liability is to form a limited partnership. In a limited partnership there are two kinds of partners – general and limited. General partners have unlimited liability for the business. The liability of limited partnership is limited to the amounts of their investments. However, in exchange for this limited liability, limited partners are usually not allowed to take an active part in the firm's management. There must be at least one general partner in such kind of partnership.

3. Answer the questions referring to the text.

1. How can a person raise funds for setting up a new business?
2. What kind of business is partnership?
3. How are partners' rights and duties regulated?
4. What is the liability of partners for running a usual partnership?
5. What kinds of partners are there in a limited partnership?
6. Which partners have unlimited liability for the business in such kind of partnership?

4. Think about all the possible advantages and disadvantages of partnerships as a form of business. Speak about partnership.
5. Do the following test. Fill in the gaps with the suitable words in the appropriate forms.

advantage, business, business, conflicts, co-owner, debts, disadvantage, financial capital, loss, low, make, own, own, own, partnership, funds, profit, run, shared profits, skill, unlimited liability, unlimited liability

Advantages and Disadvantages of Sole Proprietorships and Partnerships

*Sole proprietorship:*
A ...1, 2................ and ...3................. by one individual. The ...
...4..........receives all the ......5........and bears all the ...
......7......
• ...8..............
• Difficulty in raising ...
• Responsibility for all ...
• Management knowledge may be limited
...11........:
A...12...13.... for profit of two or more...14......
15................
• Easier to raise ............
• Partners may combine ...
• Pride of ...
• 18....... taxes (no corporate income taxes)

*Disadvantages*
• 19............
• Possible 20........between partners
• 21.........................
Answer Keys.

Sole proprietorship:
A business owned and run by one individual. The owner receives all the profits and bears all the losses.

Disadvantages
• Unlimited liability
• Difficulty in raising financial capital/ funds
• Responsibility for all debts
• Management knowledge may be limited

Partnership:
A business made for profit of two or more co-owners.

Advantages
• Easier to raise financial capital/funds
• Partners may combine skills
• Pride of ownership
• Lower taxes (no corporate income taxes)

Disadvantages
• Shared profits/Unlimited liability
• Possible conflicts between partners
• Unlimited liability/Shared profits

III. Corporation

1. Study the following words:
goods and services  serve  overhead  stock  drawbacks
supply  consumers  competitiveness  share  sue
purchase  tax  benefit (from)
per unit  dividends
2. Study the following word families. State what part of speech each word is. How do you know? Translate the words.

serve service
produce product produce productive productivity
corporate corporation
consume consumer consumption
purchase purchase purchasing
compete competition competitor competitive competitiveness
benefit benefit beneficiary
supply supplier supplement

3. Choose the right word in its right form to fill in the gaps.

serve service
a) The ______ in this restaurant is very slow.

produce product produce productive productivity
a) The market sells a variety of fresh __________.
b) The company’s ________ include washing machines and TV-sets.

compete competition competitor competitive competitiveness
a) He liked the __________ nature of business.
b) He was in c___________ with 10 others, but he did well to get the position.
c) There were 10 ____________ in the job interview.
d) John _________ for a place in the company, but didn’t get in.

corporate corporation
a) New marketing is our ________ responsibility.
consume consumer consumption

a) If you start a small business in China, paperwork will ________ a lot of time.
b) The ________ were not happy about the increase in the price of meat.
c) The nation’s ________ of coal went up last year.

purchase purchase purchaser purchasing

a) He gave his son some money for the ________ of his school books.
b) She made several ________ in the dress shop.
c) The ________ power of the Russian rouble is increasing.

benefit benefit beneficiary

a) Who will ________ from the new economic reforms?
b) She had the ________ of a good education.

supply supplier supplement

a) The government ________ free books to schools.
b) The ________ electricity is limited in the mornings.
c) He ________ his wages from the factory by working as a gardener at the weekends.

IV. Large Corporations

1. Read the text and answer the following questions.

1. What are the advantages of large corporations before the smaller forms of business?
2. In what way can consumers benefit from corporations?
3. In what ways do large corporations develop business and a country’s economy?
4. What business is a corporation?
5. Who owns a corporation?
6. What is limited liability?
7. What can stockholders do with their shares in business?
8. What is “double taxation”?
9. What are the possible drawbacks of corporation?

**Large Corporations**

Although there are many small- and medium-size corporations, bigger business units are needed to perform certain services in the vast country economy. Large corporations can supply goods and services to a greater number of people across a wider geographic area than small businesses. They serve consumers across the nation and across the world. Corporate products tend to cost less because of the large volume and small overhead costs per unit sold. Moreover, consumers benefit from the availability of corporate “brand names,” which they recognize as guaranteeing a certain level of quality wherever purchased.

Large corporations also have the financial strength to research, develop and produce new goods. Their scientific know-how, innovation and technical capability are important to maintaining the nation’s competitiveness and productivity.

A corporation, distinct from any individual human being, may own property, sue or be sued in court and make contracts. The corporate form of business is a more flexible instrument for large-scale economic activity than the sole proprietorship or partnership.

First, because the corporation itself has legal standing, it safeguards its owners, relieving them of individual legal responsibility when they act as agents of the business.

Second, the owners of shares of stock have limited liability; they are not responsible for corporate debts. If a shareholder paid $100 for 10 shares of
stock and the corporation goes bankrupt, he or she can only lose the $100 invested.

Third, corporate stock is transferable. Thus, the corporation is not damaged by the death or disinterest of a particular person. An owner of stock can sell his or her holdings at any time or pass the stock along to heirs.

Yet the corporate business organization has drawbacks as well as benefits. One disadvantage relates to taxation. As a separate legal entity, the corporation must pay taxes. Unlike the treatment of interest on bonds, dividends paid to shareholders are not a tax deductible business expense for the corporation. When the corporation passes along profits to individuals in the form of dividends, the individuals are taxed again on these dividends. This is known as “double taxation.”

In the corporation ownership becomes separated from management. While this makes management easier, some managers may act more in their own interests than those of the stockholders.

2. Find the Russian counterparts for the following expressions:

1) are needed to perform certain services;
2) across a wider geographic area;
3) small overhead costs per unit sold;
4) sue or be sued in court;
5) for this reason;
6) the corporate form of business;
7) it safeguards its owners;
8) pass the stock along to heirs;
9) one disadvantage relates to taxation;
10) a separate legal entity;
11) not a tax deductible business expense;
12) passes along profits to individuals;
13) results from the fact;
14) some managers are tempted to act.

3. Find the English counterparts for the following expressions:

1) могут поставлять товары и предлагать услуги;
2) они обслуживают потребителей по всей стране и по всему миру;
3) стоимость продуктов корпорации обычно снижается;
4) как гарантию определенного уровня качества;
5) у них также есть финансовые возможности для проведения исследований;
6) их научная технология, новаторство и технические возможности;
7) исключительно важны для поддержания на высоком уровне конкурентоспособности и производительности экономики страны;
8) специфическая юридическая форма;
9) идеальное средство для проведения бизнеса.

4. Express your opinion on the following:

Which form of business organization protects investors from losing their personal assets if the business fails? Give your reasons.

V. Companies

1. Company Profile

Match the words in English (1–10) to their definitions (a–j).

1) turnover a) goods sold within a period or the amount of
2) holding company b) a company that is half-owned by another
3) joint venture  c) someone who works for a company
4) subsidiary
5) expand
6) sales  d) to become larger in size, amount, or number
7) employee  e) to make goods
8) consumer market  f) parent company
9) sell  g) the amount of business done in a period of
time, measured in money (goods-money-goods)
10) manufacture  h) opposite to ‘buy’

i) a business activity in which two or more
companies have invested together
j) a person who buys products or services for
their own use

2. Fill in the blanks with the words (1–10).

Philips
We are a multinational company with a quarter a million 1___________
and there are over a hundred and twenty 2________________ worldwide. The
group has a 3______________ of thirty one thousand, six hundred and twenty
six million ECU's (euros) and our 4_____________ (or parent) ________ is lo-
cated in the Netherlands.

About half of our 5 _________are to the 6___________market and half are
to the professional and industrial markets. Altogether we 7 ________________
and 8_______ over a million different electrical products.

The group is also working in 9 _______________ with other partners. For
example, we’re 10 ______________ing our activities in China at the moment,
developing business ventures with the People’s Republic.
VI. Delicious and Refreshing

1. Before you read. Discuss with your partner:

1. Do you like Cola? Why?
2. How often do you drink Cola?

2. Read the article and match the paragraphs (1–6) to the headings.

Symbol of America          What Coke contains
Successful company starts   Doubts about Coke
How it began                Good marketing idea

1. On May 8, 1886, Dr John Styth Pemberton, a chemist, carried a bottle down the street in Atlanta, Georgia, to Jacob's Pharmacy on the corner. There, soda water was added to it, and the new drink was put on sale for five cents a bottle. The drink contained sugar, water, the leaves of the coca plant, and the juice of the kola nut. Dr Pemberton's partner, Frank Robinson, thought of a name for it. 'Coca-Cola,' he said. 'The two Cs would look well in advertising.'

2. For the first year of its life, Coca-Cola sold only thirteen drinks a day. By its hundredth birthday, in 1986, it was selling 7.9 billion dollars worth a year. Not much of the money went into John Pemberton's pocket. He died two years after he had invented Coca-Cola, and Asa G. Candler, a clever businessman, bought the business for $2,300.

3. From then on, Coca-Cola's success was all due to advertising. The words Coca-Cola, delicious and refreshing, in flowing, graceful writing, were soon to be seen everywhere: on calendars, clocks, trays, and walls. The more people heard of it, the more people wanted it, and by 1895, Candler could say, 'Coca-Cola is now sold and drunk in every state in the United States.'

4. But the great days of Coca-Cola were still to come. In World War II, the company made a promise that every American soldier, sailor, and airman could have a Coke for five cents a bottle, anywhere in the world. The company knew they would lose money, but it was worth it. In one smart move they made sure
that five billion bottles of Coke would find their way around the world, creating new demand in more countries. They also knew that the idea of Coca-Cola as something truly, especially American would be strengthened.

5. In the years that followed the war, Coca-Cola managed to make itself one of the most powerful symbols of America both inside and outside the States. 'Drink Coca-Cola, and you will share in the American dream,' the advertisements seem to say. So what is in this magic drink that has become the most successful product in world history? That secret is locked up in a bank in Atlanta, and only a few people alive know the exact recipe.

6. One very important question remains: Is Coca-Cola good for you? Dentists say that sugary drinks like Coca-Cola harm your teeth. Doctors say they add to problems of fatness that lead to heart disease. Delicious and refreshing? Maybe.

Based on The World of English by M. Farrell and Faces of the USA by E. Laird

3. Read the article once again. True or False? Correct the false sentences.

1. From the beginning Coca-Cola was a kind of medicine.
2. The inventor of Coca-Cola became a very rich person.
3. By 1895 Coca-Cola had got popularity all over the world.
4. Coca-Cola’s marketing campaign during World War II was very profitable.
5. Anyone can start producing real Cola.
6. Doctors wouldn’t recommend drinking too much Cola.

4. Discuss with a partner:

1. Why do you think Cola is so popular?
2. Why do you think it has become one of the largest and the most successful businesses in the world?
Part 4. INNOVATIONS

I. Do you agree or not? How much do you agree? Put a cross (+). 

Example: 
Most of the best ideas are discovered by accident. 0 _____+__________100

1. Research and development is the key to great business ideas. 0_____________100

2. There is nothing wrong with copying and improving the ideas of others. 0_____________100

3. There are no new ideas. 0_____________100

II. What do you think? Discuss with your partner.

1. How do companies find new ideas? 
2. How can customers help to find new ideas? 
3. Is it good to have a really fine idea? 


III. “Eating is also about relationships”. Gist reading.

1. Match the headlines (a–f) to the paragraphs (1–6).

   a) How it began 
   b) The art of cooking 
   c) Meet This 
   d) This’s activities 
   e) Practical output 
   f) Molecular gastronomy as a science
“Eating is also about relationships”

1.

Hervé This and I are sitting in a Chinese restaurant just round the corner from the Jardin du Luxembourg in Paris and the National Institute for Agricultural Research where This, a chemical physicist, has worked for the past eight years. This, 52, is best known as one of the founders of “molecular gastronomy”: his culinary ideas and writings have influenced some of the world’s most famous chefs. He does his experiments in the laboratories where he works with a team of 14 researching cooking.

2.

This – jovial, grey-haired, passionate about the science of cooking – is one of the public faces of food in France. He not only teaches, researches, appears on television, lectures round the world and writes bestselling books, of which two so far have been translated into English – Molecular Gastronomy (2005) and Kitchen Mysteries: Revealing the Science of Cooking (2007) – he has also advised the French ministry of education on how to teach primary school children about food. Hervé This is a born communicator and performer. Only a few weeks before meeting in Paris, I had seen him at a cookery class in Brussels.

3.

It was while working at Pour la Science, that This first met the late Nicholas Kurti, Hungarian-born physicist and president of the Royal Society. They started exchanging their findings, calling each other up several times a day. Together they came up with the term “molecular gastronomy” to describe a discipline concerned with the scientific phenomena – the chemical reactions – that occur during culinary transformations: why soufflés expand, why the wine in coq au vin changes colour, the perfect temperature at which to bake an egg. The point was to use this knowledge to enhance the quality of cuisine. In 1992 Kurti and This organised the first International Workshop on Molecular Gastronomy.
4.

The idea was to apply science to the art of cooking in the same way as a geo-physician applies his mind to mountains or a botanist to plants, and This drew up a programme for the discipline. It involved:

– Testing culinary sayings, such as whether adding lemon to pears helps them keep their colour.

– Understanding exactly what constitutes a recipe (stewed pears is simply pears, sugar and water, then heat).

– Inventing new recipes, which is technology, not science, This says, “because technology is invention and science is discovery”.

– Introducing new ingredients, utensils and methods, such as using an electrical field to smoke salmon.

– “Demonstrating that science is a beautiful, wonderful discipline,” and thus inspiring vocations.

5.

You’d think from the range of his activities and the number of his public appearances that he was raking in the money but, This says, his extra earnings go straight into his laboratory work.

As an official of the state, he says, he is paid to transmit his discoveries back to the taxpayer. “And in order to produce knowledge, I need to distribute it efficiently. I’m very proud when I have something published in a prestigious scientific magazine but I get nothing like the readership I get when I write for Elle, which sells 1m copies.”

A generation of young chefs nowadays applies the results of This’s observations and deductions about cooking. When he sees his discoveries put to exciting use, he says he feels as proud as if he were the maker of Rembrandt’s paint-brushes.
Although he occasionally prepares meals for his wife and two sons, 17 and 20, This insists that great cooking is an art. He also leaves space for poetry in the kitchen, claiming that “love” is an important component. “The fact is that cooking is about giving people pleasure. Why did our grandmothers give us good food to eat? We weren’t eating protein, lipids and glucides, we were eating my grandmother’s love…”

Adapted from Brigid Grauman, The Financial Times Limited, February 16, 2008

2. “Eating is also about relationships”. Detailed comprehension.

True or False?

1. Hervé This works for a research institute in France.
2. No one takes his ideas seriously.
3. This is very popular and engaged in a lot of activities.
4. You can see him on TV.
5. Molecular gastronomy studies chemical reactions that take place in cooking process.
6. This’s knowledge helps sell more food.
7. This’s science has no practical application.
8. Sometimes they invent new recipes.
9. It could be possible to smoke fish by electricity.
10. This’s job gives him good money, so he is extremely rich.
11. This is proud of his work.
12. Love is an important component of culinary.

3. Discuss with your partner:

1. Do you like This’s idea?
2. Do you think it has real practical application?
3. Why is it so profitable?
4. Would you like to have a book on molecular gastronomy? Why? Why not?

IV. Write an essay or prepare a report on Great Ideas (500–750 words).

Essay Plan
1. How are new ideas found?
   Do you believe that R&D is the key to great business ideas?

2. Find and study an example of a great business idea.
   What was the idea like?
   How was it created?
   When they had their great idea what were they doing next?

3. Do you agree that:
   There are no new ideas anymore?
   There's nothing wrong with copying and improving the ideas of others?
## Part 5. MARKETING

### I. Vocabulary. Match the following marketing terms (1–15) to their definitions (a–o).

<p>| | |</p>
<table>
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<tbody>
<tr>
<td>1) brand</td>
<td>a) <em>n.</em> item of publicity for a product or service, in magazine, on TV etc</td>
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<tr>
<td>2) consumer</td>
<td>b) <em>n.</em> something made and usually for sale</td>
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<td>3) cost</td>
<td>c) <em>n.</em> a person who buys goods or services from a shop or business</td>
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<td>4) distribution</td>
<td>d) <em>n.</em> the delivering of products to end-users, incl. advertising, storing etc</td>
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<td>5) launch</td>
<td>e) <em>v.</em> to introduce a new product, with publicity etc</td>
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<tr>
<td>6) market research</td>
<td>f) <em>n.</em> a particular make of product</td>
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<td>7) packaging</td>
<td>g) <em>v.</em> to (try to) increase sales of a product by publicizing and advertising it</td>
</tr>
<tr>
<td>8) product</td>
<td>h) <em>n.</em> something made to be sold; merchandise [includes services]</td>
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<tr>
<td>9) customer</td>
<td>i) <em>v.</em> to estimate the price of making a product</td>
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<td>10) discount</td>
<td>j) <em>n.</em> objective; what one is aiming at</td>
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<tr>
<td>11) product</td>
<td>k) <em>n.</em> the person who buys and uses a product or service</td>
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<tr>
<td>12) ad</td>
<td>l) <em>abbr.</em> advertisement</td>
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<td>13) advertisement</td>
<td>m) <em>n.</em> study of consumers’ needs &amp; preferences, often for a particular product</td>
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<td>14) promote</td>
<td>n) <em>v n.</em> the wrapping or container for a product</td>
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<tr>
<td>15) target</td>
<td>o) <em>n.</em> a reduction in the price</td>
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II. Read the following definitions of marketing. Which definition is right? Why do you think so? Discuss with your partner.

1. What is marketing?

2. There are many different definitions of marketing.

“The all-embracing function that links the business with customer needs and wants in order to get the right product to the right place at the right time”
“The achievement of corporate goals through meeting and exceeding customer needs better than the competition”
“The management process that identifies, anticipates and supplies customer requirements efficiently and profitably”
“Marketing may be defined as a set of human activities directed at facilitating and consummating exchanges”

3. Make up your own definition of marketing. Begin with:

- Marketing is about…
- Marketing is a business-wide function that…

III. Read the passage (2 minutes) from the VOA Special English Economics Report. Choose the most suitable variant (more than one idea is possible but not more than 2).

The passage tells (that):
1) good wine is expensive;
2) not all good wine is expensive;
3) people are stupid;
4) people find it pleasant to drink wine;
5) people find it more pleasant to drink expensive wine;
6) pleasure is a complex feeling from a psychological point of view;
7) the price influences the taste, says study;
8) how marketing affects brain activity;
9) people enjoy things that are more expensive.

The Price of Pleasure

Usually we think about material qualities when we think about the pleasure we will get from a product. When something costs a lot, we might think about all the fine work that went into it. But can price alone influence the pleasure we experience?

Researchers from the California Institute of Technology and the Stanford Graduate School of Business say yes.

Hilke Plassmann, John O'Doherty and Antonio Rangel at Caltech and Baba Shiv at Stanford did a study. They had twenty people taste different wines. Wine was chosen because it comes in many different qualities and prices, and because a lot of people enjoy tasting it.

The people were told they were tasting five different Cabernet Sauvignons. The wines were identified only by price: five, ten, thirty-five, forty-five and ninety dollars.

But in truth there were only three different wines, and two of them were presented twice, at a high price and a low price. For example, the wine that in fact cost ninety dollars a bottle was presented half the time as a ten dollar wine.

There were two important results from the study.

First, the individuals, on average, reported greater pleasure from drinking wine that they were told was higher in price. Brain images taken while the people tasted the wine supported this finding.

Activity, represented by blood-oxygen levels, increased in an area of the brain thought to process “experienced pleasantness.” Experiments have shown
that the medial orbitofrontal cortex processes the experience of enjoyment from smells, taste and music. The new findings will add to the limited knowledge of how marketing affects brain activity.

The second result has meaning for economists and marketers. The experiment appears to confirm that raising the price can increase how much a product is enjoyed. In other words, when it comes to expectations, it seems you really do get what you pay for.

The study is in the Proceedings of the National Academy of Sciences.

IV. The Price of Pleasure. Detailed Comprehension. Read the passage once again. Are these statements True or False? Correct the false statements.

1. In their minds people do connect high price and better quality.
2. Actually 5 different wines were used for the experiment.
3. People knew the real price of the wines.
4. People said to have more pleasure from drinking more expensive wine.
5. Studies proved that opinion.
6. Higher prices create higher expectations.
7. $90 wine is not as tasty when it costs only $10.

V. Discussion

1. Do you agree that higher prices create higher expectations? Why?
2. Do you think higher prices guarantee better quality? Give your examples.
### Part 6. FINANCE

**I. Match the words (1–10) and their definitions (a–j).**

| 1) fiscal policy | a) a number typical of a group of numbers of qualities |
| 2) equilibrium price | b) raw materials used in producing other goods |
| 3) monetary policy | c) point at which quantity supplied and quantity demanded are in balance |
| 4) average | d) use of government revenue collection and spending in influence the business cycle |
| 5) commodities | e) tactics for expanding or contracting the money supply as a means of influencing the economy |
| 6) quantity supplied | f) the amount of planned spending on domestic goods and services at each level of aggregate income |
| 7) demand curve | g) shows graphically the quantity of a good demanded at each price, with other factors that affect quantity demanded held constant; it is typically down loping |
| 8) quantity demanded | h) the level of output that would be produced if all resources were fully employed |
| 9) potential output | i) the amount of a good or service that buyers are willing and able to buy in some particular period; depends on the prices of other goods and buyer’s incomes and tastes |
| 10) aggregate demand | j) the amount of goods and service that sellers are willing to sell in some particular period; depends on the price of the product and other factors, primarily the prices of inputs used in production and the techniques of production available for sellers |
II. Personal Finance

1. Personal Finance. Read the abstract and answer the questions:

1. Did Charles have a job in July?
2. What was his financial situation in September?
3. How did he try and get money before October?

Charles lost his job in August. By September he didn't have enough money to make ends meet. Charles had spent all his savings. His bank statement showed that the monthly instalments on his mortgage were soon due to leave his bank account via direct debit. Without a job, the banks refused to give him another loan. He would have borrowed money from anywhere. His friends and family also refused to lend to him. He was completely broke. Charles' expenditure was now so much greater than his income that he decided to turn to a life of crime.

2. Match the underlined words from the text to their definitions (1–11).

1. The arrangement that allows an organization to take money from your bank account at regular times to pay for your goods or service.
2. Take and use money from a person or bank under an agreement to pay it back later.
2. Money that someone has borrowed.
3. Money that you have saved.
4. The regular payment that you make each month, for example, to pay for something.
5. A piece of paper that shows you how much money you have put on your bank account and how much you have taken out of it.
6. The total amount of money that a government or a person spends.
7. To give someone some money who then pays the money back in small amounts over a period.

8. To have just enough money to survive.

9. Money that you borrow to buy a home.

10. To be without money.

3. Match the words (1–18) to their definitions (a–r).

| 1) balance | a) n. the money in general use or circulation in any country |
| 2) bank charges | b) n. money etc owed by one person to another |
| 3) loan | c) n. money lent by a bank etc and that must be repaid with interest – also. |
| 4) interest | d) n. money in a bank a/c; sum added to a bank a/c; money lent by a bank – also v. |
| 5) cash | e) n. the difference between credits and debits in an account |
| 6) cash dispenser UK | f) n. 1) coins or bank notes (not cheques); 2) actual money paid as opposed to credit |
| 7) cashier | g) n: automatic machine from which clients of a bank may withdraw money; ATM |
| 8) deposit account | h) n. the rate at which one currency can be exchanged for another |
| 9) currency | i) n. person dealing with cash transactions in a bank, store etc |
| 10) debt | j) n. a record of transactions in a bank account |
| 11) exchange rate | k) n. bank a/c from which money may be drawn at any time; checking account |
| 12) statement | l) n. a (usually commercial) exchange; a deal |
| 13) credit | m) n. money paid for the use of money lent |
| 14) invest | n) v. to take money out of a bank account |
| 15) overdraft | o) n. deficit in a bank account caused by withdrawing more money than is paid in |
| 16) withdraw | p) v. to put money for profit into business, land etc |
| 17) current account | q) n. bank a/c on which interest is paid; savings account US |
| 18) transaction | r) n. money paid to a bank for the bank’s services etc |
4. Translate the following sentences.

1) balance
The first major component of the balance sheet of an enterprise is its assets, which are the resources owned by the enterprise.

2) bank charges
Interest is charged on the full amount of the loan even though the borrower might not draw on the full amount immediately.

3) loan
When the bank makes a loan, a separate loan account is opened at the bank in the borrower’s name.
Because bank funds must be kept fluid, loans are nearly always short term, and a bank will not lend money to a customer unless it knows that the money can be repaid quickly.

4) interest
They make their profit by paying a lower rate of interest for the money they lend.

5) cash
You may cash a traveler’s cheque here.

6) deposit account
The main functions of the modern commercial bank are to receive money on current accounts repayable on demand, or on deposit accounts repayable subject to an agreed notice.

7) currency / exchange rate
A country’s exchange rate policy affects the overall level of domestic prices and its relative price structure in domestic currency terms between goods which are traded internationally and goods which are produced for the domestic market.
8) **debt**

His debts amount to $30,000.

9) **statement**

Customers will receive overdraft interest statements monthly.

10) **credit**

Which customers should be offered credit and how much should they be offered?

11) **invest**

He does not want to keep the shares, or invest in the company that is issuing them, but simply to make a profit out of the issue.

12) **overdraft**

An overdraft is “a sum of money drawn from a bank by a customer that is more than the amount he holds in his account with the bank”.

13) **withdraw**

Since banks must always be able to meet demands for withdrawals, either immediately or at short notice, they keep a certain percentage of their deposits in actual cash with the Central Bank.

14) **current account**

The amount of the loan is debited in the loan account and credited in the customer’s current account. Interest is charged on the full amount of the loan even though the borrower might not draw on the full amount immediately.

15) **transaction**

Exchange rate policy involves choosing an exchange rate system and determining the particular rate at which foreign exchange transactions will take place.
5. Discussion.
1. Are you always broke?
2. Do people in Russia get mortgages or do they rent?
3. Do you think credit cards can be dangerous or useful?
4. Do you pay bills by direct debit or cash?
5. Do you always check your statement?
6. Do you lend money?
7. Do you ever borrow money?
8. Are you saving up for something?

III. Read the passage from the Voice of America Special English Economics Report.

1. Take 3 minutes. What title suits most?
1) Traditional Banking vs. Investment Banks: Who Will Survive?
2) On the History of Banking in the USA
3) Mortgage-Backed Securities are Leading to Bank Collapse
4) Loan Crisis Throws New Light on Investment Banks

Investment banks have long played a part in the financial system. But the recent crisis over securities based on risky home loans has brought them new attention.

Investment banks handle stocks, bonds and other securities. They underwrite new offerings. That means they take the risk of buying the securities and reselling them to the public. They also provide business advice and market research, and deal in existing securities.
Investment bankers have structured some newer securities in highly complex ways. Their value could be tied to lists of stocks or prices of goods or, as the world now knows, groups of risky home loans.

These mortgage-backed securities were sold to investors worldwide as a way to spread the risk. But as more and more loans went bad, the market collapsed.

Before the nineteen thirties, the United States had no separation between traditional banking and investment banking activities. Bank holding companies could own other financial companies that would underwrite new stocks. They would also provide stockbroker services for the public. People often bought shares with money borrowed from the banks.

Then, in nineteen twenty-nine, the stock market crashed. Between nineteen thirty and nineteen thirty-three almost ten thousand banks failed.

Congress passed a banking act in nineteen thirty-three known as the Glass-Steagall Act. It banned commercial banks from buying and selling securities; their job was to pay interest on savings and lend to borrowers.

This ban remained until nineteen ninety-nine. That year the Gramm-Leach-Bliley Act permitted commercial banks to deal in securities and sell insurance. They can again own investment companies that underwrite securities.

Many banks now regret that they got involved with high-risk mortgage securities. The collapse last month of the nation's fifth largest investment bank, Bear Stearns, showed the risks. The International Monetary Fund says total losses related to American subprime mortgages could reach almost one trillion dollars.

On March seventeenth, the Federal Reserve started offering loans to investment banks, as it does for other banks. The program will continue for at least six months. The central bank used a power described in section thirteen of the Federal Reserve Act. But this power has not been used since the law was updated in nineteen thirty-two.
2. Read the passage once again (10 minutes). Are the following statements True or False? Correct the wrong statements.

1. Investment banks deal with securities.
2. Investment banking is rather risky.
3. Activities of investment banks used to differ from those of commercial ones from 1930s till 1999.
4. Mortgage-backed securities can help investment banks to survive.
5. The Federal Reserve hasn’t given loans to investment banks since 1930.
## Part 6. PRODUCTION

### I. Match the words to their definitions.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>1)</td>
<td>raw materials</td>
</tr>
<tr>
<td>2)</td>
<td>design (v)</td>
</tr>
<tr>
<td>3)</td>
<td>improve (v)</td>
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<tr>
<td>4)</td>
<td>tool (n)</td>
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<tr>
<td>5)</td>
<td>output (n)</td>
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<tr>
<td>6)</td>
<td>remain (v)</td>
</tr>
</tbody>
</table>

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<tbody>
<tr>
<td>1)</td>
<td>adjust (v)</td>
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<tr>
<td>2)</td>
<td>facility (n)</td>
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<tr>
<td>3)</td>
<td>input (n)</td>
</tr>
<tr>
<td>4)</td>
<td>available (a)</td>
</tr>
<tr>
<td>5)</td>
<td>maintain (v)</td>
</tr>
<tr>
<td>6)</td>
<td>recovery (n)</td>
</tr>
</tbody>
</table>
II. Make up any 4 sentences with the correct preposition (the sentences should be meaningful).

<table>
<thead>
<tr>
<th>Action</th>
<th>Preposition</th>
<th>Object</th>
</tr>
</thead>
<tbody>
<tr>
<td>invested</td>
<td>to</td>
<td>the business</td>
</tr>
<tr>
<td>spent</td>
<td>on</td>
<td>our suppliers</td>
</tr>
<tr>
<td>wasted</td>
<td>to</td>
<td>the bank</td>
</tr>
<tr>
<td>made</td>
<td>to</td>
<td>charity</td>
</tr>
<tr>
<td>saved</td>
<td>of</td>
<td>our energy bills</td>
</tr>
<tr>
<td>gave</td>
<td>to</td>
<td>our overseas investments</td>
</tr>
<tr>
<td>borrowed</td>
<td>of</td>
<td>unnecessary equipment</td>
</tr>
<tr>
<td>owed</td>
<td>for</td>
<td>training courses</td>
</tr>
</tbody>
</table>
Part 7. TRADE

I. Match the words to their definitions.

<table>
<thead>
<tr>
<th>Word</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dumping</td>
<td>Exporting goods at prices lower than the home-market prices.</td>
</tr>
<tr>
<td>Quotas</td>
<td>Governmental policy aimed at shielding a fragile economy, or a week or critical sector, from cheaper or better imports through imposition of high duty rates (tariff barriers).</td>
</tr>
<tr>
<td>Tariffs</td>
<td>Limitation on the quantity that must not be exceeded, such as an import quota.</td>
</tr>
<tr>
<td>Laisser-faire</td>
<td>Published list of fares, freight charges, prices, rates, etc.</td>
</tr>
<tr>
<td>Deregulation</td>
<td>Revision, reduction, or elimination of laws and regulations that hinder free competition in supply of goods and services, thus allowing market forces to drive the economy.</td>
</tr>
<tr>
<td>Infant industries</td>
<td>Free trade zone as Hong Kong, Isla Margarita, Panama, and Singapore, where imported merchandise may be stored duty-free pending re-export or duty-paid entry into the importing country.</td>
</tr>
</tbody>
</table>

2. Liberalism

3. Subsidise

4. Restrictions

5. Protectionism

6. Customs
8. Concept that a government should not try to control prices, rents, and/or wages but instead let open competition and forces of demand and supply create an equilibrium between them that benefits the vast majority of citizens.

9. To provide a stimuli to perform or not perform a specific action, such as the manufacture of a good.

10. New industry in its early stages of development, and in need of protection from predatory competition through tariff and non-tariff barriers until it is established.

11. Methods employed in controlling the volume or value of goods coming into a country, usually to maintain the exchange rate of the country's currency.

12. Government agency entrusted with enforcement of laws and regulations to collect and protect import-revenues, and to regulate and document the flow of goods in and out of the country.

II. Fill in the gaps with the words below (you need only 5 words).

Dumping
Tariffs
Deregulation
Infant industries
Laisser-faire
Customs
Free port
Liberalism
Quotas
Subsidise
Restrictions
Protectionism

1. The Canadian government came under harsh criticism from environmental groups on Saturday for increasing its annual seal-hunting ____________.
2. If you have had your eye on a shiny new iPhone, but didn’t want to spend the money to get one on existing ____________ plans from O2 you may be in luck.

3. ____________ capitalism, also known as pure capitalism or market absolutism, is basically the belief that markets are self-correcting, self-policing, and self-regulating. ____________ proponents also believe the state should be minimal in size and merely an arbiter and a mild regulator: this economic philosophy has failed abysmally.

4. “Consumer Choice and Protection Act” removes the Public Service Commission's authority to regulate rates and quality of service for all but the basic landline phone service. Supporters insist the ____________ will lead to lower rates because phone companies will be able to match Comcast and other cable giants when they lower their prices. “Prices in the telecommunications industry have always gone down when you bring in competition,” said House sponsor and future Speaker Rep. Will Weatherford, R-Wesley Chapel. Opponents say the proposed legislation could bring higher bills and worse service to customers.

5. Russia’s Prime Minister Vladimir Putin signs a resolution to ____________ rail transportation of new cars to the Russian Far East.

III. Make word partnerships with the verbs on the left and the nouns on the right.

1. break into a) the delivery date
2. comply with b) the market
3. meet c) an order
IV. Choose the best word to complete each of these sentences.

1. In the 1980s, Mexico ended its policy of ......................... and opened up its economy to foreign investors.
   a) open borders b) deregulation c) dumping d) protectionism

2. When exporting goods, it is essential to arrange ....................... in case the goods are lost or damaged in transit.
   a) a letter of credit b) insurance cover c) shipping documents d) a customs declaration

3 Transport companies have to comply with strict ....................... when carrying dangerous materials.
   a) quotas b) restrictions c) regulations d) barriers

4 One way that some countries protect their domestic industries is by imposing ....................... on all imports.
   a) tariffs b) customs c) payments d) subsidies

5 The employee who was sacked last week felt that his dismissal was unfair. He has decided to ....................... the company.
   a) test b) court c) sue d) blame
Part 8. ECONOMY AND SOCIETY

I. Two Billion More Bourgeois

1. Read the passage. Gist reading. Tick (✓) the correct answer. В статье:

1) дается определение «среднему классу»;
2) говорится о влиянии среднего класса на общество;
3) …о влиянии среднего класса на национальную экономику;
4) …о доходах среднего класса;
5) …о количестве людей, относящихся к среднему классу;
6) …о среднем классе в развивающихся странах;
7) …об угрозах среднему классу со стороны национального сообщества;
8) …об угрозах среднему классу в процессе мирового кризиса;
9) …о непредсказуемости реакции представителей среднего класса на политические и экономические события.

Two Billion More Bourgeois

The rise of a new middle class has changed the world. What if they sink back into poverty?

People love to mock the middle class. Its narrow-mindedness, complacency and conformism are the mother lode of material for sitcom writers and novelists. But Marx thought “the bourgeoisie... has played a most revolutionary part” in history. And although The Economist rarely sees eye to eye with the father of communism, on this Marx was right.

During the past 15 years a new middle class has sprung up in emerging markets, producing a silent revolution in human affairs – a revolution of wealth-creation and new aspirations. The change has been silent because its beneficiaries have gone about transforming countries unobtrusively while enjoying the
fruits of success. But that success has been a product of growth. As growth col-
lapses, the way the new middle class reacts to the thwarting of its expectations
could change history in a direction that is still impossible to foresee.

The new middle consists of people with about a third of their income left
for discretionary spending after providing basic food and shelter. They are nei-
ther rich, inheriting enough to escape the struggle for existence, nor poor, living
from hand to mouth, or season to season. One of their most important character-
istics is variety: middle-class people vary hugely by background, profession and
income. As our special report issue argues, their numbers do not grow gently,
shadowing economic growth and rising 2 %, or 5 %, or 10 % a year. At some
point, they surge. That happened in China about ten years ago. It is happening in
India now. In emerging markets as a whole, it has propelled the middle class
from a third of the developing world's population in 1990 to over half today. The
developing world is no longer simply poor.

As people emerge into the middle class, they do not merely create a new
market. They think and behave differently. They are more open-minded, more
concerned about their children's future, more influenced by abstract values than
traditional mores. In the words of David Riesman, an American sociologist, their
minds work like radar, taking in signals from near and far, not like a gyroscope,
pivoting on a point. Ideologically they lean towards free markets and democra-
cy, which tend to be better than other systems at balancing out varied and con-
flicting interests. A poll we commissioned for our special report on the middle
class in the developing world finds that such people are happier, more optimistic
and more supportive of democracy than are the poor.

These attitudes transform countries and economies. The middle class is
more likely to invest in new products and new technologies than the rich, who
tend to defend their existing assets. It is better able than the poor to leap barriers
to enter into business and can therefore set up companies big enough to generate
jobs. With its aspirations and capacity for delayed gratification, the middle class
is more likely to invest in education and other sources of human capital, which are vital in prosperity. For years, policymakers have tied economic success to the rich (“trickle-down economics”) and to the poor (“inclusive growth”). But it is the middle class that is the remotor of economic growth.

Now the middle class everywhere is under a great threat. Its members have flourished in places and countries that have opened up to the world economy – the eastern seaboard China, southern India, metropolitan Brazil. They are products of globalisation, and as globalisation goes into reverse the may well be hit harder than the rich or poor. They work in export industries, so their jobs are unsafe. They have started to borrow, so are hurt by the credit crunch. They have houses at shares, so their wealth is diminished by falling asset prices.

What will they do when the music stops?

Those at the bottom of the ladder do not have far to fall. But what happens if you have clambered up a few rungs, joint the new middle class and now face the prospect of slipping back into poverty? History suggests middle-class people can behave in radically different ways. The rising middle class of the 19th-century Britain agitated peacefully for the vote; in Latin America in the 1990s the same sorts of people backed democracy. Yet the middle class also supported fascist government in Europe in the 1930s and initially backed military juntas Latin America in the 1980s.

Nobody can be sure what direction today's new bourgeoisie of some 2.5 billion people will take if its aspirations a dashed. If the downturn lasts only a year or two the attitude of such people may survive the pain of retrenchment. But prolonged crash might well undo much of the progress the developing world has lately made towards democracy and political stability. It is hard to imagine the stakes being higher.
2. Detailed comprehension. Read the article once again and find out all the features of the middle class. Continue the statement:

The middle class are the people who:


The middle class are the people who:
– have about 1/3 of their income left after….
– are neither rich nor poor
– vary hugely
– think and behave differently
– are more open-minded
– are more concerned about their children’s future
– are more influenced by abstract values
– lean towards new markets and democracy
– are happier, more optimistic
– are more likely to invest in education
– are more likely to invest in new products and technology
– can set up jobs-creating companies

II. Read the following article about the middle class in Russia. Render it in English.

Женщины на госслужбе всем довольны

26 мая 2014, 10:36 (мск) | Общество | Газета «Коммерсантъ»

Институт социологии РАН нарисовал новый портрет среднего класса в России
Основу среднего класса в России составляют чиновники и работники бюджетного сектора, которые удовлетворены своей работой и профессиональной самореализацией – такие данные были представлены в аналитическом докладе Института социологии РАН «Средний класс в современной России: 10 лет спустя». В целом к этой категории населения относится 42 % россиян, причем две трети среди них – женщины, численность группы с 2003 года выросла на 13 %, они все более уверенно чувствуют себя на рынке труда, их готовность инвестировать в свое образование и квалификацию сокращается.

Средний класс (СК) в современном социологическом определении составляет 42 % населения России, за период с 2003 по 2014 год его численность выросла с 29 % – такие данные были представлены в аналитическом докладе Института социологии РАН «Средний класс в современной России: 10 лет спустя». Наиболее стабильная группа СК – его ядро – составляет на настоящий момент менее 40 % общей численности группы, то есть 16 % населения страны в целом. Остальные представители СК – 26 %, как уже отмечалось, относятся к периферии группы.

Профессиональную основу СК, по оценкам ИС РАН, уверенно составляют работники госсектора. В ядре среднего класса их количество достиgło по состоянию на 2014 год 68 %, а в периферии СК – 43 %. При этом ядро СК демонстрирует максимальный уровень удовлетворенности своей работой (61 % оценивает ее на «хорошо») по сравнению как с периферией СК (41 %), так и с остальным населением (26 %). Сходная ситуация была зафиксирована и при оценках возможности профессиональной самореализации – в ядре СК ею полностью удовлетворены 59 %, в то время как на периферии СК таких 41 %, а среди остального населения – 23 %.

Периферия среднего класса в оценках ИС РАН – это в основном рядовые служащие или работники в сфере торговли и бытового обслуживания.
В СК в целом имеют среднее специальное образование 35 % его представителей, а высшее (в том числе незаконченное) – 65%. Среди населения, не попавшего в СК, эти доли составили 45 % и 13 % соответственно, еще 42 % имеют только неполное или общее среднее образование. При этом доля людей, которые тратят свой досуг на дополнительное образование и повышение квалификации, в ядре СК в 2,5 раза выше (15 %), чем в целом по стране (6 %), однако даже в ядре СК доля инвестирующих свое свободное время в повышение квалификации за десять лет сократилась вдвое. Сворачивание инвестиций в дополнительное образование и квалификацию является общероссийской тенденцией, так как среди остального населения их доля тоже сократилась (с 15 % в 2003 году до 6 % в 2014 году). Отметим, в этом аспекте российский средний класс сильно отличается от иностранных аналогов – обычно одним из критериев принадлежности к СК принято считать постоянное повышение квалификации.

В целом средний класс относительно моложе остальных россиян. Наибольший вес в его составе имеют возрастная группа населения от 31 до 40 лет – она составляет 27 % общей численности среднего класса (и 40 % его ядра). Следует отметить, что в составе СК прежде всего преобладают женщины – они составляют 64 % в ядре СК и 71 % в периферии этого ядра. В то же время среди остального населения ситуация качественно отличается: вне СК преобладают мужчины, женщины составляют 40 %. В мегаполисах средний класс составляет половину населения (51 %), в крупных городах – 47 %, в районных центрах доля среднего класса в населении снижается до 39 %, в ПГТ и селах – 38 %. Доля представителей ядра СК в населении максимальна в мегаполисах (24 %) и минимальна в селах (7 %). Большую часть ядра СК составляют в первую очередь выходцы из городских высокообразованных семей, однако существует значительный приток извне, то есть тех, чьи родители занимали более низкое социальное положение. Эти оценки ИС РАН не отличаются от стереотипного восприятия...
СК как «молодой» социальной группы, но прямо противоречат другому стереотипу – о том, что бенефициарами работы госсектора являются преимущественно мужчины средних и старших возрастных групп. С точки зрения ИС РАН, типичный представитель СК – это молодая женщина-профессионал с высшим образованием из крупного города, работающая по специальности, удовлетворенная своим социальным положением, доходом, карьерой и ростом возможностей для предпринимательства.

Анастасия Мануйлова, Дмитрий Бутрин

III. Discuss with your partner:
1. Do you think you or your families belong to the middle class? Why?
2. Does the middle class in Russia differ from that one of the western countries?
3. Do you agree that middle class can be considered as an «economic engine» of a society? Why?
4. Prove that the middle class can be great political power.
Учебное издание

Терехова Ольга Александровна

РАЗВИТИЕ НАВЫКОВ ПРОФЕССИОНАЛЬНОЙ КОММУНИКАЦИИ НА ИНОСТРАННОМ ЯЗЫКЕ

Учебно-методическое пособие по дисциплине «Иностранный деловой язык (английский)»

Редактор Ф.А. Ильина
Компьютерная верстка: О.А. Терехова

Подписано в печать 17.09.2015.
Уч.-изд. л. 2,6. План 2015 г.