

# English ON ECONOMICS

С.А. Шевелева

*Macroeconomics*

*Microeconomics*

*Price level*

*Price index*

*Gross Domestic Product*

*Gross National Product*

*Inflation*

*Money*

*Profit*

АНГЛИЙСКИЙ  
ЯЗЫК  
ДЛЯ  
ЭКОНОМИСТОВ

**С.А. Шевелева**

# **English on Economics**

Второе издание,  
переработанное и дополненное

*Рекомендовано Министерством образования  
Российской Федерации в качестве учебного пособия  
для студентов высших учебных заведений,  
обучающихся по экономическим специальностям*

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для студентов высших учебных заведений*



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Учебное пособие предназначено для студентов, обучающихся по экономическим специальностям, владеющих английским языком в объеме средней школы и продолжающих изучение языка в вузе.

В новом издании значительно расширены экономические темы и экономическая лексика. Текстовая часть пособия — это газетные и журнальные статьи, аннотации зарубежных учебников по экономике, деловые письма, лекции и выступления. В новое издание включены грамматика и закрепление грамматических правил, фонетические упражнения. Лексические и речевые упражнения ориентированы на написание кратких эссе по темам, обсуждение тем, переводы.

Пособие может быть также полезно широкому кругу лиц, изучающих экономику и английский язык. (1-е изд. — ЮНИТИ, 1998)

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## Уважаемые студенты!

Учебное пособие «*English on Economics*» предназначено для студентов экономических вузов и факультетов. В книге представлены следующие темы: «Экономика как наука», «Экономика и экономисты», «Рынки и производство», «Спрос и предложение», «Рынок труда», «Государственный бюджет», «Деньги и цены», «Капиталовложения и инвестиции», «Типы компаний», «Прибыль», «Налоги», «Биржи и рынки» и др.

Вам предстоит поработать с разнообразными экономическими текстами. Это аннотации к зарубежным учебникам, статьи из экономических энциклопедий и словарей, статьи из английских и американских газет и журналов, деловые письма, диалоги, сообщения, звучащие в радио- и телеэфире.

Эти тексты помогут вам лучше запомнить основные экономические термины, научиться читать деловую прессу, слушать экономические новости, обсуждать некоторые профессиональные вопросы на английском языке.

Облегчить изучение языка вам помогут словарные пояснения, фонетические, грамматические и лексические упражнения — ведь окончив школу, вы что-то уже успели забыть. Некоторые сведения будут, наверное, для вас новыми и полезными.

Используемые в книге рисунки, схемы, диаграммы, шаржи несколько оживят этот сложный учебный процесс.

Желаю вам успехов в учебе и интересной работы в будущем!

*I wish all the best in your studies, and very interesting work in future.  
Let your future be prosperous and happy too!*

---

## Уважаемые преподаватели!

Прежде чем начать заниматься по этому учебному пособию, проведите небольшую беседу с вашими студентами по одному из первых монологических текстов. Это даст вам возможность определить, с какого урока лучше начать.

Предполагается, что на работу с каждым текстом и упражнениями к нему необходимо около одного академического часа, или шесть академических часов на урок, или около 130 академических часов на все учебное пособие.

Работа над каждым типом текстов строится по-разному. Конечная цель работы над диалогом — умение составлять аналогичный диалог; при работе над экономическим текстом конечная цель — выработать умение читать, переводить и кратко излагать сущность прочитанного устно и письменно. Работа над газетными статьями должна послужить развитию навыка умения читать, выбирать главное, давать адекватный перевод отдельных наиболее значимых предложений, читать и понимать заголовки статей.

При работе над грамматикой следует ограничиться функциональным принципом отбора материала, предложенного автором, — ведь объять все невозможно.

Обратите внимание на фонетические упражнения к диалогам и монологическим отрывкам устной речи. Эти упражнения «отрабатывают» наиболее трудные звуки, интонацию и ритм речи, полные и сокращенные формы и др. трудности.

Лексические упражнения отрабатывают наиболее типичные единицы речи. Общий объем лексики составляет около 4000 единиц общего и терминологического характера.

Речевые упражнения направлены на развитие навыков диалогической и монологической речи с использованием указанных конструкций и речевых образцов в предлагаемых коммуникативных ситуациях бытовой и профессиональной коммуникации.

Занимаясь со студентами по этому учебному пособию, используйте и другие пособия по общебытовой тематике.

*С.А. Шевелева*

# You are a student of economics

Conversation:	<b>Teacher and students</b>
Texts:	<b>Adam Smith</b> <b>Economics</b> <b>Economics reading room</b>
Annotations:	<b>Economics of Networks Industries</b> <b>Entertainment Industry Economics</b>
Grammar Revision:	<b>The Present Indefinite Tense</b> <b>The Past Indefinite Tense</b> <b>The Active and the Passive Voice</b>
Word formation:	<b>Suffixes of nouns</b>

## Conversation: **Teacher and students**

*Teacher:* Good morning, young men!

*Students:* Good morning.

*Teacher:* I'm your teacher of English. My name is Svetlana Alexandrovna. And what are your names, please?

*Student:* My name is Peter Novikov.

*Student:* And I am Mike Pilov.

.....  
*Teacher:* Very good. Are you happy that you are students of economics now?

*Students:* Yes, we are.

*Student:* As to me, I'm very happy to be a student of this University. When I finished school I wanted to enter this particular University, and no other.

*Teacher:* By the way, did you study economics at school?

*Student:* No, I didn't. I studied only the economy of Russia.

*Student:* But we studied the economy of Great Britain too.

*Teacher:* Was it an ordinary or specialized school?

*Student:* It was a specialized school. We studied a few subjects in English.

*Teacher:* Very good. Now let's start our first English lesson at the University!

## Do you know these words?

<b>economics</b>	[ˌɪkəˈnɒmɪks]	экономика (наука)
<i>Economics is an important science.</i>		<i>Экономика — важная наука.</i>
<b>to finish school</b>		окончить школу
<b>to enter a university</b>	[ˌjuːnɪˈvɜːsɪti]	поступить в институт/университет
<b>to graduate from a university</b>	[ˈɡrædʒueɪt]	закончить институт/университет
<b>undergraduate</b>	[ˈʌndəˈɡrædʒuət]	старшекурсник
<b>postgraduate</b>	[ˌpɒstˈɡrædʒuət]	аспирант
<b>economy</b>	[ɪˈkɒnəmi]	экономика (страны, мира)
<b>subject</b>	[ˈsʌbdʒəkt]	предмет
<i>What subjects are you studying?</i>		<i>Какие предметы вы изучали?</i>

## Work on the words!

### 1 Read these words paying attention to the sounds:

[w]		[ð]	
<i>we</i>	<i>what</i>	<i>this</i>	<i>the economy</i>
<i>when</i>	<i>want</i>	<i>these</i>	<i>the university</i>
<i>way</i>	<i>wants</i>	<i>that</i>	<i>at the university</i>
<i>was</i>	<i>wanted</i>	<i>those</i>	<i>by the way</i>
<i>why</i>	<i>ways</i>	<i>them</i>	<i>on the way</i>
<i>will</i>	<i>were</i>	<i>their</i>	<i>the country</i>
<i>where</i>	<i>week</i>	<i>the</i>	<i>in the country</i>

## 2 Read these words paying attention to the stress:

,eco'nomics	e'conomist	,eco'nomically
e'conomy	,eco'nomic	to e'conomize
e'conomies	,eco'nomical	e'conomizer

*Note:* Ударение обычно ставится перед ударным слогом.

## 3 Choose the correct word:

I am a student of (*economy, economics*) now.

At school I didn't study the (*economy, economics*) of Great Britain.

I hope he'll make a good (*economist, economy*).

There are many (*economic, economical*) problems in the world.

This car is very (*economic, economical*).

I try to spend money and time (*economical, economically*).

This car (*economize, economizes*) fuel.

## Grammar Revision: **The verb to be**

Present Indefinite		Past Indefinite	
<b>Утвердительная форма</b>			
<i>I am ...</i>	<i>We are ...</i>	<i>I was ...</i>	<i>We were ...</i>
<i>She is ...</i>	<i>You are ...</i>	<i>He was ...</i>	<i>You were ...</i>
<i>He is ...</i>	<i>They are ...</i>	<i>She was ...</i>	<i>They were ...</i>
<i>It is ...</i>		<i>It was ...</i>	
<b>Вопросительная форма</b>			
<i>Am I ...?</i>	<i>Are we ...?</i>	<i>Was I ...?</i>	<i>Were we ...?</i>
<i>Is he ...?</i>	<i>Are you ...?</i>	<i>Was he ...?</i>	<i>Were you ...?</i>
<i>Is she ...?</i>	<i>Are they ...?</i>	<i>Was she ...?</i>	<i>Were they ...?</i>
<i>Is it ...?</i>		<i>Was it ...?</i>	
<b>Отрицательная форма</b>			
<i>I am not ...</i>	<i>We are not ...</i>	<i>I was not ...</i>	<i>We were not ...</i>
<i>He is not ...</i>	<i>You are not ...</i>	<i>He was not ...</i>	<i>You were not ...</i>
<i>She is not ...</i>	<i>They are not ...</i>	<i>She was not ...</i>	<i>They were not ...</i>
<i>It is not ...</i>		<i>It was not ...</i>	

#### 4 Choose the correct form:

I (*am, is*) a student now.

We (*is, are*) all students now.

He (*am, is*) a student of mathematics.

(*Is, Are*) she a mathematician?

She (*was, were*) a student of this college.

He (*is, am*) not English.

They (*was, were*) in London at that time.

(*Was, were*) he in London too at that time?

### Grammar Revision: **The Present and Past Indefinite Tenses of other verbs**

Present Indefinite		Past Indefinite	
<b>Утвердительная форма</b>			
<i>I study ...</i>	<i>We study ...</i>	<i>I studied ...</i>	<i>We studied ...</i>
	<i>You study...</i>		<i>You studied...</i>
<i>He studies ...</i>	<i>They study...</i>	<i>She studied...</i>	<i>They studied...</i>
<i>She studies...</i>		<i>He studied ...</i>	
<b>Вопросительная форма</b>			
<i>Do I study...?</i>	<i>Do we study...?</i>	<i>Did I study...?</i>	<i>Did we study...?</i>
	<i>Do you study...?</i>		<i>Did you study...?</i>
<i>Does he study...?</i>	<i>Do they study...?</i>	<i>Did he study...?</i>	<i>Did they study...?</i>
<i>Does she study...?</i>		<i>Did she study...?</i>	
<b>Отрицательная форма</b>			
<i>I do not study...</i>	<i>We do not study...</i>	<i>I did not study...</i>	<i>We did not study...</i>
	<i>You do not study...</i>		<i>You did not study...</i>
<i>He does not study...</i>	<i>They do not study...</i>	<i>He did not study...</i>	<i>They did not study...</i>
<i>She does not study...</i>		<i>She did not study...</i>	

#### 5 Choose the correct form:

He (*like, likes*) English.

They all (*like, likes*) English.

She (*do not, does not*) speak English.

Did you (*study, studied*) German at school?

She did not (*study, studied*) French at the university.

I did not (*like, liked*) mathematics.

At school I did not (*study, studied*) the economy of Great Britain.

## Have another look at the conversation and...

### 6 Answer these questions:

What is the name of the teacher?

What are the names of the students?

How many students do you think there are in the group?

Are they all happy to be students of economics?

What schools did they finish?

Did they study economics at school?

What economics did they study?

### 7 Give English equivalents from the conversation:

Когда я окончил школу, я хотел поступить именно в этот университет, и ни в какой другой.

Между прочим, вы изучали экономику в школе?

Это была обычная или спецшкола?

Мы изучали несколько предметов на русском языке.

А теперь начнем наш первый урок английского языка.

### 8 Enact the above conversation and a similar one.

### 9 Write half a page about yourself.

#### Text: Adam Smith

Adam Smith was a great scientist who made extraordinary contributions in economics.

He was born in 1723 in Kirkcaldy, a small fishing town near Edinburgh, Scotland. His father was a customs officer. He died before his son was born.

At the age of 28 Adam Smith became a Professor of Logics at the University of Glasgow. It was his first academic appointment. Some time later he became a tutor to a wealthy Scottish duke. Then he received a grant of £300 a year. It was a very big sum, 10 times the average income at that time.

With the financial security of his grant, Smith devoted 10 years to writing his work which founded economic science. Its full title was *An Inquiry into the Nature and Causes of the Wealth of Nations*. It was published with great success in 1776.

Adam Smith made economics a science. This Scottish economist is often regarded as the founder of political economy too.

## Do you know these words?

<b>to make a contribution to/in smth</b>		вносить вклад во что-либо
<b>customs</b>	[ˈkʌstəmz]	таможня
<b>to undergo customs formalities</b>		пройти таможенный досмотр
<b>customs officer</b>		таможенник
<b>appointment</b>	[əˈpɔɪntmənt]	1) назначение 2) деловая встреча
<b>to make an appointment</b>		договориться о встрече
<b>tutor</b>	[ˈtju:tə]	преподаватель — руководитель работы со студентами (в университете, институте, колледже)
<b>wealth</b>	[welθ]	богатство
<b>wealthy</b>	[ˈwelθɪ]	богатый
<i>syn. rich</i>		<i>син. богатый</i>
<i>ant. poor</i>		<i>ант. бедный</i>
<b>average</b>	[ˈævərɪdʒ]	средний, средне-арифметический
<b>income</b>	[ˈɪŋkʌm]	доход
<b>security</b>	[səˈkjʊərɪti]	1) обеспечение 2) безопасность
<b>to devote smth to smb</b>		посвящать что-либо кому-либо
<b>work of arts</b>		произведение искусства
<b>to found</b>		основывать
<b>title</b>		1) название, заголовок 2) право собственности 3) должность, звание
<b>enquiry (=inquiry) of/into smth</b>	[ɪnˈkwɪərɪ]	исследование чего-либо
<b>enquiry (=inquiry) for smth</b>		запрос на что-либо

cause		причина
nation		народ, нация
to publish		опубликовывать
success	[sək'ses]	успех
to regard		считать
<i>He is <b>regarded</b> as the author of this theory.</i>		<i>Он <b>считается</b> автором этой теории.</i>

## Grammar Revision: **The three forms of some irregular verbs**

Infinitive	Past Indefinite	Participle II
<i>to make</i>	<i>made</i>	<i>made</i>
<i>to become</i>	<i>became</i>	<i>become</i>
<i>to come</i>	<i>came</i>	<i>come</i>
<i>to write</i>	<i>wrote</i>	<i>written</i>
<i>to read</i>	<i>read</i>	<i>read</i>
<i>to teach</i>	<i>taught</i>	<i>taught</i>

### 10 Use the verbs in brackets in the Past Indefinite Tense:

He (*to make*) great contributions in economics.

He (*to write*) an extraordinary work and (*to publish*) it in 1776.

He (*to become*) the founder of political economy.

I (*to read*) something about this scientist at school in Russian.

## Grammar Revision: **The Passive Voice**

The Active Voice	The Passive Voice
<i>We <b>regard</b> him the founder of political economy.</i>	<i>He <b>is regarded</b> as the founder of political economy.</i>
<i>He <b>published</b> his work in 1776.</i>	<i>His work <b>was published</b> in 1776.</i>
<i>The teacher <b>asked</b> the students a few questions.</i>	<i>The students <b>were asked</b> a few questions.</i>

## 11 Translate into Russian:

A few problems were discussed.

Two dialogues were enacted at the lesson.

10 years were devoted to writing this work.

Thus economic science was founded.

A lot of questions are asked and answered at the lessons.

## 12 Use the correct article (*a/an, the*):

Adam Smith was ... great scientist.

He was born in ... small fishing town in Scotland.

Scotland is ... part of Great Britain.

Adam Smith's father was ... customs officer.

At ... age of 28 Adam Smith became ... Professor of Logics.

Some time later he became ... tutor to ... wealthy person.

Some time later he received ... grant of £300 a year.

... grant helped him to write ... very important work.

... work was published in 1776.

Adam Smith made economics ... science.

He is rightly considered ... founder of political economy.

## Word formation: **Suffixes of nouns**

### 13 Read and translate the words having one and the same stem; underline the suffixes of nouns:

science — scientist

to contribute — contributor

academy — academician

to found — founder

finance — financier

to read — reader

physics — physicist

to translate — translator

*Note:* stem — корень

physician — врач-терапевт

### 14 Translate the words and write those from which they are formed:

economist

interpreter

founder

mathematician

teacher

physician

ecologist  
historian

speaker  
writer

physicist  
officer

**15 Combine these pairs of sentences with the help of the conjunction *who*, like this:**

*David Ricardo was a great scientist. He made extraordinary contributions in economics. → David Ricardo was a great scientist who made extraordinary contributions in economics.*

- 1) Karl Marx was a German philosopher, economist and social theorist. He made big contributions in economics and politics.
- 2) Aristotle was a Greek philosopher. He made great contributions in ethics and politics.
- 3) Albert Einstein was a famous American physicist born in Germany. He formulated the theory of relativity.
- 4) Archimedes was a great mathematician. He lived in 287–212 BC.

**Have another look at the text and...**

**16 Answer these questions:**

- When and where was Adam Smith born?
- Who was his father?
- What was Adam Smith's first academic appointment?
- Did he become a tutor then?
- How big was the grant he received some time later?
- What work did Adam Smith do with the support of the grant?

**17 Repeat what the text said about Adam Smith.**

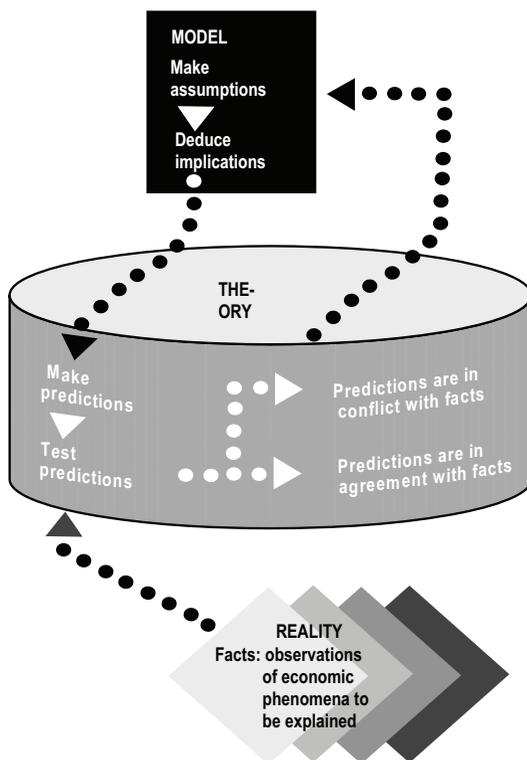
**18 Say what you know about Russian economists Kondratjev and Chayanov. Write half a page about one of them.**

## Text: Economics

Economics is a social science studying economy. Like the natural sciences and other social sciences, economics attempts to find laws or principles.

Economics tries to find laws or principles by building *models*. The predictions of the models form the basis of *economic theories*. Then the predictions of the models are compared with the facts of the *real world*.

The figure below shows the interrelations between models, theories and reality:



## Do you know these words?

<b>figure</b>	[ˈfɪɡə]	1) рисунок 2) цифра
<b>to attempt</b>	[əˈtempt]	пытаться
<b>like</b>		как (при сравнении)
<i>Like his father he is a scientist.</i>		<i>Как и отец, он учёный.</i>
<b>to find (found, found)</b>		находить
<b>law</b>	[lə:]	закон
<b>prediction</b>		предсказание, прогноз
<b>basis</b>	[ˈbeɪsɪs]	база
<i>pl. bases</i>	[ˈbeɪsɪz]	( <i>мн. ч.</i> )
<b>to compare smth with smth</b>		сравнивать что-либо с чем-либо
<b>interrelation</b>	[,ɪntərɪˈleɪʃn]	соотношение, взаимосвязь
<b>assumption</b>	[əˈsʌmpʃn]	предположение
<b>to deduce</b>	[dɪˈdju:s]	выводить (заключение, следствие, формулу)
<b>implication</b>	[,ɪmplɪˈkeɪʃn]	смысл, значение
<b>observation</b>		наблюдение
<b>phenomenon</b>	[fəˈnɒmɪnən]	явление
<i>pl. phenomena</i>	[fəˈnɒmɪnə]	
<b>to explain smth to smb</b>		объяснять что-либо кому-либо

## Revise Grammar!

### 19 Choose the correct form of the verbs in brackets:

Economics (*attempt, attempts*) to find laws or principles.

Economists (*build, builds*) models.

The predictions of the models (*form, forms*) the basis of economic theories.

The figure (*show, shows*) the interrelation between models, theories and reality.

Economists (*make, makes*) assumptions and predictions.  
 (*Do, Does*) they deduce implications?  
 (*Do, Does*) they test predictions?  
 Real facts often (*contradict, contradicts*) the theory.  
 Leonid Kantarovitch (*be, is*) a famous Russian economist.

**20 Combine two sentences by using the -ing forms, as in the example:**

*Economics is a social science. It studies economy. →*  
*Economics is a social science **studying** economy.*

- 1 Economics is a science. It attempts to find economic laws.
- 2 Economists make predictions. They form the basis of economic theories.
- 3 There is a figure. It shows the interrelations between models, theories and reality.
- 4 It is a text. It speaks about economics.
- 5 It is a book. It speaks about some interesting observations.

**Work on the words!**

**21 Read and translate these words paying attention to the suffixes:**

to imply — implication  
 to explain — explanation  
 to publish — publication  
 to specialize — specialization

to predict — prediction	to found — foundation
to observe — observation	to contribute — contribution
to assume — assumption	to devote — devotion

**22 Write the verbs from which these nouns are formed and translate them:**

implication _____	interrelation _____
explanation _____	deduction _____
publication _____	conversation _____
specialization _____	correction _____

## Have another look at the text and...

**23** Translate the text into Russian.

**24** Answer these questions on the figure:

- 1) What are the three components of the figure?
- 2) How are real facts studied?
- 3) What is the role of predictions in theories?
- 4) How are theories and models interrelated?
- 5) What do the arrows (*стрелки*) show?
- 6) Was it difficult to answer the questions?
- 7) What question was the most difficult to answer?

### Text: **Economics reading room**

Visit the website of Cambridge University Press at: <http://uk.cambridge.org/economics/features/readit> and browse the full text of recent highlights from the Cambridge Economics list. Among the books are textbooks on econometrics and finance; highlights on business history; major contributions to public economics, and the works on the theory of the firm; exchange rates; international economics; political economy; economics and philosophy; regional economics; public choice; tax; trade and social security.

Cambridge University Press is the printing and publishing house of the University of Cambridge, and is the oldest press in the world. It is a charitable enterprise required by University Statute to devote itself to printing and publishing in the furtherance of the acquisition, advancement, conservation, and dissemination of knowledge in all subjects; to the advancement of education, learning, and research.

### Do you know these words?

<b>feature</b>	[ˈfi:tʃə]	черта, признак; большая газетная статья
<b>acquisition</b>	[,ækwiˈziʃn]	приобретение
<b>dissemination</b>	[diˌsemɪˈneiʃn]	распространение; рассеивание
<b>statute</b>	[ˈstætju:t]	устав, статут

<b>charitable</b>	[ˈtʃærətəbl]	благотворительный
<b>major</b>	[ˈmeɪdʒə]	главный

## Work on the words!

### 25 Transcribe and translate these words:

tax	public	highlight
list	to print	regional
theory	to browse	philosophy

### 26 Translate the words and write those from which they are formed:

devotion	security	knowledge
furtherance	choice	advancement
acquisition	economics	education
contribution	politics	translation

### 27 Match the terms and their definitions:

<i>finance</i>	<i>public economics</i>	<i>econometrics</i>
<i>philosophy</i>	<i>political economy</i>	<i>social security</i>

- 1) the discipline within economics that attempts to measure and estimate statistically the relationship between two or more economic variables \_\_\_\_\_
- 2) control and management of the money, goods and services of a society \_\_\_\_\_
- 3) condition of a country as to material prosperity of its population \_\_\_\_\_
- 4) (science of) the management of (especially public) money \_\_\_\_\_
- 5) the search for knowledge especially the nature and meaning of existence \_\_\_\_\_
- 6) government provisions for helping people who are unemployed, ill, disabled, etc. \_\_\_\_\_

**28 Mark with a tick (✓) the meanings in which these words are used in the text:**

<b>highlights</b>	1) яркое освещение 2) важные работы/ факты/моменты
<b>contribution</b>	1) содействие 2) вклад 3) пожертвование 4) статья (для газеты, журнала) 5) сотрудничество (в газете) 6) налог, контрибуция
<b>works</b>	1) завод(ы) 2) работы (написанные, изданные)
<b>rate</b>	1) темп 2) доля 3) курс
<b>trade</b>	1) торговля 2) занятие, профессия, ремесло
<b>subject</b>	1) тема, сюжет 2) предмет, дисциплина 3) субъект, человек 4) подданный

**29 Choose the correct preposition and translate the sentences:**

*on in of*

Students are encouraged to visit the website and to browse the texts... recent publications... economics and related disciplines.

The publishers offer the list of recent works... various subjects.

Do they also publish books... humanities?

He often makes reports... the latest news... the world.

Yesterday he spoke... the latest developments... Asia.

This is the article... the latest events... Uruguay.

A lot of articles... this problem are published regularly... our press.

**30 Translate into English:**

Она часто переводит различные тексты по экономической теории.

Он был вчера на лекции по эконометрике?

Эта лекция была по налогам?

Он преподает международную и региональную экономику.

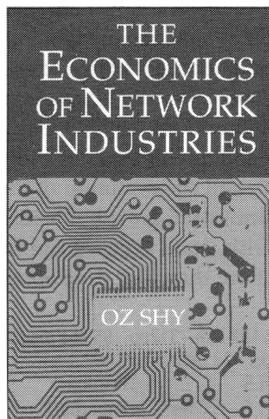
Эти материалы посвящены реформам в социальном обеспечении.

Московское издательство ЮНИТИ выпускает учебники по экономике и финансам для студентов.

## Annotation of the book: **Economics of Network Industries**

Oz Shy  
University of Haifa, Israel

This book introduces upper-level undergraduates, graduate students, and researchers to the latest developments in network economics, one of the fastest-growing fields in all industrial organization. Network industries include the Internet, e-mail, telephony, computer hardware and software, music and video players, and service operations in the banking, legal, and airline industries among many others. Virtually no calculus is used in the text, and each chapter ends with a series of exercises and selected references. The text may be used for both one- and two-seminar courses.



- First textbook on the economics of network industries.
- The writing is clear, the scope is wide, and the examples will engage students.

**Contents:** 1. Introduction 2. The hardware industry 3. The software industry 4. Technology, advance, and standardization 5. Telecommunication 6. Broadcasting 7. Markets for information 8. Banks and money 9. The airline industry: social interaction 10. Other networks Appendices: A. Normal-form games; B. Extensive-form games.

## Do you know these words?

network		сеть, схема, цепь
researcher		исследователь
scope		масштаб, размах; возможности; пределы
calculus	['kælkjuləs]	исчисление
reference	['refrəns]	ссылка; справка; упоминание; рекомендация

### 31 Transcribe and translate these words:

industry _____	(a) series _____
field _____	contents _____
undergraduate _____	appendix _____
virtually _____	appendices _____

### 32 Translate the terms into Russian:

network industries	computer hardware
network economics	computer software
banking (industry)	normal-form games
legal industry	extensive-form games
airline industry	graduate students

### 33 Translate the sentences into English:

Работа знакомит студентов с последними достижениями в этой отрасли экономики.

Это быстрорастущая отрасль экономики.

Эта отрасль производства включает самые разнообразные средства связи.

В тексте не использованы никакие математические расчеты.

### 34 a Translate the above annotation into Russian.

**b** Write a short summary of what you know about (the economics of) network industries.

Annotation of the book to translate:

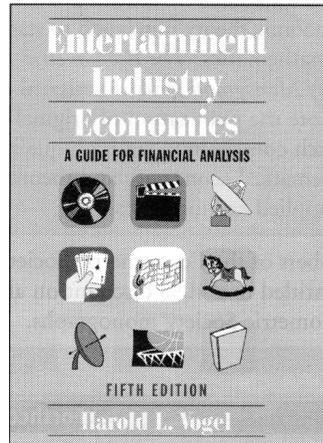
## **Entertainment Industry Economics**

*A guide for financial analysis*

Fifth edition

Harold L. Vogel

The entertainment industry is one of the largest sectors of the United States economy and fast becoming one of the most prominent globally as well. Harold L. Vogel examines the business economics of the major entertainment enterprises: movies, television, and cable programming, music, broadcasting, casino wagering and gambling, sports, publishing, performing arts, theme parks, and toys. This edition incorporates a full chapter on the Internet, covering the web's operational features, revenue sources, and the net's role as an agent of change. Other expanded features include sections on industrial structure, methods, and comparative price trends. The result is a comprehensive, up-to-date reference guide on the economics, financing, production, and marketing of entertainment in the US and overseas. Investors, business executives, accountants, lawyers, arts administrators, and general readers will find that the book offers an invaluable guide to how entertainment industries operate.



**35 a** Write out all the words associated with economics from the lesson.

**b** Write an annotation of Lesson One.

Conversation:	<b>Teacher and students</b>
Texts:	<b>Microeconomics and macroeconomics GDP and GNP</b>
Annotation:	<b>Topics in microeconomics</b>
Newspaper items:	<b>UK GDP Asian consumers upbeat on economic prospects</b>
Grammar Revision:	<b>The Future Indefinite Tense</b>
Word formation:	<b>Prefixes of nouns</b>

### Conversation: **Teacher and students**

*Teacher:* Let's start our second lesson. By the way, how many lectures on economics do you have weekly?

*Student:* This term we shall have three lectures a week on economics and related subjects.

*Teacher:* Very good. I hope then you will easily understand all the texts we shall study.

*Student:* Shall we speak only on economics at our lessons?

*Teacher:* Oh, no. Every month we shall have three or four lessons on everyday English.

*Student:* It is a very good thing. And may I ask you another question?

*Teacher:* Why, certainly.

*Student:* What kind of texts shall we study?

*Teacher:* Mostly they are extracts from various original sources. In many cases they are slightly adapted.

*Student:* Shall we read newspapers?

*Teacher:* Well, you see, some texts were borrowed from *the Financial Times*, *The Times* and *The Economist*.

So I hope it will help you to read English press. In future we may discuss the newspaper reports on the business news you will choose for yourselves.

## Do you know these words?

<b>weekly</b> <i>adv.</i>		<i>нареч.</i> еженедельно, в неделю
<i>adj.</i>		<i>прилаг.</i> еженедельный
<i>n.</i>		<i>сущ.</i> еженедельник (журнал, газета)
<b>term</b>		1) семестр 2) срок 3) условие <i>В учебном году в английских школах и университетах три-четыре семестра.</i>
<i>Usually there are three or four <b>terms</b> in English schools and universities during an academic year.</i>		
<b>related</b>	[rɪ'leɪtɪd]	связанный, родственный
<b>various</b>	['veəriəs]	различный
<i>syn. different</i>		
<b>original</b>	[ə'ɹɪdʒɪnəl]	первоначальный, подлинный, оригинальный
<i>in the <b>original</b></i>		<i>в оригинале</i>
<b>slight</b>	[slaɪt]	незначительный, легкий
<b>source</b>	[so:s]	источник
<b>to borrow</b>	['bɒrəʊ]	заимствовать
<b>report</b>	[rɪ'pɔ:t]	отчет, сообщение, доклад
<b>news</b>		новость, новости
<i>What's the <b>news</b>?</i>		<i>Какие новости?/Что нового?</i>
<b>to choose (chose, chosen)</b>	[tʃu:z, tʃəʊz, tʃəʊzn]	выбирать

# Work on the words!

## 1 Read these words paying attention to the sounds:

[ð]	<i>the way — by the way — the text — all the texts — the reference — The Times — the Financial Times — The Economist — the report — the newspaper report — the news — the business news — this term — this lesson — this task — this news — this report — another way — another question — another book</i>
[θ]	<i>three — three lectures — three texts — month — three months — another month — this month — thing — another thing — this thing — that thing</i>
[v]	<i>to have — very good — a very good thing — every day — everyday English — various — various sources — various subjects — yourself — yourselves</i>

## 2 Read the following paying attention to the words stressed:

- a 'very 'good 'thing      the 'lesson      at the 'lesson
- a very good lesson      the student      in the newspaper
- a very good student      the teacher      in the report
- a very good teacher      the reference      during this month

It is our 'second `lesson.

'Let's 'start our 'second `lesson.

We shall 'have 'three 'lectures a 'week on eco `nomics.

We shall 'have 'two 'English 'lessons a `week.

*Note:* Articles, prepositions, personal and possessive pronouns, auxiliary verbs, the verbs *to be* and *to have* in affirmative sentences are usually **unstressed**.

## 3 Choose the correct word:

A lot of people (*employ, are employed*) in this industry.

(*Employment, Unemployment*) is unfortunately growing in the country.

Three young (*employs, employees*) took part in the experiment.

The (*employ, employer*) gave an interview to a journalist last week.

## Grammar Revision: **The Future Indefinite Tense**

### Утвердительная форма

*I shall be an economist.                      We shall be economists.*  
*I shall read the text.                        We shall read the text now.*  
*You will be economists.*  
*You will read the text now.*  
*He will be an economist.                    They will be economists.*  
*He will read the text now.                They will read the text now.*  
*She will be an economist.*  
*She will read the text now.*

### Вопросительная форма

*Shall I be an economist?                    Shall we be economists?*  
*Shall I read the text now?                Shall we read the text now?*  
*Will you be economists?*  
*Will you read the text now?*  
*Will he be an economist?                Will they be economists?*  
*Will he read the text now?                Will they read the text now?*  
*Will she be an economist?*  
*Will she read the text now?*

### Отрицательная форма

*I shall not/shan't be an economist.      We shall not/shan't be economists.*  
*I shall not/shan't read the text now.    We shall not/shan't read the text.*  
*You will not/won't be economists.*  
*You will not/won't read the text now.*  
*He will not/won't be an economist.      They will not/won't be economists.*  
*He will not/won't read the text now.    They will not/won't read the text.*  
*She will not/won't be an economist.*  
*She will not/won't read the text now.*

Note: 1 Auxiliary verbs in questions and contractive auxiliary verbs in negative sentences are usually **stressed**:

*'Will you be an e'conomist?*

*I 'shan't be an e'conomist.*

2 General questions are pronounced with the **rising tone**:

*'Shall I 'read the 'text?*

3 Special questions are pronounced with the **falling tone**:

*'When shall we 'read the `text?*

#### **4 Read and translate the sentences paying attention to the intonation:**

'Shall we 'speak 'only on 'Why shall we 'speak 'only on  
eco'nomics? eco`nomics?

Shall we study everyday English? Who will study everyday English?

Shall we write English too? When shall we write English?

May I ask you another question? How many questions may I ask?

Does he speak English? How often does he speak English?

### **Word formation: Prefixes of nouns**

#### **5 Read and translate the nouns, underline the prefixes:**

the employed — the unemployed	valuation — devaluation
reality — unreality	inflation — deflation
importance — unimportance	organization — disorganization
security — insecurity	understanding — misunderstanding

#### **6 Translate the nouns and write those from which they are formed:**

unemployment _____	deregulation _____
indifference _____	disadvantage _____
misinformation _____	disengagement _____
mistrust _____	inability _____

## Work on the words!

**7 Form as many nouns as you can, from the verbs and translate them:**

*to employ — employment — unemployment — the employed —  
the unemployed — employer — employee*

to regulate \_\_\_\_\_ to consume \_\_\_\_\_  
to act \_\_\_\_\_ to govern \_\_\_\_\_  
to produce \_\_\_\_\_ to earn \_\_\_\_\_

**8 Translate into English:**

В этом семестре у нас три лекции в неделю по экономике.

Тогда вы хорошо поймете все английские тексты.

Мы сегодня будем говорить только о мировой экономике или экономике России?

Каждый месяц у нас будет три-четыре урока английского языка.

— Какие тексты мы будем читать?

— Мы будем читать статьи по экономике из английских газет и журналов.

## Have another look at the conversation and...

**9 Repeat:**

- 1) the question of the teacher
- 2) all the questions of the students

**10 Sum up what the teacher said about their future work at the lessons.**

**11 Enact the conversation.**

**12 Answer these questions:**

- 1) What work do you do at the lessons?
- 2) What other work do you think you will do at the lessons?
- 3) What kind of work do you like doing at the lessons?

## Text: Microeconomics and macroeconomics

Economics as a science consists of two disciplines that is of microeconomics and macroeconomics.

**Microeconomics** is the branch of economics that studies individual producers, consumers, or markets. Microeconomics also studies how government activities such as regulations and taxes affect individual markets. Besides microeconomics tries to understand what factors affect the prices, wages and earnings.

**Macroeconomics** is the branch of economics that studies the economy as a whole. It tries to understand the picture as a whole rather than small parts of it. In particular, it studies the overall values of output, of unemployment and of inflation.

## Do you know these words?

<b>to consist of smth</b>		состоять из чего-либо
<b>discipline</b>	[ˈdɪsɪplɪn]	дисциплина
<i>syn. subject</i>		
<b>i.e. (Lat.) = that is</b>		т.е.
<b>branch</b>	[brɑːntʃ]	отрасль; ветвь; отделение, филиал
<b>producer</b>	[prəˈdjuːsə]	производитель, изготовитель
<b>consumer</b>	[kənˈsjuːmə]	потребитель
<b>market</b>	[ˈmɑːkɪt]	рынок
<b>on the market</b>		на рынке
<b>government</b>	[ˈɡʌvənmənt]	правительство
<b>regulation</b>	[ˌregjʊˈleɪʃn]	1) правило 2) регулирование
<b>tax</b>		налог
to levy a <b>tax</b> on smth		установить налог на что-либо
to pay a <b>tax</b>		уплатить налог
<i>How much income tax did he pay last year?</i>		<i>Какой подоходный налог он уплатил в прошлом году?</i>
<b>to affect smb/smth</b>	[əˈfekt]	действовать на, задевать кого / что-либо

price		цена
wages	[ˈweɪdʒɪz]	заработная плата (рабочих)
salary		заработная плата (служащих)
to earn	[ə:n]	зарабатывать, получать
earnings		заработок, прибыль, доход(ы), поступления, выручка
in particular	[pəˈtɪkjulə]	в частности, в особенности
overall		общий, полный
value	[ˈvælju:]	ценность, стоимость
output		1) выпуск 2) продукция 3) производительность

## Work on the words!

**13 Write the verbs from which these nouns are formed and translate them:**

producer _____	exporter _____
consumer _____	importer _____
manufacturer _____	exports _____
manager _____	imports _____
employer _____	product _____

**14 Translate these sentences into Russian paying attention to the use of the word *to affect*:**

These regulations *affect* individual markets.

Besides taxes *affect* individual markets.

Many factors *affect* the prices, wages and earnings.

Weather conditions *affected* the price of many agricultural produce.

## Revise Grammar!

**15 Choose the correct articles:**

Economics as (*a, the*) science consists of two disciplines.

Microeconomics as (*a, the*) branch of economics studies producers, consumers, or markets.

Microeconomics as (*a, the*) branch of economics studies how government activities affect individual markets.

Microeconomics as (*a, the*) branch of economics attempts to understand what factors affect the prices, wages and earnings.

Macroeconomics as (*a, the*) branch of economics studies the economy as a whole.

Macroeconomics as (*a, the*) branch of economics studies the overall values of output, unemployment and inflation.

## **Have another look at the text and...**

**16 Translate the definitions of each term into Russian.**

**17 Repeat what the text says about:**

- 1) microeconomics
- 2) macroeconomics

### **Annotation of the book: *Topics in microeconomics Industrial organization, auctions and incentives***

*Elmar Wolfsetter*  
Humboldt-Universität zu Berlin

This text in microeconomics focuses on the strategic analysis of markets under imperfect competition, incomplete information, and incentives. Part I of the book covers imperfect competition, from monopoly and regulation to the strategic analysis of oligopolistic markets. Part II explains the analytics of risk, supplemented with a variety of applications from different areas in economics. Part III focuses on markets and incentives under incomplete information, including a comprehensive introduction to the theory of auctions, which plays an important role in modern economics.

Each chapter introduces the core issues in an accessible fashion, and then investigates specialized themes. Each also offers self-contained explanations and proofs. The only prerequisites are a basic knowledge of calculus, and familiarity with intermediate undergraduate microeconomics. The texts can be used as a textbook in different courses for senior undergraduate or first-year graduate students.

## Do you know these words?

<b>to supplement</b>	[ˈsʌplɪmənt]	пополнять, добавлять
<b>application</b>		применение; заявление
<b>area</b>	[ˈɛəriə]	область, район; площадь, пространство
<b>comprehensive</b>	[ˌkɒmprɪˈhensɪv]	исчерпывающий, всесторонний
<b>core</b>		суть, сердцевина, центр
<b>issue</b>	[ˈɪʃuː / ˈɪʃjuː]	1) вопрос, проблема; 2) выпуск, издание
<b>accessible</b>	[əkˈsesəbl]	доступный
<b>prerequisite</b>	[ˌpriːˈrekwɪzɪt]	предпосылка

## Work on the words!

### 18 Read and translate the words:

auction	industrial	modern
incentive	strategic	text
analysis	oligopolistic	course
analytics	basic	organizer
familiarity	senior	industry

### 19 Read and translate these words, write those from which they are formed:

imperfection _____	unfamiliarity _____
incompletion _____	misinformation _____
invariety _____	deregulation _____

### 20 Match the English and Russian equivalents:

topic, theme	предмет, дисциплина
subject	тема, предмет обсуждения
subject matter	предмет, вещь, объект
object	тема, содержание, предмет обсуждения
area	вопрос, проблема; выпуск, издание
issue	область (знаний); площадь, пространство

**21 Translate into English using the construction and the words specified:**

В работе основное внимание уделяется (*to focus*) анализу рынков.

*The work focuses on the analysis of markets.*

В первой части книги освещаются (*to cover*) различные формы конкуренции.

Во второй части объясняется (*to explain*), что такое анализ рисков.

В третьей части внимание сосредоточивается (*to focus*) на проблеме рынков и возможностях их развития.

В аннотации используется (*to use*) много специальных терминов.

В тексте говорится (*to speak*) об очень важной проблеме.

В книге упомянуты (*to mention*) различные исследователи.

**22 a Translate the following presentation:**

## **An Emperically-Based Microeconomics**

*Herbert A. Simon*

Carnegie Mellon University, Pennsylvania

Best-selling author and Nobel Laureate, Professor Herbert Simon traces the development and future of economics.

**b Say what you know about Herbert A. Simon.**

**c Choose a text in Russian/English on microeconomics and write its annotation.**

### **Text: GDP and GNP**

**Gross Domestic Product (GDP)** is the total money value of all final goods and services produced in an economy over a one-year period. Gross domestic product can be measured in three ways:

(a) the sum of the value added by each industry in producing the year's output (*the output method*)

(b) the sum of factor incomes received from producing the year's output (*the income method*)

(c) the sum of expenditures on the year's domestic output of goods and services (*the expenditure method*).

**Gross National Product (GNP)** is the total money value of all final goods and services produced in an economy over a one-year period plus net property income from abroad (interest, rent, dividends

and profits). GNP is an important measure of a country's general economic prosperity. Here is a comparison of countries' general economic well-being for one of the recent years:

<i>Developed countries</i>	GNP (in US\$ millions)
UK	975,200
Germany	1,488,200
Japan	2,942,900
USA	5,392,300
<i>Developing countries</i>	
Somalia	890
Mozambique	1,300
Nepal	2,900
India	254,500

## Work on the words!

### 23a Translate into English:

валовой национальный продукт	доход, стоимость, ценность
валовой внутренний продукт	расходы
товар	выпуск (готовой продукции)
услуги	прибыль

### b Translate into Russian:

the output method  
 the income method  
 the expenditure method

### 24 Match the English and Russian equivalents:

gross	общий, суммарный, полный, результирующий
domestic	развивающийся
final	развитый
total	окончательный, конечный
net	большой, крупный, объемистый, суммарный
general	внутренний, отечественный, местный
developed	чистый, без вычетов, без налогов
developing	общий, всеобщий, генеральный, обычный, главный

## 25 Write and read the sentences:

*UK GNP was nine hundred seventy five thousand two hundred million dollars that year.*

Japan/2,942,900  
USA/5,392,300

Mozambique/1,300  
India/254,500

## 26 Answer these questions:

- 1) Which country had the highest GNP that year?
- 2) Which of them ran the lowest GNP then?
- 3) What was the year, to your mind?
- 4) Is the GNP of a country always higher than the GDP?
- 5) What makes the difference?
- 6) Which of the three methods is most often applied to measure GDP, as far as you know?

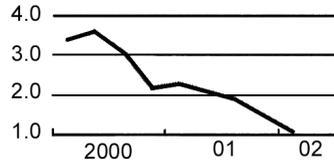
### Newspaper item: UK GDP

UK GDP — revised figures for the second quarter show annual growth of 1.2 per cent.

On the surface, the GDP downgrade from a preliminary 1.5 per cent growth rate throws up worrying questions about the manufacturing recovery.

Most of the downgrade results from lower-than-expected industrial output in June. But that was probably caused by the jubilee holidays. In June, UK exports fell 9 per cent, possibly reflecting a lurch downward in the global economy. And retail sales in July remained tepid. But manufacturing confidence — while still timid — is improving and has shown the first positive quarterly rise since the end of 2001. In the sluggish global context, these are not trends to be dismissed lightly.

UK real GDP growth  
Annual % change



Source: Thomson Datastream

## Do you know these words?

annual  
downgrade

['ænjuəl]

годовой  
снижение, понижение

<b>preliminary</b>	[prə'liminəri]	предварительный
<b>recovery</b>	[ri'kʌvəri]	оживление, подъем, восстановление
<b>lurch</b>	[lɜ:tʃ]	крен
<b>retail</b>	[ri'teɪl]	розничный
<b>sluggish</b>		застойный (характеризующийся отсутствием экономической активности)

## Work on the words!

### 27 Match the antonyms and translate them:

preliminary	dynamic
retail	upward
sluggish	upgrade
downgrade	final
downward	decline
growth	at the bottom
on the surface	wholesale

### 28 Write out the words under these two categories:

<i>economic recovery</i>	<i>economic slowdown</i>
growth	to fall
to rise	to be timid
to improve	to remain tepid
...	...

### 29 Match the English and Russian equivalents:

downfall	понижать
downtrend	спад деловой активности
downturn	понижательный
downward	падение
downtown	деловая часть города
downgrading	перевод на менее квалифицированную работу
to downgrade	тенденция к понижению

### 30 Read and translate the following:

*to show annual growth of 1.2%*

*to show annual growth of one point two per cent*

a preliminary 0.9% growth rate

to fall (by) 9%

to rise (by) 1.4%

a preliminary 0.6% growth rate

to fall (by) 7.5%

to rise (by) 3.3%

### 31 Translate into English:

Последние цифры показывают рост ВВП на 1,2%.

На первый взгляд, эта цифра по сравнению с ожидаемой цифрой 1,5% вызывает определенную тревогу.

Возможность оживления в сфере производства вызывает серьезные сомнения.

Но все-таки положение в сфере производства улучшается.

На фоне общего снижения деловой активности в глобальной экономике эту небольшую повышательную тенденцию нельзя не приветствовать.

### 32 Write a short summary of the newspaper item (in three or four sentences).

#### Newspaper item to translate: **Asian consumers upbeat on economic prospects**

Consumers in China, Korea and Thailand and across much of Asia remain surprisingly upbeat about economic prospects, according to a consumer confidence survey released yesterday by MasterCard International.

The biannual survey of about 4,500 people across Asia, conducted in June, found that people in many Asian countries — notably Korea and Thailand, which are currently enjoying a widespread boom — are confident of their economic prospects in the next six months. The survey suggests that consumer confidence and domestic consumption in Asia could prove more resilient to a slowdown in the US than in the past.

Nine countries in Asia showed 'positive sentiment scores', including ratings of 76.5 in Korea, 74.0 in Malaysia and 73.9 in Thailand. China's score of 73.6 is a drop from its highest ever score of 84.8 six months ago, but consumer confidence in the populous nation remained strong.

Zero is the most pessimistic while 50 is neutral and 100 the most optimistic.

The picture is gloomier in Japan and Hong Kong. Japan's rating of future economic prospects was 23.5 while Hong Kong scored 13.9. The authors said this was a function of their much higher living standards than the rest of Asia.

**33 a** Write an essay on one of the following topics using the texts of the lesson and other English/Russian sources:

- 1) *Russia's rating of future economic prospects.*
- 2) *What is a consumer confidence survey?*
- 3) *Living standards in Asian countries.*

**b** Make a presentation of your essay.

**c** Write a few questions your audience may ask you.

**d** Write your answers to those questions.

Newspaper items:	<b>The Times pulls even further ahead</b> <b>Green shoppers are growing in number</b> <b>Record industry turns fire on individual piracy</b>
Conversation:	<b>Teacher and students</b>
Texts:	<b>Retailers and wholesalers</b> <b>Product life cycle</b>
Grammar Revision:	<b>The Present Perfect Tense</b> <b>The Present Continuous Tense</b> <b>Articles</b>
Word formation:	<b>Conversion</b>

### Newspaper item: **The Times pulls even further ahead**

*The Times* is the most successful national newspaper in Britain. Average daily sales have risen by more than 120,000 since the weekday price was reduced to 30p in September, an increase of 26 per cent in six months.

Sales in January were up by 16,000 compared with December. That success continued last month, when sales increased by another 12,500 — against a drop of 18,000 for *the Daily Telegraph*.

*The Times* is now 63,000 ahead of *The Guardian* and 175,000 ahead of *The Independent*, which now sells fewer copies than any other national daily and was overtaken last month by the *Financial Times*.

At 40p on Saturdays, 30p less than *the Daily Telegraph*, *The Times* is the best value, with the best writing, of any quality paper.

## Do you know these words?

to pull	[pul]	тянуть, натягивать
to pull down		упразднить
to pull out		отказаться от участия
further	['fə:ðə]	далее
ahead	[ə'hed]	вперед, впереди
ahead of smb/smith		впереди кого/чего-либо
sales		продажа, продажи
to rise (rose, risen)		подниматься
to reduce	[ri'dju:s]	сокращать, уменьшать
p = penny, pence		пенс, пенсы
per cent		процент
drop		падение
overtake (overtook, overtaken)		догнать
quality	['kwɒlɪti]	количество

## Grammar Revision: The Present Perfect Tense

<b>Утвердительная форма</b>	
<i>I have read it.</i>	<i>We have read it.</i>
<i>You have read it.</i>	
<i>He has read it.</i>	<i>They have read it.</i>
<i>She has read it.</i>	
<b>Вопросительная форма</b>	
<i>Have you read it?</i>	
<b>Отрицательная форма</b>	
<i>I have not read it.</i>	

### 1 Translate into Russian:

We have studied two lessons.

Have you read today's papers?

Have you ever read *the Financial Times*?

The sales have increased significantly this year.

The sales have gone up for the last few years.  
Average weekly sales of this magazine have dropped dramatically.  
The production has been up since the very beginning of this year.

## 2 Make the following sentences passive, like this:

*We have discussed two problems.*  
*Two problems **have been discussed**.*

They have increased production since the beginning of the year.  
The company has increased the production.  
Two European countries have decreased the output.  
This cartel has not decreased the output.  
They have produced two new models this year.

## 3 Translate into English:

Это последняя модель. Она разработана в прошлом году.  
В этом году продажи не увеличились.  
— В последнее время спрос на этот товар значительно вырос.  
— А цены снизились?  
— Цены, к сожалению, не снизились.  
Вы видели диаграмму ВВП России за последние три года?  
В экономике страны произошли определенные позитивные изменения.

## Articles

### Определенный артикль (The Definite Article)

Употребляется обычно с названиями газет и журналов:

*The Times, The Tribune*

Но в названиях некоторых газет и журналов определенный артикль может быть опущен:

*Financial Times, Newsweek*

При упоминании же этих газет и журналов артикль употребляется, но пишется с маленькой буквы:

*I haven't read **the Financial Times** today yet.*

**4 Read the following titles of newspapers and magazines. Say which are English and which are American (paying attention to the articles):**

*The Times*

*Financial Times*

*The Economist*

*Daily Telegraph*

*The Guardian*

*Business Week*

*Sunday Mirror*

*Daily Mirror*

*Morning Star*

*The Independent*

*The New York Times*

*The Observer*

*The Tribune*

*The Washington Post*

*Daily Express*

*Daily Mail*

**Word formation: Conversion**

**Конверсия** (conversion) — один из самых распространенных способов словообразования в английском языке.

*to rise — rise*

*подниматься — подъем*

*to fall — fall*

*падать — падение*

**5 Write the corresponding nouns and translate the words into Russian:**

to drop \_\_\_\_\_

to cause \_\_\_\_\_

to result \_\_\_\_\_

to guide \_\_\_\_\_

to report \_\_\_\_\_

to form \_\_\_\_\_

to function \_\_\_\_\_

to finish \_\_\_\_\_

to start \_\_\_\_\_

to question \_\_\_\_\_

**6 Translate into English:**

оценка \_\_\_\_\_

финансы \_\_\_\_\_

рынок \_\_\_\_\_

аукцион \_\_\_\_\_

обзор \_\_\_\_\_

выпуск \_\_\_\_\_

оценивать \_\_\_\_\_

финансировать \_\_\_\_\_

реализовывать на рынке \_\_\_\_\_

продавать с аукциона \_\_\_\_\_

обозревать \_\_\_\_\_

выпускать \_\_\_\_\_

торговля \_\_\_\_\_ торговать \_\_\_\_\_  
издание \_\_\_\_\_ издавать \_\_\_\_\_

**7 Read these words formed by means of conversion, with a change of the stress; translate the words:**

to in'crease — 'increase                      to pro'duce — 'produce  
to de'crease — 'decrease                      to trans'port — 'transport  
to ex'port — 'export                              to pre'sent — 'present  
to im'port — 'import                              to con'duct — 'conduct

**8 Mark the stress in the words in italics, read and translate the sentences:**

The sales have not *increased* this year.  
The sales are on an *increase*.  
The *increase* is not very big, though.  
The production has *decreased* for the last two years.  
Many economic newspapers spoke about the *decrease* in *exports*.  
Nobody stated the reason of this dramatic *decrease*.  
Coffee *imports* have *increased* this year.

**9 Make sentences paying attention to the prepositions:**

to rise	
to fall	by... %
to be reduced	to...
an increase	
a jump	
a fall	of... %
a drop	
a decline	

**Have another look at the newspaper item and...**

- 10** Write out all the sentences which testify to the success of *The Times*.
- 11** Divide each complex and compound sentence into simple ones.
- 12** Translate the longest simple sentence into Russian.

### 13 Say what this cartoon shows:



### Conversation: **Teacher and students**

*Teacher:* By the way, do you sometimes read English newspapers?

*Student:* Frankly speaking, I read only the *Moscow Times* for my English lessons at school.

*Student:* But I have looked through a few English newspapers my brother brought from New York. He is doing some research work at one of the American Universities.

*Student:* I have also read a few newspapers in English. They were English newspapers. If I'm not mistaken they were the *Financial Times*. I bought them at the newspaper stalls near the closest underground station.

*Teacher:* And have you ever read *The Times*?

*Student:* I have never seen this newspaper at our stalls.

*Student:* Neither have I.

*Teacher:* But is it a very popular newspaper in England?

*Student:* Judging by this item it really is.

*Teacher:* And what ideas, relating to economics, does it illustrate, to your mind?

*Student:* It seems to me it implies the idea that if a good, a newspaper in this case, is popular the demand for it is growing.

*Student:* Besides the price for such a good can be reduced to attract more readers and maintain the demand.

*Student:* And the figures show that the sales revenue of the Financial Times is growing, to put it into scientific terms.

## Do you know these words?

research	[rɪ'sə:tʃ]	исследование, изучение
to judge	[dʒʌdʒ]	судить
to relate	[rɪ'leɪt]	относить
a good		товар (как научная категория)
goods		товар(ы)
demand		спрос
to grow (grew, grown)		расти, увеличиваться
to maintain	[mən'teɪn]	поддерживать, сохранять
revenue	[ˈrevənju:]	доход(ы), источник дохода
revenues		государственные доходы; доходные статьи

## Grammar Revision: The Present Continuous Tense

<b>Утвердительная форма</b>	
<i>I am speaking English.</i>	<i>We are speaking English.</i>
	<i>You are speaking English.</i>
<i>He is speaking English.</i>	<i>They are speaking English.</i>
<i>She is speaking English.</i>	
<b>Вопросительная форма</b>	
<i>Are the prices rising?</i>	
<b>Отрицательная форма</b>	
<i>The prices are not rising.</i>	

## 14 Translate into English:

Цены на этот товар растут в странах Европейского Союза?  
Как считает автор этой статьи, цены постоянно снижаются.  
Судя по этой информации, производство быстро растёт.  
Вы изучаете в колледже экономику европейских стран?  
Какую экономическую тему вы сейчас изучаете?

## 15 Make the following sentences passive, like this:

*They are maintaining the demand. →  
The demand is being maintained.*

They are rising prices.  
We are doing some research work now.  
The company is steadily increasing their sales revenue.  
The experts are discussing this problem now.  
We are comparing these two figures.  
The students are preparing reports for tomorrow.

## Articles

### 16 Write similar phrases:

*English — the English language. — He is learning English.  
He is reading these articles in English.*

Scottish	French
Welsh	German
Irish	Spanish

*It is an English newspaper. — It is yesterday's newspaper. —  
The newspaper said so.*

English journal	Italian newspaper
English magazine	Portuguese magazine
Asian newspaper	Japanese journal

### 17 Translate into English:

Это зарубежное издание.  
Вы читаете вчерашний номер газеты «Экономика и жизнь»?  
В журнале отмечается, что его вклад в экономику значителен.  
Автор статьи пишет, что его считают основателем этой теории.  
В статье объясняются основные причины этого явления.

## Study sentence patterns!

- *I have never seen this newspaper.*
- *Neither have I.*

### 18 Translate the following pairs of the sentences into Russian and make a few similar ones:

*I have never read this newspaper.*

— *Neither have I.*

*I did not read any newspapers yesterday.*

— *Neither did I.*

*I shall not read this book.*

— *Neither shall I.*

*I haven't completed the work.*

— *Neither have I.*

*I cannot speak French.*

— *Neither can I.*

*I shan't be able to learn these terms.*

— *Neither shall I.*

## Work on the words!

*to do — to make*

### 19 Make sentences with these word combinations:

*to do* {  
work  
research work  
translation  
an exercise  
lessons  
homework

*to make* {  
progress  
a report  
a mistake  
analysis  
a change  
a transfer of funds

### 20 Translate into English:

- Вы уже сделали всю работу?
- Нет, я думаю, что все сделаю только на следующей неделе.
- А какую работу вы выполняете сейчас?

— Я делаю перевод очень большой статьи по микроэкономике с английского на русский. Но перевод идет очень медленно, я не хочу делать ошибок.

## Have another look at the conversation and ...

### 21 Answer these questions:

- 1) About what did the teacher and students speak?
- 2) What did the students say about reading newspapers?
- 3) What did they say about the popularity of *The Times*?
- 4) With what economic notion did they connect the popularity of the newspaper?

### 22 Read the questions paying attention to the intonation:

Do you sometimes read English <sup>ˈ</sup>newspapers?

Have you ever read *The* <sup>ˈ</sup>*Times*?

Is it a very popular newspaper in <sup>ˈ</sup>England?

What ideas does it <sup>ˈ</sup>illustrate?

### 23 Read the following paying attention to the sound [ŋ]:

frankly speaking

relating to economics

judging by this item

the demand is growing

he is doing some work

the sales revenue is growing

### 24 a Read all the sentences the students said in that conversation.

b Enact a similar conversation.

### 25 Translate the description of an economic term and guess what the term is:

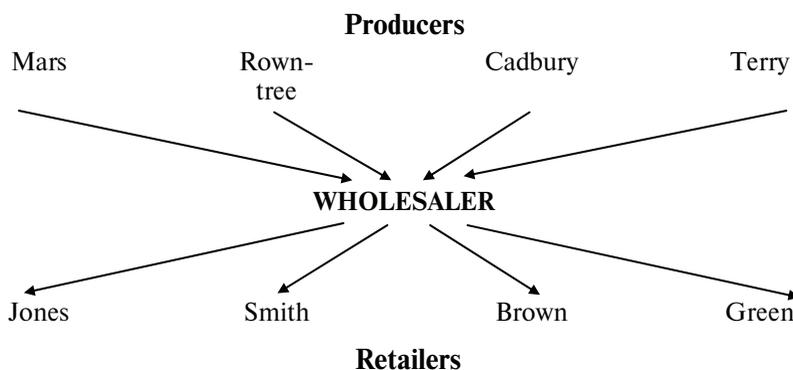
... — is the income generated from the sale of goods and services. It depends upon the volume of a product sold and the price of the product.

Terms:     *sales tax*  
              *sales revenue*  
              *sales representative*

## Text: Retailers and wholesalers

All the firms can be grouped into *wholesalers* and *retailers*. The figure below shows how they fit into the various stages in the production of chocolate.

The wholesaler buys goods in bulk from producers and sells them in small quantities to retailers. In doing so he helps production, relieves manufacturers and retailers of the risk of a fall in demand, e.g. fashion changes. The holding of stocks is in itself a valuable economic function evening out prices resulting from temporary changes in demand and supply.



## Do you know these words?

<b>retailer</b> <i>A retailer is a tradesman who sells by retail.</i>	[ri:'teɪlə]	розничный торговец <i>Розничный торговец — это торговец товаром в розницу.</i>
<b>wholesaler</b> <b>to fit</b>	[ˈhəʊl,seɪlə]	оптовый торговец соответствовать, годиться
<b>to buy (bought, bought)</b> <b>to sell (sold, sold)</b> <b>in bulk</b>	[baɪ, bo:t]	покупать продавать гуртом, навалом, в массе
<b>quantity</b> <b>to relieve smb of smth</b>	[ˈkwɒntɪtɪ] [rɪ'li:v]	количество освобождать кого-либо от чего-либо

supply	[sə'plai]	предложение
supplies		запас(ы)
to hold (held, held)		держать; проводить
stocks		запасы
temporary	['tempərəri]	временный

## Work on the words and patterns!

### 26 Read these groups of words and translate them into Russian:

to sell — seller — sale — sales — salesman

wholesale — wholesales — wholesale business — wholesale price  
— wholesale dealer — wholesaler

retail business — retail price — retail dealer — retailer

### 27 Combine two sentences using *and in doing so*, as in the example:

*The wholesaler buys goods in bulk. It helps production. →  
The wholesaler buys goods in bulk **and in doing so** he helps  
production.*

- 1) The wholesaler buys goods in bulk. It relieves the manufacturer of various risks.
- 2) The wholesaler sells goods in small quantities to retailers. It helps retail business.
- 3) The wholesaler sells goods in small quantities to retailers. It relieves the retailer of various risks.

### 28 Make sentences and translate them into Russian paying attention to the word *to result*:

It resulted from the changes	}	in demand
		in supply
		in business
		on the market
		at the exchange
It resulted in	}	higher prices
		higher rates of unemployment
		better working conditions
		diversified exports

## Revise Grammar!

### 29 Insert the correct articles:

The holding of stocks is ... valuable function.

This firm is ... wholesaler.

This company is ... retailer.

They specialize in ... retail business.

Their retail business is associated with the risk of ... fall in demand.

It is ... valuable function evening out prices.

It is ... valuable function minimizing risks.

## Have another look at the text and...

### 30 Write down a few short sentences defining the term *wholesaler* and translate them into Russian.

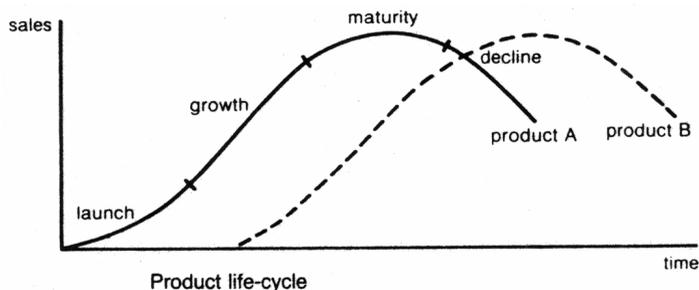
### 31 Compare your definition with the following one:

*Wholesalers* — intermediaries between producers and retailers. The main functions of wholesalers are breaking bulk (buying in large packages and selling in smaller ones), warehousing, delivery, and the provision of credit.

### 32 Answer these questions based on the figure:

- 1) Is the name of the wholesaler given in the figure?
- 2) Are Mars, Cadbury and the others, producing companies?
- 3) Have you met their names earlier?
- 4) What do you know about them, if anything?
- 5) Who are the retailers of chocolate?
- 6) Are these the proper names of the retailers?
- 7) Do you think they sell only chocolate in their shops?

## Text: Product life-cycle



As the above figure shows **product life-cycle** consists of four main phases:

- (a) product *launch/introduction*, which follows the successful development of a new product and its national launch.
- (b) product *growth* phase, where the product gains market acceptance and sales grow rapidly as the product reaches the mass market.
- (c) product *maturity/saturation*, where sales are largely limited to repeat purchases by existing customers.
- (d) product *decline*, where sales begin to decline as consumer tastes change or superior products are launched.

Most companies market a number of different products and must formulate a product-range strategy, providing for a regulated process of new product launches. While older products like A in the figure reach maturity new products like B are growing.

## Do you know these words?

<b>launch</b>	[lo:ntʃ]	выпуск (товара на рынок)
<b>rapidly</b>		быстро
<b>maturity</b>	[mə'tju:ri:tɪ]	зрелость, завершенность
<b>purchase</b>	['pɜ:tʃəs]	покупка

to decline

падать, сокращаться

to provide for smth

предусматривать что-либо

## Work on the words!

### 33 Read and translate these words:

cycle

saturation

introduction

figure

strategy

successful

phase

superior

national

product

inferior

customer

### 34 Write and translate the corresponding verbs:

launch

introduction

maturity

purchase

development

market

decline

existence

trade

### 35 Translate into Russian:

to gain market acceptance

active market

to reach the mass market

black market

to market products

home market

### 36 Have a look at the above text and translate into English:

обеспечивать регулируемый процесс

вырабатывать стратегию, ориентируясь на выпускаемую продукцию

испытывать определенные ограничения из-за того, что покупки делаются уже сложившимся к тому моменту контингентом покупателей

следовать за успешным созданием нового продукта

### 37 Translate the last paragraph of the text.

## Newspaper item: **Green shoppers are growing in number**

When Philips produced its first eco-friendly light bulb it had high hopes for the product, whose technology meant it used 75 per cent less energy than incandescent bulbs. Sales failed to take off, however, until the Californian energy crisis hit.

The company redesigned the product — with a standard screw base and a traditional glass bulb shape instead of unorthodox looking tubes. It changed the name from Earthlight to Marathon, and played down the environmentally friendly aspects of the bulb, stressing its longer life. Sales took off immediately.

The story sheds light on consumer attitudes to environmentally friendly products. While green shoppers are growing in number, they remain a niche of younger, affluent buyers. Most are not prepared to buy green products unless they are superior and cheaper. Consumers are more influenced by the image they have of companies than the individual goods they buy.

A US market research company found that only 29 per cent of participants had recently bought a product because the label claimed it was environmentally safe or biodegradable.

*Note:* bulb — лампочка  
screw — винт

### **38 Have a look at the item and translate into English:**

Объем продаж не увеличился.

Объем продаж сразу увеличился.

Разразился энергетический кризис.

Компания изменила дизайн этого товара.

Количество потребителей экологически чистых овощей и фруктов растет.

На потребителей больше влияет наименование компании-изготовителя.

отношение потребителя к экологически чистым продуктам  
многочисленные покупатели

### **39 Choose one paragraph of the item which you find most important and translate it into English. Justify your choice.**

## Newspaper item: **Record industry turns fire on individual piracy**

The US recording industry, struggling to combat declining music sales, is considering legal action against individuals who intentionally allow mass copying of music from their computers.

Until now the Recording Industry Association of America (RIAA), which represents the companies responsible for 90 per cent of all sound recordings sold in the US, has concentrated on 'peer-to-peer' services such as Napster and Audiogalaxy that allow file-swapping.

But the RIAA is now canvassing its members to see if there is an appetite to file suits against individuals, who offer the largest boards of songs on peer-to-peer services.

At the same time, the RIAA is campaigning for the Department of Justice to do more to crack down on those who offer large amounts of music on popular peer-to-peer networks such as Morphueus, which have filled the void left by the closure of Napster.

### **40a Retell the item.**

#### **b Answer these questions:**

- 1) What do you know about the companies mentioned in the item?
- 2) What is the idea of peer-to-peer services?
- 3) Does Russia recording industry face piracy problems?
- 4) What is being done to combat the problem?
- 5) Are declining sales at the bottom of the problem?

#### **c Look through the material of this lesson and write an essay** *What efforts do companies make to combat declining sales?*

Dialogue:	<b>A stockbroker</b>
Annotation:	<b>Economics and Culture</b>
Texts:	<b>The economy</b> <b>Economic activity and business cycle</b> <b>Economic man</b>
Newspaper item:	<b>Eurozone economic growth to slow in second half</b>
Grammar Revision:	<b>The Past Perfect Tense</b> <b>Modal verbs</b> <b>The Past Continuous Tense</b> <b>Articles</b>
Word formation:	<b>Suffixes of adjectives</b>

## Dialogue: **A stockbroker**

Once at an informal party two post-graduates (A and B) who had not met for rather a long time, were speaking about their university mates and friends:

*A:* Fred is remarkable! There isn't much he doesn't know.

*B:* I think it's his natural curiosity. He wants to know every thing. He doesn't just scratch the surface, either. He really gets to the bottom of things.

*A:* Do you know what he explained to me today? The ins and outs of the stock market. He knows all about Wall Street — all these stocks, shares, stock exchange quotations and what not.

*B:* Is he a stockbroker?

*A:* If I'm not mistaken, he is.

*B:* I have to confess something. I didn't think much of Fred at first.

- A:* I understand. He's very quiet. He doesn't make a good first impression. But he grows on you after a while.
- B:* He's a far cry from his brother. Pete talks all the time and doesn't say anything, either.
- A:* There are too many Petes in the world.
- B:* And not enough Freds.

## Do you know these words?

<b>stockbroker</b>	[ˈstɒkˌbrɔʊkə]	фондовый брокер (член фондовой биржи, занимающийся операциями по поручению клиентов и за комиссионное вознаграждение)
<b>mate</b>		товарищ, сокурсник
<b>curiosity</b>	[ˌkjʊərɪˈɒsɪtɪ]	любопытство
<b>to scratch the surface</b>		относиться к чему-либо поверхностно
<b>bottom</b>		дно; суть
<i>to get to the bottom of things</i>		дойти до сути вопроса, понять, что к чему
<b>the ins and outs</b>		все детали и подробности
<b>stock market</b>		фондовый рынок
<b>stocks</b>		акционерный капитал
<b>shares</b>		акции
<b>exchange</b>	[ɪksˈtʃeɪndʒ]	биржа
<b>at the exchange</b>		на бирже
<b>stock exchange</b>		фондовая биржа
<b>commodity exchange</b>		товарная биржа
<b>quotation</b>	[kwəʊˈteɪʃn]	котировка (цены, курса, ставки)
<b>to grow on smb</b>		нравиться все больше и больше
<b>a far cry from smth/smb</b>		большая разница с..., далеко не...

## Grammar Revision: **The Past Perfect Tense**

<b>Утвердительная форма</b>		
<i>I had read it</i>		<i>We had read it.</i>
	<i>You had read it.</i>	
<i>He had read it.</i>		<i>They had read it.</i>
<i>She had read it.</i>		
<b>Вопросительная форма</b>		
<i>Had you read it?</i>		
<b>Отрицательная форма</b>		
<i>I had not read it.</i>		

### **1 Translate into Russian:**

The prices had decreased by that time.

They did not increase sales because the production had dropped by 1 per cent.

We managed to maintain the demand as we had studied the market thoroughly.

The revenue grew as the exports had increased significantly.

I wanted to read this journal. I had never read an American journal or magazine.

I planned to visit this town last June. I had never been there before.

### **2 Translate into English:**

Экспорт этих товаров возрос, так как спрос резко увеличился.

Оптовики хотели увеличить закупки. Все запасы к этому времени они уже продали.

Их розничная торговля сократилась из-за того, что они закрыли самый большой магазин.

Запасы уменьшились, так как все контракты были выполнены.

Прежде чем переводить большую статью по экономике, он купил несколько новых словарей по этой тематике.

### **3 Use the right verb in Past Perfect, Passive and translate the sentences:**

<p>They sold this car when all the other cars ...</p> <p>We discussed this problem when the production problem ...</p> <p>We launched the product on this market when proper advertising ...</p> <p>We didn't know what to do. No book on this issue ...</p> <p>I couldn't buy this magazine, it ...</p> <p>I helped him with the documents. They ... by that time.</p>	<p>to settle</p> <p>to organize</p> <p>to export</p> <p>to sell out</p> <p>to prepare</p> <p>to publish</p>
---	---

## Work on the words!



### 4 Use *too* or *either* and translate these sentences:

I like this film ...

I haven't done this exercise ...

They provided for a regulated process of new product launches ...

Sales had begun to decline ...

Sales grew rapidly as the product had reached the mass market ...

Most consumers are not prepared to buy these goods ...

The label did not say the product was biodegradable ...

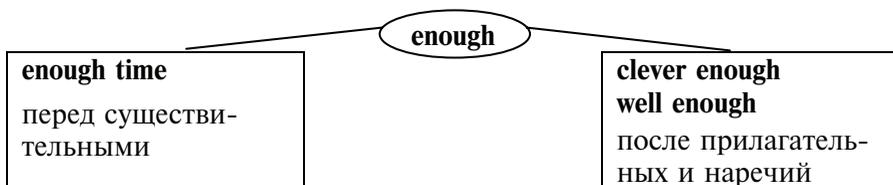
### 5 Translate into English:

Эта газета тоже писала о производстве пиратских звукозаписей.  
Компания также выпустила большое количество компакт-дисков.

Они тоже были недовольны качеством поставленного товара.

Мы тоже не смогли сделать этот перевод.

Я тоже никогда не бывала в этих местах.



## 6 Translate into Russian:

Average daily sales were not high enough.  
 The increase of production was not big enough either.  
 The retailers did their business in the region well enough.  
 We had enough information on this research work of the scientists.  
 There are enough readers interested in this kind of books.  
 The newspaper had been popular enough before the beginning of this century.

## 7 Translate into English:

Они выровняли цены достаточно быстро.  
 Завод имел достаточно запасов сырья и полуфабрикатов.  
 Диаграмма была достаточно четкой и понятной.  
 Их стратегия поведения на рынке была достаточно обоснована.  
 Компания изменила дизайн своего нового продукта достаточно быстро.

## 8 Match the English and Russian equivalents:

stockbroker	агент по операциям с недвижимостью
foreign exchange broker	маклер на денежном рынке
grain broker	агент по покупке и продаже иностранной валюты
insurance broker	брокер фондовой биржи
money broker	брокер по продаже и покупке зерна
real estate broker	маклер по фрахтованию судов
shipping broker	страховой маклер

**9 Complete the sentences by using the words from the dialogue:**

Fred explained to me the ... of the stock market.  
He knows all about Wall Street — all these ... and what not.  
If I'm not mistaken he is a ...  
He is remarkable. There isn't much ...  
He just doesn't scratch ...  
He wants to get to ...  
I think it's also his natural ...

**10 Read these phrases paying attention to the sound [r]:**

there isn't much	there are too many	after a while
there is no word	there are a few	after April
there is a problem	there are no people	before April
there is a good idea	there are not many people	before exams

**11 Read these sentences paying attention to the intonation:**

Do you know what he <sup>↑</sup> said?	How had he done <sup>↓</sup> that?
Do you know how he explained it?	Who spoke before Ann?
Is he a stockbroker too?	When did the two speak?
Are there any questions?	About what did they speak?

**12 Repeat what compliments the two friends paid to Fred.**

**13 a Write out the sentences which the friends said about:**

- 1) Fred's weak points
- 2) his brother

**b Enact the dialogue of the two friends.**

**c Answer these questions:**

- 1) Did you like the talk of the two friends?
- 2) Did they sound like two chatter-boxes?
- 3) Why do you think they spoke so long about Fred?
- 4) Have you met people like him?
- 5) Do you know any stockbrokers or people working at exchanges, personally?
- 6) What do you think about their work?

## Annotation of the book: **Economics and Culture**

David Throsby  
Macquarie University, Sydney

In an increasingly globalised world, economic and cultural imperatives can be seen as two of the most powerful forces shaping human behaviour. This book considers the relationship between economics and culture both as areas of intellectual discourse, and as systems of social organisation.

Adopting a broad definition of culture, it explores the economic dimensions of culture, and the cultural context of economics. The book is built on a foundation of value theory, developing the twin notions of economic and cultural value as underlying principles for integrating the two fields. Ideas of cultural capital and sustainability are discussed, especially as means of analysing the particular problems of cultural heritage, drawing parallels with the treatment of natural capital in ecological economics.

The book goes on to discuss the economics of creativity in the production of cultural goods and services; culture in economic development; the cultural industries; and cultural policy.

"What a pleasure to read an economic analysis of culture and cultural critique of economics by a well-trained, thoroughly cultured economist! This is a book we all ought to read."

*Mark Blaug, University of Amsterdam*



### Do you know these words?

<b>behaviour</b>	[bɪ'heɪvjə]	поведение	
<b>discourse</b>	[dɪs'ko:s]	рассуждение,	лекция,
		доклад, речь	
<b>dimension</b>	[dɪ'menʃn]	измерение	
<b>to sustain</b>	[sə'steɪn]	выдерживать;	подкреп-
		лять	
<b>heritage</b>	['herɪtədʒ]	наследие	

## Grammar Revision: **Modal verbs**

<b>can</b>	(мочь; уметь)	<i>The book <b>can</b> be bought in any shop.</i>
<b>may</b>	(мочь; иметь разрешение / возможность)	<i>She <b>may</b> go shopping tomorrow.</i>
<b>must</b>	(быть должным)	<i>I <b>must</b> help her.</i>
<b>shall</b>	(быть должным / установленным)	<i>The shoppers <b>shall</b> leave parcels in the cells.</i>
<b>should</b>	(быть должным / рекомендуемым)	<i>You <b>should</b> wait for me outside.</i>
<b>ought</b>	(быть должным / настоятельно рекомендуемым)	<i>You <b>ought</b> to buy and read this book.</i>

### **14 Read and translate the sentences:**

The negotiations may start next week in the capital of Sweden.  
He can speak a few rare foreign languages, but he can't write in these languages.

We should be very careful in using idiomatic expressions.

Shall I translate the text now?

May I come in?

I must work as hard as I can.

The weather may change tomorrow.

### **15 Translate the sentences using the verb *may*:**

Возможно, цены повысятся, если евро будет расти.

Возможно, спрос на эти товары возрастет к концу года.

На бирже могут произойти серьезные изменения буквально завтра.

Котировки этих акций могут также измениться.

Это, возможно, скажется на фондовых рынках в других странах.

### **16 Read and complete the sentences the way you like:**

You should learn the terms ...

He can speak ...

I ought to read ...

They should discuss ...

I must work ...

She ought to do ...

## Word formation: **Suffixes of adjectives**

<i>culture</i> + <b>-al</b> = <i>cultural</i>
<i>economy</i> + <b>-ic</b> = <i>economic</i>
<i>power</i> + <b>-ful</b> = <i>powerful</i>
<i>value</i> + <b>-able</b> = <i>valuable</i>

### **17 Translate the adjectives and write the words from which they are formed:**

remarkable	variable	suitable
changeable	profitable	countable
exchangeable	marketable	fashionable
understandable	readable	charitable

### **18 Form adjectives with the help of the suffixes and translate the adjectives:**

<b>- al</b>	<b>- ive/-tive</b>	<b>- ent/-ant</b>
environment	to relate	to differ
industry	to comprehend	to observe
government	quality	<b>-ese</b>
form	quantity	China
nation	result	Japan

### **19 Translate the adjectives, underline the suffixes, and add nouns with which these adjectives can be used:**

intellectual	significant	scientific	meaningful
societal	theoretical	academic	careful
productive	permissible	successful	plentiful
voluntary	customary	beautiful	tactful

## **Have another look at the annotation and ...**

### **20 Translate these word combinations into English:**

мир, в котором процесс глобализации идет все сильнее и сильнее

самые мощные силы

поведение человека

взаимоотношения между экономикой и культурой

сфера интеллектуального мышления  
принять широкое толкование термина  
понятие ценности

## 21 Translate the longest paragraph into Russian.

## 22 Answer the questions:

- 1) Does this book seem interesting to you?
- 2) Who praised this book highly?
- 3) What do the following terms mean?
  - cultural goods and services
  - cultural industries
  - cultural policy

### Text: **The economy**

The words *the economy* are words we hear or read almost every day. For example, we may be told that the world economy is 'in the doldrums', or 'the European economy is making little progress out of recession', or 'the UK economy is beginning to recover', or 'the Scottish economy has held up relatively well during the recent recession'.

But what is meant by the economy? What is an economy? What happens in one? How does an economy work?

The economy is a social mechanism which answers these three questions. The economy means a system for the management, use and control of the money, goods and other resources of a country, community or household.

## Do you know these words?

<b>in the doldrums</b>	['doldrəmz]	в упадке, в состоянии застоя
<b>recession</b>	[rɪ'seɪn]	спад
<b>to recover</b>	[rɪ'kʌvə]	оживляться, выздоравливать
<b>to hold up well</b>		показать себя с хорошей стороны, выстоять, сохранять свои позиции
<b>control</b>	[kən'trəʊl]	управление; регулирование; контроль

<b>community</b>	[kə'mju:nɪtɪ]	жители отдельного района, местности, община
<b>household</b>		семья, домашнее хозяйство

## Grammar Revision: The Past Continuous Tense

<b>Утвердительная форма</b>	
<i>I was reading it.</i>	<i>We were reading it.</i>
<i>He was reading it.</i>	<i>You were reading it.</i>
<i>She was reading it.</i>	<i>They were reading it.</i>
<b>Вопросительная форма</b>	
<i>Were you reading it?</i>	
<b>Отрицательная форма</b>	
<i>I was not reading anything.</i>	

### 23 Use the verbs in Past Continuous and translate the sentences:

- I (*to write*) something when he came in.  
 While he (*to study*) the table the other students (*to discuss*) the graph.  
 What he (*to do*) when you returned home?  
 What rules the teacher (*to explain*) when the bell rang?  
 When they (*to build*) this factory they found some strange relics.  
 He came to London in May. At that time his colleagues (*to deliver*) lectures in Glasgow University.  
 Manufacturing figures (*to improve*) and had shown the first positive quarterly rise since the end of 2001.

### 24 Translate into English:

- Конференция началась 2 декабря 2002 года. В это время они заканчивали работу над очень важной проблемой.  
 Он заболел, когда его коллеги готовили доклад по результатам исследований.  
 Во время его работы в этой стране большинство секторов экономики страны было на подъеме (*to enjoy a widespread boom*).

Уровень жизни населения стран Западной Европы постоянно рос.

Россия увеличивала экспорт сырья в различные регионы мира.

## Articles

### 25 Read the word combinations paying attention to the articles and use them in sentences of your own:

the UK economy	to be out of recession
the Scottish economy	to be in the doldrums
the European economy	to make little progress out of recession
the world economy	
the Russian economy	to enjoy a widespread boom

## Study sentence patterns!

### 26 Combine two sentences, as in the example, and translate them into Russian:

*The economy is a social mechanism. This mechanism answers the three questions. → The economy is a social mechanism answering the three questions.*

- 1) The economy is a system. This system covers the management, use and control of various resources.
- 2) The economy means a system. The system manages and controls resources of a country, community or households.
- 3) Economic and cultural imperatives can be seen as two of the most powerful forces. These forces shape human behaviour.
- 4) The entertainment industry is a very large sector. It becomes one of the most prominent globally as well.
- 5) Record industry turns fire on individual piracy. This piracy causes declining music sales.

## Have another look at the text and...

### 27 a Read and translate the titles speaking about:

- 1) the world economy
- 2) the European economy
- 3) the UK economy
- 4) the Scottish economy

**b Answer these questions:**

- 1) What is meant by *the economy*?
- 2) What is an economy?
- 3) What happens in an economy?
- 4) How does an economy work?

**28 Complete the sentences by using the words from the text:**

The economy is a social ... which answers these three questions.

The economy means a system for the ... of the money, goods and other resources of ... .

**29 Translate the definition of the term *the economy* given at the end of the text.**

**Newspaper item: Eurozone economic growth to slow in second half**

Eurozone economic growth is likely to ease in the second half of this year after a better performance in the first quarter than official statistics suggest, according to a growth indicator produced for the *Financial Times*, *FT Deutschland* and *Les Echos*.

The indicator, compiled by a consortium of European economic research institutes, estimates that year-on-year *gross domestic product* (GDP) growth will be 1.8 per cent in the third quarter and 1.7 per cent in the fourth.

Overall, annual growth this year is likely to be about 1.5 per cent, at the upper end of the European Central Bank's forecasts.

The main surprise in the consortium's report came from its estimate of GDP growth in the first quarter of this year. According to Eurostat, the European Union's statistical agency, the 12-nation eurozone grew at a quarter-on-quarter rate of 0.3 per cent from January to March. But according to the consortium's indicator, growth in this period was substantially stronger.

Seasonally adjusted unemployment in the eurozone rose to 8.4 per cent in June from 8.3 per cent in May, Eurostat said yesterday.

## Do you know these words?

<b>to suggest</b>	[sə'dʒest]	1) предлагать
<b>according to</b>		2) говорить о, означать согласно, в соответствии с, по словам, по мнению, по сообщению
<b>to estimate</b>	['estimeɪt]	оценивать, давать оценку
<b>to forecast</b>	['fo:kɑ:st]	прогнозировать
<b>rate</b>		размер; темп; процент; ставка
<b>at a rate of</b>		в размере, по, по ставке
<b>substantially</b>	[səb'stænlɪ]	значительно
<b>seasonally ad-justed</b>		с учетом сезонных колебаний

## Work on the words!

### 30 Translate the adjectives and write the words from which they are formed:

official	upper	substantial
financial	European	seasonal
annual	Asian	statistical

### 31 Read and translate the sentences paying attention to the verb/noun *estimate*:

The institute *estimates* that the GDP growth will be 1.8 per cent (one point eight per cent).

Experts were surprised by the *estimate* of GDP growth in the first quarter.

The firm *estimated* the cost of the work at \$180,000 (one hundred and eighty thousand dollars).

We *estimate* that it would take three months to finish the work.

The contractors could not give a rough *estimate* of the cost.

The builders did not exceed their *estimate*.

They *estimate* his income at about £500,000.

**32 Combine two sentences using the words *according to*, as in the example, and translate the sentences:**

*Growth in this period was substantially stronger. The consortium's indicator showed it.*

*Growth in this period was substantially stronger **according to** the consortium's indicator.*

- 1) The Eurozone economy has grown this year. The growth indicator showed it.
- 2) GDP growth will be 1.8 per cent. The *Financial Times* said so.
- 3) Overall annual growth will be about 1.5 per cent. The European Central Bank authorities stated that.
- 4) The Eurozone grew at a rate of 0.3 per cent from January to March. Eurostat declared that.
- 5) Unemployment rose to 8.4 per cent in June. Eurostat published this figure.
- 6) The number of people out of work in the UK is 3.062m. The recent report of Department of Employment stated that.

**33 Translate into English:**

Как сообщает министерство труда и занятости, количество безработных в августе увеличилось на 1,2%.

По сообщениям Европейского статистического агентства, рост ВВП Еврозоны в прошлом квартале составил 2%.

Как заявил руководитель агентства, по сравнению с предыдущим кварталом показатели не изменились.

Как сообщалось в докладе, ориентировочная сумма проекта составляет 8 млн долларов.

**Study sentence patterns!**

**34 Translate the sentences paying attention to the sentence pattern:**

*The growth is likely to ease.*

Вероятно, рост несколько уменьшится.

The economic growth *is likely to* slow down.

The annual growth *is likely to* be about 1 per cent.

The economy *is likely to* recover soon.

According to the newspaper another crisis *is likely to* hit the community.

They *are likely to* start producing a new model next quarter.

Sales *are likely to* grow substantially, according to the industry spokesman.

He *is likely to* come very soon.

Вероятно, они опубликуют эти статистические данные в следующем номере журнала.

Вероятно, годовой отчет будет учитывать сезонные поправки.

Вероятно, правительство предложит новые меры для сокращения безработицы.

**35 Write these titles as full sentences, paying attention to the fact that articles, prepositions, parts of predicates and other auxiliary words are often missing in titles:**

*Eurozone economic growth to slow in second half = The Eurozone economic growth is likely to slow down in the second half of the year.*

- 1) Record industry turns fire on individual piracy
- 2) Green shoppers are growing in number
- 3) Swedish economy flourishes
- 4) Strong growth in sight at Reed
- 5) Jobs and prices data cheer US
- 6) Pressure on Fiat chief as 1,200 jobs go
- 7) Volvo reports earnings up 27%

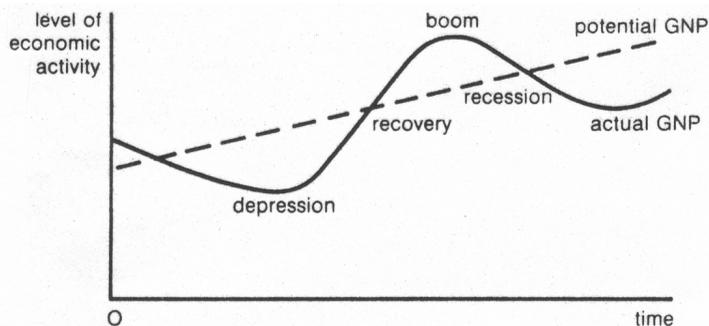
**Have another look at the newspaper item and ...**

**36a Answer these questions:**

- 1) What is Eurostat?
- 2) How many countries made the Eurozone at that time?
- 3) What newspapers produced the growth indicator mentioned in the item?
- 4) How many indicators did the item compare?
- 5) What were the unemployment figures for the Eurozone?
- 6) In how many sentences would you sum up the information?

**b Sum it up.**

## Text: Economic activity and business cycle



Business cycle. Fluctuations in the level of economic activity.

The **business cycle** shows fluctuations in the level of **economic activity** alternating between period of depression and boom conditions.

The business cycle is characterised by four phases:

- depression*, a period of rapidly falling aggregate demand accompanied by very low levels of output and heavy unemployment;
- recovery*, an upturn in aggregate demand accompanied by rising output and a reduction in unemployment;
- boom*, aggregate demand reaches and then exceeds substantial output levels, as the peak of the cycle and full employment are reached;
- recession*, the boom comes to an end, and is followed by recession. Aggregate demand falls, bringing with it falls in output and employment.

## Do you know these words?

fluctuation	[ˌflʌktjuˈeɪʃn]	колебание
level	[ˈlevl]	уровень
aggregate	[ˈægrɪgeɪt]	совокупный, суммарный
in the aggregate		в совокупности
to exceed	[ɪkˈsi:d]	превышать

## Revise Grammar!

### 37 Use the verbs in Present Indefinite Active or Passive and translate the sentences:

The diagram (*to show*) fluctuations in the level of economic activity.

The business cycle (*to alternate*) between depression and boom.

It (*to characterise*) by four stages.

Depression usually (*to accompany*) by low output and unemployment.

In boom conditions aggregate demand (*to exceed*) substantial output level.

During this period full employment (*to reach*).

### 38 Translate into English:

Рост суммарного спроса сопровождается увеличением объема производства.

Оживление экономики сопровождается сокращением безработицы.

При спаде деловой активности рост экономики прекращается.

За подъемом экономической активности следует спад.

Совокупный спрос падает.

## Work on the words!

### 39 Make a few sentences of your own using the following word combinations:

in the aggregate

in general

in the original

in many cases

in the singular

in this particular case

in the plural

in any case

### 40 Match and translate the antonyms:

depression

recovery

recession

boom

aggregate

rise

upturn

individual

low

partial

heavy

falling

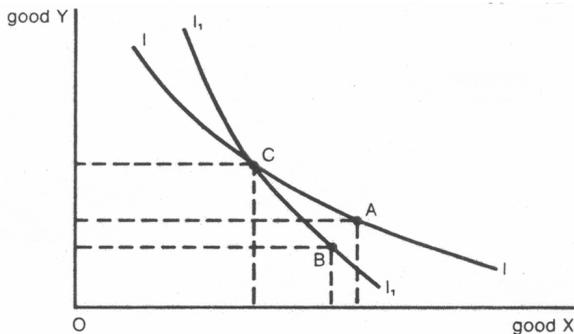
rising

increase

reduction	downturn
full	high
fall	light, some
recovery	recession

## Text to translate: **Economic man**

There is an assumption in economic theory that individuals act rationally in specifying their objectives and then take decisions which are consistent with those objectives. Thus, the businessman will set a goal of profit maximization and will adjust his output and price to achieve his goal. The consumer will try to maximize his utility or satisfaction and will determine his purchases in the light of his tastes for products and the relative prices of those products. Here is an illustration of rational consumer choice:



The graph demonstrates why a consumer's indifference curves cannot cross. Indifference curves  $I$  and  $I_1$  show a consumer's preference between two products,  $X$  and  $Y$ .

Point  $A$  on indifference curve  $I$  represents a higher level of satisfaction to the consumer than point  $B$  on indifference curve  $I_1$ , because point  $A$  represents more of both products than point  $B$ .

Yet point  $C$  lies on both curves. This suggests that the consumer will prefer the combination of goods indicated by point  $A$  to the combination represented by point  $B$  and will regard them as equal at point  $C$ .

If the consumer is rational, such an inconsistent set of preferences would not arise; thus indifference curves do not intersect.

Dialogue:	<b>Selling cars</b>
Newspaper items:	<b>Toyota profits boosted by weak yen and strong sales</b> <b>In the industry biosphere, only the strongest survive</b> <b>H &amp; M market conditions improving</b>
Text:	<b>Market schema</b>
Annotation:	<b>From Silicon Valley to Singapore</b>
Grammar:	<b>Participle I</b> <b>The Rules of the Sequence of Tenses</b> <b>Attributes</b>
Word formation:	<b>Prefixes of adjectives</b>

**Dialogue: Selling cars**

An English young lady (*L*) has come to the premises of a car dealer. The salesman (*S*) is coming up to the lady.

*S*: Are you interested in a Peugeot?

*L*: Oh, yes. My husband says I could buy a car for my own use. I think I like Peugeots. My friend has bought one recently and she simply adores it.

*S*: We have a fantastic deal for you on the Peugeot 205 range.

*L*: May I see one?

*S*: Follow me, please.... Here it is. It was delivered only the day before yesterday.

*L*: Oh, I like it. I remember my husband mentioning the 205s.

*S*: When you buy a Peugeot 205 from us, not only will you get a great price for your old car but — would you believe it — we

guarantee to exchange it within 12 months and credit the original price you paid.

*L:* And no depreciation?

*S:* No depreciation whatsoever.

*L:* Oh, I'll speak to my husband and I hope I'll take it. Could I telephone you if I have some questions?

*S:* Naturally.

*L:* What's the phone number?

*S:* Here is the card.

*L:* Thank you.

*S:* You are more than welcome.

## Do you know these words?

premises

['premisɪz]

помещение, помеще-  
ния (с прилегающими  
участками земли)

deal

range

to credit an amount  
to smb / to smb's ac-  
count

depreciation

[di,prɪ:ʃi'eɪʃn]

сделка, соглашение  
сфера, область, ам-  
плитуда, диапазон  
перевести сумму ко-  
му-либо / на чей-  
либо счет  
снижение стоимости,  
скидка на износ;  
амортизация, изна-  
шивание

## Work on the words!

### 1 Read and translate these words:

to deal — deal — to make a deal — dealer — retail dealer —  
wholesale dealer — dealing — dealings — dealing room — dealing  
operations

### 2 Read and translate the words, say how the nouns are formed:

to credit — credit  
to guarantee — guarantee

to depreciate — depreciation  
to adore — adoration

to exchange — exchange

to interest — interest

to use [z] — use [s]

to mention — mention

to sell — sale

to think — thought

to believe — belief

to speak — speech

### 3 Say what parts of speech the words in italics are:

We have a fantastic *deal* for you.

Most probably they *deal* in new and second-hand cars.

They *guarantee* to exchange the car within 12 months.

I don't know what *guarantee* is usually granted in similar cases.

The salesman says they credit the original price paid if the car is *exchanged*.

The salesman mentions the terms of *exchange*.

## Revise Grammar!

### 4 Change these sentences to make them shorter, omitting the conjunction *which*, as in the example:

*We shall credit the original price which you paid.* →  
*We shall credit the original price you paid.*

He showed the lady the car *which* they had received the day before.

He recommended her buying a Peugeot *which* they could exchange within 12 months.

The lady had an old car *which* she could sell.

Peugeot was the make *which* the lady adored.

It was the Peugeot 205 range *which* her husband had mentioned, as far as the lady remembered.

### 5 Translate into Russian paying attention to the Rules of the Sequence of Tenses:

As soon as the salesman came up to her she said she was interested in a Peugeot.

She said her friend had bought a Peugeot some time before and adored it.

Then she said her husband recommended her buying a Peugeot 205. To my mind, the lady practically said she would buy a Peugeot. She also added she would telephone if she had some questions.

## Grammar Revision: **The Rules of the Sequence of Tenses**

<b>Direct Speech</b> ( <i>прямая речь</i> )	<b>Indirect Speech</b> ( <i>косвенная речь</i> )
<i>'I am a student', he said.</i>	<i>He said he was a student.</i>
<i>'I have passed all the exams', he said.</i>	<i>He said he had passed all the exams.</i>
<i>'I'll be an economist', he added.</i>	<i>He added he would be an economist.</i>
<i>'Will you be an economist too?' he asked.</i>	He asked if I <i>would be</i> an economist too.
<i>'When will you graduate from the University?' he inquired.</i>	Then he inquired when I <i>would graduate</i> from the University.
Если в главном предложении глагол употребляется в прошедшем времени ( <i>said, asked, wondered, answered, replied, confirmed, denied, ...</i> ), то в дополнительном придаточном предложении, отвечающем на вопрос «что?», глагол также употребляется в одном из прошедших времен.	

### **6 Translate into English:**

Преподаватель спросил, готовы ли мы к экзамену по экономической теории.

Менеджер сказал, что скидка на износ составляет 5%.

Они не знали, каков был диапазон цен.

Газеты сообщали, что накануне был подписан еще один контракт с этой компанией.

В статье было сказано, что в связи с этими событиями стране будет предоставлен дополнительный кредит.

## 7 Complete these sentences:

The newspaper said the rate of unemployment...

The author emphasized that official figures of...

We knew that the stock market...

The graph showed that wholesales had...

Media experts believed that electronics...

One of the students explained that...

## Have another look at the dialogue and ...

### 8 Read the following paying attention to the sounds [s] and [z]:

my husband says so

follow me, please

for my own use

here it is

my friend has bought one

it was delivered yesterday

recently

it was sold yesterday

she simply adores it

you get a great price

### 9 Read the sentences paying attention to the intonation:

Are you interested in a Peu<sup>^</sup>geot?

What's the phone <sup>^</sup>number?

May I see <sup>^</sup>one?

What do you <sup>^</sup>think of it?

Could I telephone you if I have some

Where may I <sup>^</sup>see it?

<sup>^</sup>questions?

How <sup>^</sup>much is it?

And no depreci<sup>^</sup>ation?

What are the guaran<sup>^</sup>tees?

### 10a Find the English equivalents in the dialogue:

— Я должна буду что-то заплатить при возврате автомобиля?

— Нет, платить ничего не нужно.

### b Repeat all the sentences:

which the lady said

which the salesman said

### c Enact the dialogue.

## Newspaper item: **Toyota profits boosted by weak yen and strong sales**

Toyota Motor, the world's third largest carmaker, yesterday reported that its first-quarter operating profits increased by more than a third, boosted by a weak yen and strong sales of luxury vehicles in the US.

The first quarterly results in the company's 65-year history showed a 35.4 per cent increase in operating profits to ¥394.5bn (\$3.26bn) during the three months to the end of June.

The decision to move to quarterly reports system reflects Toyota's desire to bring its accounting in line with US corporate practice, commensurate with its status as a fully globalised Japanese industrial company.

The strong first quarter performance was attributed to the combined effects of healthy US sales of luxury models such as its Lexus saloon, the benefits of a soft yen and the company's cost-cutting programme.

Toyota said its market share in Japan for the first quarter was 42.8 per cent, excluding mini-vehicles, a decrease in terms of unit sales of 44,000 units.

The company's declining popularity in the face of stiff competition in Japan is one of the main challenges it faces in the coming months.

Overseas sales increased 27.6 per cent to 1m units, most of them in the US. European sales rose by 27,000 units.

Total sales for the period were 1.5m vehicles, an increase of 13.2 per cent compared with estimates for the same period last year.

### **Do you know these words?**

**to boost**

**operating profit**

**vehicle**

**commensurate**

**to exclude**

[kə'menʃərət]

[ɪk'sklu:d]

поднимать, повышать  
прибыль от производст-  
венной деятельности  
перевозочное средство  
(автомобиль, вагон, по-  
возка и т.д.)

соответственный, со-  
размеренный  
исключать

stiff

сильный, крепкий, устойчивый

challenge

вызов, сложная задача, проблема

## Grammar: Participle I

В английском языке два вида причастий: *причастие настоящего времени (Participle I)* и *причастие прошедшего времени (Participle II)*.

**Participle I** образуется с помощью окончания **-ing**, добавляемого к инфинитиву без частицы *to*:

*to operate* — ***operating***

*to begin* — ***beginning***

*to copy* — ***copying***

В предложении Participle I может выполнять следующие функции:

- части сказуемого

*The prices are **increasing**.*

- определения

*They spoke about **increasing** prices.*

- обстоятельства времени (часто с союзами *when*, *while*)

*They diversified the production **increasing** the prices for many products.*

*The company made a few contracts **when visiting** this African country.*

На русский язык Participle I переводится как глагол, прилагательное, деепричастие, существительное (с предлогом).

### 11 Read the sentences and underline Participles I, translate the sentences:

Its market share was 42.8 per cent excluding mini-vehicles.

The company's declining popularity is one of the main challenges.

Toyota faces these challenges in the coming months.

The strong performance was attributed to the company's cost-cutting programme and other factors.

In an increasingly globalised world, economic imperatives can be seen as a most powerful force shaping human behaviour.

Adopting a broad definition of culture, the work explores the economic dimensions of culture.

## 12 Translate into English using Participles I:

*При посещении* компании они обратили внимание на новые производственные помещения.

*Заключая сделку*, они поставили вопрос о гарантиях.

*Говоря* о снижении стоимости оборудования, они не называли никаких цифр.

Представители фирмы отметили *увеличивающийся* ассортимент продукции.

*Меняющиеся* экономические условия вызвали *изменения* спроса на рынке.

## Articles

*a 35.4 per cent increase*  
*a thirty five point four per cent increase*

## 13 Read and translate into Russian:

a 10.6 per cent decrease

a 80 per cent share of the market

a 3.2 per cent rise

a 5 per cent discount off the prices

a 1.8 per cent drop

a thirty day delay in the deliveries

a 2.3 per cent fall

a ten room house

## 14 Use the Indefinite Article where necessary:

The first quarterly results showed ... 35.4 per cent increase in operating profits.

The operating profits increased by ... 35.4 per cent.

The increase was ... 35.4 per cent.

Prices are ... 4.9 per cent up this month, according to the *Financial Times*.

The rise of ... 11.4 per cent is a record figure this month.

Production this month is running ... 9.2 per cent above last month.

Output of cars in the UK continues to rise steadily, ... increase of 5.4 percent exceeds last month figures.

Output for export continued to climb with ... 6.5 per cent rise to 74,424.

## 15 Translate into English:

Увеличение затрат составило 4,6%.

Специалисты говорили об увеличении экспорта страны на 5%.

На совещании было отмечено, что рост продаж на 3% был результатом большой рекламной кампании.

Необходимо было добиться сокращения расходов хотя бы на 2%.

## Prepositions

### 16 Make a few sentences paying attention to the prepositions and translate them into Russian:

*Output rose (by) three per cent to seventy four thousand four hundred and twenty four.*

exports / to fall / 2 per cent / 355,444

imports / to rise / 5 per cent / 277,554

automobile production / to rise / 1.5 per cent / 111,890

crockery sales / to fall / 2.7 per cent / 22,370

linen sales / to increase / 4.08 per cent / 307,005

unemployment rate / to fall / 1.07 per cent / 899,600

## Have another look at the newspaper item and ...

### 17a Write out the principal clauses from the first three sentences, like this:

Toyota Motor yesterday reported that...

**b Underline subjects and predicates in the remaining principal clauses.**

**c Translate the first and the last sentences.**

**d Answer these questions:**

- 1) How is the company of Toyota Motors characterised in the newspaper?
- 2) What are the other two largest carmakers in the world?
- 3) What is the situation on the car market now?

**e Translate into English:**

В статье говорится о сильной конкуренции на этом рынке.

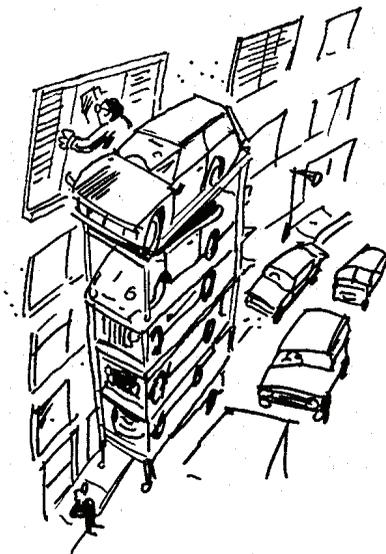
Доля этой компании на внутреннем рынке Японии составляла 42,8%, не считая мини-автомобилей.

Прибыль от производственной деятельности увеличилась более чем на треть.

Прибыль возросла в результате ослабления иены и успешных продаж автомобилей класса люкс в США.

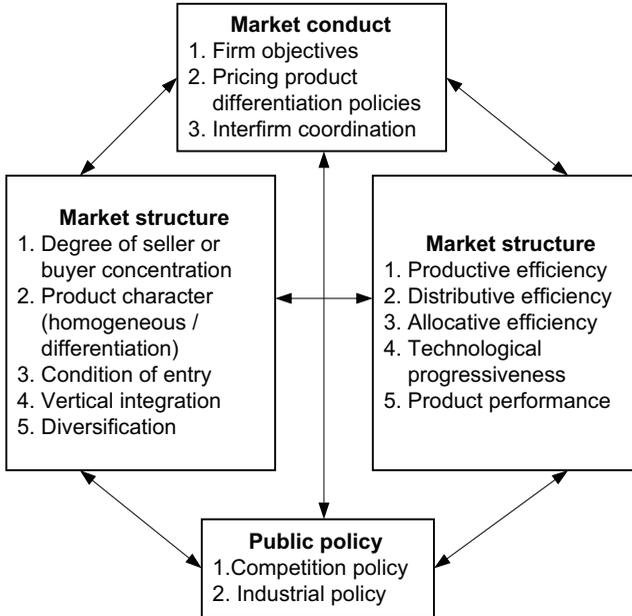
**f Translate these sentences into Russian and say what you see in the cartoon:**

In Tokyo, the pressure on space is so great that in some residential neighbourhoods, a parking space costs £1,00 a month. To economize on this expensive space — and to lower the cost of car ownership and hence boost the sale of cars — car producers have developed a parking machine that enables two cars to occupy the space of one.



## Text: Market schema

Market structure — conduct — performance schema is an analytical framework to investigate the operation of market processes.



Markets are ultimately judged in terms of their economic performance, that is, how well they have contributed to the achievement of optimal economic efficiency. Market performance is determined fundamentally by the interaction of market structure and market conduct. The schema attempts to identify those structural and conduct parameters which have a strategic influence on market performance.

The schema is useful to public-policy makers to improve market performance. Such measures can operate on market structure, for example, to prohibit mergers which increase market concentration or to encourage mergers in industries suffering excess capacity. Alternatively, such measures may operate on market conduct, for example, to eliminate excess profits if price-fixing agreements between firms are prohibited. Additionally, the authorities may operate directly on market performance and regulate the prices charged by monopolistic suppliers.

## Do you know these words?

<b>conduct</b>	[ˈkɒndʌkt]	поведение, ведение, руководство
<b>to conduct</b>	[kənˈdʌkt]	сопровождать, руководить
<b>framework</b>		структура, рамки
<b>to frame</b>		создавать, строить
<b>efficiency</b>	[ɪˈfɪʃənsɪ]	эффективность, производительность
<b>allocation</b>		распределение; ассигнование
<b>to prohibit</b>	[prəˈhɪbɪt]	запрещать
<b>merger</b>		поглощение, слияние
<b>to encourage</b>	[ɪnˈkʌrɪdʒ]	поощрять, поддерживать
<b>to seek (sought, sought)</b>		искать; разузнавать
<b>to eliminate</b>	[ɪˈlɪmɪneɪt]	устранять

## 18 Read and translate these words, underline the suffixes of nouns and adjectives:

structure	analytical	to investigate
schema	ultimate	to judge
performance	ultimately	to contribute
operation	optimal	to determine
process	fundamental	to interact
achievement	fundamentally	to identify

## 19 Translate the adjectives, write the words from which they are formed and add nouns with which these adjectives can be used:

structural _____	alternative _____
strategic _____	additional _____
useful _____	monopolistic _____
excess _____	analytical _____

## Grammar: Attributes

В предложении в функции **определения** могут употребляться следующие части речи:

*перед* определяемым существительным

прилагательное	<i>analytical framework, economic performance</i>
порядковое числительное	<i>the first question, the third line</i>
другое существительное	<i>market performance, conduct parameters</i>
причастие I	<i>declining sales, increasing prices</i>

*после* определяемого существительного

количественное числительное	<i>Lesson 1, Exercise 10</i>
другое существительное с предлогом	<i>achievement of efficiency</i>
причастие с пояснительными словами	<i>industries suffering excess capacity</i>

Если перед определяемым существительным стоит несколько других существительных в роли определения, перевод такого сочетания обычно начинается с последнего определяемого существительного:

*a market research company*  
компания, занимающаяся исследованием рынка

### 20 Underline the attributes and translate these word combinations:

car dealer	the first quarterly results
original price	increase in operating profits
the world's third largest carmaker	environmentally friendly products
its first-quarter operating profits	product-range strategy
strong sales of luxury vehicles	changes in demand and supply

## Have another look at the text and ...

**21a Underline attributes and nouns they relate to; translate the word combinations into Russian**

**b Translate into English:**

монопольные поставщики  
поставщики-монополисты  
стратегическое влияние на состояние рынка  
соглашения, фиксирующие на определенное время определенную цену  
отрасли промышленности, в которых наблюдается избыток производственных мощностей  
схема взаимодействия структуры, поведения и состояния рынка

**c Translate the text into Russian.**

### Newspaper item: **In the industry biosphere, only the strongest survive**

Clusters is a term given to geographical areas in which a large number of companies working in the same industry or sector have concentrated. They are a common feature of active and healthy economies.

Examples include Silicon Valley in California, the high-technology and biotechnology concerns around Cambridge in the UK, and the aerospace and engineering companies around Toulouse in France.

Companies in a cluster are locked together in a kind of interdependence, like organisms in a biosphere. They compete for market share, employees and resources. They also rely on each other. Acting together, they generate skills and knowledge of their particular sector that form a kind of critical mass on which all the members can draw.

Clusters often begin with a single company: Silicon Valley's technology cluster famously began with Hewlett-Packard. These successful companies generate talented managers and entrepreneurs, who in time leave to set up new concerns. As these grow, skilled employees begin to migrate between businesses, seeking the best opportunities.

There are really only two ways to survive in a cluster environment long-term: to grow continuously into the biggest fish in the pond, or to develop self-dependent systems and move out, relocating to a region where competition will be less vigorous. The former strategy was adopted by Larry Ellison at Oracle, who saw early that the only way to win in Silicon Valley was to become big. The latter path was pursued by Bill Gates and Paul Allen at Microsoft; they preferred independence and moved to the Pacific north-west.

Clusters are often favoured by politicians and economic planners, who see opportunities for overall prosperity. But working in a cluster is not for the faint-hearted. They offer little security and few safety nets. As in a biosphere, only the strong survive.

## Do you know these words?

to survive	[sə'vaɪv]	пережить, выдержать, остаться в живых
cluster		пучок, гроздь, группа
entrepreneur	[,ɑ:ntrəprə'nɔ:]	предприниматель
vigorous	['vɪgərəs]	сильный, энергичный
former		первый (из двух вышеупомянутых); бывший
latter		последний (из двух вышеупомянутых)

## Word formation: Prefixes of adjectives

*healthy* — **un***healthy*  
*dependent* — **in***dependent*  
*mature* — **im***mature*  
*legal* — **il***legal*  
*responsible* — **ir***responsible*  
*satisfied* — **dis***satisfied*  
*annual* — **bi***annual*  
*dependent* — **inter***dependent*

## 22 Underline prefixes and translate the adjectives:

interactive	improbable	unmanageable	imperfect
irrational	unmistakable	inaccessible	unbelievable
immeasurable	bilingual	unacceptable	disagreeable

## 23 Form adjectives and choose nouns with which they can be used, translate the word combinations you will get:

<i>un-</i>	<i>in-</i>	way	measure
natural	secure	country	invitation
changeable	consistent	weather	conduct
wealthy	formal	smiles	policy
skilled	direct	worker	profit
real	different	people	plan

## 24 Read and translate these nouns, write the words from which they are formed:

survival	competition	employee
concentration	success	manager
lock	migration	politician
share	development	ecologist
organism	relocation	scientist
generation	preference	actor
knowledge	prosperity	actress

## Work on the words!

## 25 Match the synonyms and translate them into Russian:

former	second	prosperous	weak
latter	total	faint	successful
overall	first	vigorous	strong

## 26 Use the right prepositions and translate the sentences:

Clusters often begin ... a single company.		for on
Then ... this geographical area a lot of other companies working in the same industry start concentrating.		

Companies ... a cluster are locked together ... a kind of interdependence.	with between in to of into
They are competing ...market share, relying ... each other at the same time.	
Everybody knows that Silicon Valley's technology cluster began ... Hewlett-Packard.	
Soon skilled employees begin to migrate ... businesses.	
Entrepreneurs relocate ... a region where competition will be less vigorous.	

## Revise Grammar!

<i>a lot of, a great deal of</i>	(с исчисляемыми и неисчисляемыми существительными)
<i>a great/large number of</i>	(с исчисляемыми существительными)

### 27 Use one of the above expressions paying attention to the articles and translate the sentences into Russian:

Usually ... companies working in the same industry or sector concentrate in clusters.

... experts are employed here.

They generate ... talented managers and entrepreneurs.

They generate skills and ... knowledge of their particular sector.

The company exports ... vehicles to various countries of the world.

... coffee has been exported to the European countries this year.

... people start to buy products which are environmentally safe or biodegradable.

### 28 Translate into English:

МНОГО	{	новых концернов фирм людей стран товара металла пшеницы	МНОГО	{	знаний работы усилий средств денег сведений новостей
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**29 Underline Participles I, write in what function (attribute/adverbial modifier/part of a predicate) they are used and translate the sentences:**

Clusters is a term meaning geographical areas in which a large number of companies working in the same industry or sector have concentrated.

As clusters grow, skilled employees begin to migrate between businesses, seeking the best opportunities.

They can develop self-dependent systems and move out, relocating to a region where competition will be less vigorous.

The US recording industry, struggling to combat declining music sales, is considering legal action.

At the same time, the Recording Industry Association of America is campaigning for the Department of Justice to do more to crack down on those pirates.

**30 Translate into English observing the Rules of the Sequence of Tenses:**

Он сказал, что читал много статей о новом экономическом образовании.

Газеты писали, что произошло слияние двух крупных компаний.

Они отметили, что новый концерн имеет большие возможности для успешной деятельности на мировом рынке.

Правительство надеялось, что этот новый промышленный район привлечет многих квалифицированных рабочих.

Мы знали, что в этой конкурентной борьбе выживут только самые сильные.

**Have another look at the newspaper item and ...**

**31a Answer these questions:**

- 1) What is a cluster?
- 2) What clusters in the US, the UK and France did the newspaper mention?
- 3) How do clusters begin?
- 4) What are the two alternatives for clusters to develop?
- 5) Do clusters offer security to all?

**b Retell the item.**

## Annotation of the book: **From Silicon Valley to Singapore**

*Location and Competitive Advantage in the Hard Disk Drive Industry*  
David G. McKendrick  
University of California

Developments in the global economy over the last two decades have dramatically increased the availability of industrial investment sites and lowered the cost of relocating core activities. But how should these developments be exploited for competitive advantage? Firms face competing pressures: scale economies and the advantages of proximity push them to concentrate activities in one or only a few locations, while low wages and new markets invite dispersal across several countries.

This book examines how location decisions have contributed to the global dominance of US firms in the hard disk drive industry, with research and development located principally in California and manufacturing based in Southeast Asia, particularly in Singapore, Thailand and Malaysia. Beyond the particulars of the hard disk drive industry, the authors present new perspectives on the sources of industrial leadership, the strategic behaviour of multinational corporations, the geographic evolution of industry, and the creation and endurance of industrial clusters.

Many governments are attempting to produce their own Silicon Alley, Silicon Glen or Silicon Fen.

The special character of the region is not to be found in technological breakthrough, but rather in the ability to turn ideas into products through the swift formation of new firms. Underpinning this ability are seven key factors: a favourable regulatory environment, the free circulation of ideas, a high-quality and mobile workforce, an open business environment, the existence of research universities and institutions, a high quality of life, and a business infrastructure which can supply expertise in finance, law, accounting, headhunting, marketing and equipment provision.

## Do you know these words?

<b>advantage</b>	[əd'vɑ:ntɪdʒ]	преимущество
<b>proximity</b>	[prə'ksɪmɪtɪ]	близость
<b>to push</b>	[puʃ]	нажимать, проталкивать, двигать
<b>endurance</b>	[ɪn'dʒʊərəns]	выносливость, стойкость
<b>to underpin</b>		поддерживать, подкреплять

## Work on the words!

### 32 Match the English and Russian equivalents:

scale economies	заработная плата
location	экономия, обусловленная ростом масштаба
wages	производства
dispersal	господство, влияние, преобладание
dominance	рассеивание, рассредоточение
research	развитие, разработка
development	исследование
developments	местонахождение
manufacturing	события
breakthrough	прорыв, шаг вперед
	производство, обрабатывающая промышленность

### 33 Use the right word and translate the sentences:

Developments in the global economy over the last two ... have increased the number of industrial investment sites.	location
A few factors push them to concentrate ... in one or only a few locations.	activities
This book examines how location ...contribute to the global dominance of US firms in this industry.	decade
Manufacturing in the hard disk drive ... is based in Southeast Asia.	behaviour
The authors present new perspectives on the strategic ... of multinational corporations.	industry
	decisions
	advantage

### 34 Translate into English:

основная активность	значительно увеличиться
события	предлагать опыт и знания
эволюция этой отрасли	обеспечивать оборудование
возникновение и выживание	представлять новые перспективы
технический прорыв	пытаться создавать
быстрое создание	приглашать, поощрять
быстрый рост	обеспечивать кого-либо оборудо-
преимущество	ванием

### Revise Grammar!

#### 35 Underline Participles I and translate the sentences:

This tendency lowered the cost of relocating core activities.

There are seven key factors underpinning this ability.

Many governments are attempting to produce their own Silicons.

Firms face competing pressures.

There are a few firms competing for these contracts.

#### 36 Use the verbs in Present Perfect and translate the sentences:

Changes and developments in the global economy for the last two decades (*to lower*) the cost of relocating core activities.

They (*to create*) a few industrial clusters this century.

The production (*to increase*) dramatically.

The cost of relocating core activities (*to lower*) significantly.

### Have another look at the annotation and ...

**37a** Underline the sentence which seems most important to you and translate it.

**b** Say if you would read this book or not and give your reasons for that.

## Newspaper item to translate: **H & M market conditions improving**

Hennes & Mauritz, the international fashion retailer, yesterday reported stronger-than-expected sales growth in July and said market conditions were improving in its US stores.

Sales in July were 18 per cent above the same month a year earlier and, although the company didn't release like-for-like figures, it said that it had only increased the number of stores by 10 per cent during the period.

The company also said it did not expect any material impact from the floods in Europe — Austria and Germany account for more than a third of sales — which had closed some stores.

Leif Persson, chief financial officer, said the sales increase had been broadly the same across most countries. The group has more than 800 stores in Europe and the US.

In the past year, the company has worked to cut inventories to reduce the need for discounted sales. 'We have probably had the right garments in the shops and we have been able to display them well. We have not had a lot of old garments around and this gives the new item a better visibility,' Mr Persson said.

H & M entered the US market in March 2000 and has struggled with costs and lower-than-expected sales. Mr Persson said growth in the first half had been 'a little bit slower' than in the rest of the group, but that it was 'getting better all the time'.

Earlier this year, the company said it was halving the pace of its US expansion in order to focus on existing stores. It now has 34 in the US and is expected to open another eight or nine before the end of the year.

Sagra Maceira de Rosen, analyst at JP Morgan, said: 'H & M typically outperforms higher-priced rivals in weak market conditions as shoppers seek cheaper purchases.'

**38 Write an essay on one of these topics using the material of the lesson and other English/Russian sources:**

- 1) *Market schema and conditions*
- 2) *Growing production and clusters*
- 3) *Producing and selling cars*

Lecture:	<b>Price elasticity</b>
Text:	<b>Price support</b>
Newspaper items:	<b>N Korea forced to lift food prices sharply</b> <b>Renewed fund buying pushes gold higher</b>
Business letter:	<b>Regretting price increase</b>
Annotation:	<b>Bimetallism</b>
Grammar:	<b>The Gerund</b> <b>Tag-questions</b> <b>General negative questions</b> <b><i>if-, when-</i> clauses</b> <b>The Present Perfect Continuous Tense</b>
Word formation:	<b>Suffixes and prefixes of verbs</b>

### Lecture: **Price elasticity**

Good morning everyone. Today we're going to investigate the price elasticity of demand for football tickets. Let's start by looking at the table.

**The price elasticity of demand for football tickets**

(1) Price (£/ticket)	(2) Quantity of tickets demanded (thousands/game)	(3) Price elasticity of demand
12 50	0	$-\infty$
10 00	20	-4
7 50	40	-1,5
5 00	60	-0,67
2 50	80	-0,25
0	100	0

Now have a look at column one. As you can see, this shows price cuts of two pounds fifty. By considering the effects, the effects of price cuts of two pounds fifty, we can calculate the price elasticity of demand at each price. The price is shown in column three. But how have we calculated this? Let me explain. Let's, as an example, take the price of ten pounds which you can see in the table. As you can see, there is a corresponding quantity of twenty thousand tickets demanded. Have you all got that? Good. Let's consider a price cut to seven pounds fifty. There is a price change here of minus twenty five per cent, isn't there? From ten pounds to seven pounds fifty.

Now look at the corresponding change in the quantity of tickets demanded, in the next column, column two. The change in the quantity demanded is a hundred per cent, isn't it? From twenty thousand tickets to forty thousand tickets. I'll pause for a moment so you can look at that.

All right? Now, there is a hundred per cent change, and a twenty five per cent change in price. OK? So we divide a hundred by minus twenty five, which gives the answer minus four. So we say the demand elasticity at ten pounds is minus four. This sign? Haven't you come across it before? It means divided by.

Now, you calculate elasticities in the same way, that is dividing by percentage change in quantity by the corresponding percentage change in price. By dividing the percentage change in quantity by the corresponding percentage change in price.

Notice one thing here in the table. That is that we begin from the price of twelve pounds fifty the demand elasticity is minus infinity. Why is this so? Any suggestions? Well, it's simply because the percentage change looks like this. Do you see now? Any positive number divided by zero yields plus infinity. Now, when we then divide by the minus twenty per cent change in price, that's from twelve pounds fifty to ten pounds, we obtain, get, minus infinity as the demand elasticity at this price.

## Do you know these words?

<b>elasticity</b>	[,elə'stɪsɪtɪ]	эластичность
<b>to investigate</b>	[ɪn'vestɪɡeɪt]	исследовать, изучать; расследовать
<b>to consider</b>	[kən'sɪdə]	рассматривать, считать, учитывать
<b>to divide</b>	[dɪ'vaɪd]	делить
<b>infinity</b>	[ɪn'fɪnɪtɪ]	бесконечность
<b>to yield</b>		производить, давать

<b>yield</b>	[jɪ:lɪd]	доход, доходность; урожай; количество произведенного продукта, ВЫХОД
<b>to obtain</b>	[əb'teɪn]	получать

## Grammar: The Gerund

**Герундий** — форма, характерная для английского языка, но отсутствующая в русском языке.

Герундий, как и причастие I, образуется с помощью окончания **-ing**, добавляемого к инфинитиву без частицы *to*.

Основные функции герундия в предложении:

- 1) часть сказуемого после глаголов *to start, to begin, to continue, to go on, to stop*: *He started **reading** this book yesterday.*
- 2) определение с предлогами *of, for*: *She knows these rules **of reading**.*
- 3) обстоятельство с предлогами *after, before, by*: ***After reading** a few books on this topic she wrote a very good essay.*
- 4) подлежащее: ***Writing** is essential for us.*
- 5) дополнение после глаголов *to like, to enjoy, to prefer, to dislike, to hate, to suggest, to allow*: *I like **speaking** English.*

На русский язык герундий может переводиться инфинитивом, существительным, деепричастием, придаточным предложением.

### 1 Read the sentences, underline the Gerunds and translate these sentences:

Let's start by looking at this table.

By considering the effects of price cuts we can calculate the price elasticity.

The author spoke about the principles for intergrating economic and cultural values.

Some individuals intentionally allow mass copying of music from their computers.

Cambridge University Press devotes itself to printing and publishing literature on various subjects for students and researchers.

Understanding the difference between the Gerunds and Participles I will help you to understand the structure and hence the meaning of the sentence.

## 2 Use the Gerunds of the right verbs and translate the sentences:

There are many ways of ... Grammar rules.	to smoke
I'm glad he gave up ... cigarettes.	to buy
We knew they were interested in ... these goods from wholesalers.	to learn
I object to your ... there.	to say
He kept silent for fear of ... criticised.	to be
He left without ... good-bye.	to go

## 3 Make word combinations and translate them into Russian:

*Ford / to export cars → Ford's policy of exporting cars*

General Motors / to export cars

Procter and Gamble / to export cosmetics

Microsoft / to sell computer software

Bosch / to sell household goods

Tefal / to sell electrical appliances

## 4 Translate into English using Gerunds:

Они искали пути *улучшения* сотрудничества с этой страной.

Когда они начали *изучать* экономическую теорию?

Вы знаете метод *получения* этих данных?

Они опубликовали эту статью *после того, как были исследованы* все необходимые условия.

Компания начала *выпускать* эти диски десять лет назад.

## Tag-questions

*You know this, **don't you?***

*You don't know this, **do you?***

*There is a question, **isn't there?***

*There are no questions, **are there?***

## 5 Read paying attention to the intonation and translate the sentences:

There is a price change \here,} / isn't there?

The change is a hundred per \cent,} / isn't it?

You haven't read the text, have you?

You can easily make these calculations, can't you?  
They have not completed the investigation, have they?  
The company will use this method, won't it?  
He hasn't written an essay, has he?  
She passed her exam yesterday, didn't she?

## 6 Translate into English:

Это заключительная часть лекции, не так ли?  
Лектор — профессор Московского университета, да?  
Это лекция для студентов, изучающих экономику труда, ведь так?  
Вы же не были на лекции по экономическому анализу, ведь это так?  
Вы идете сейчас на семинар по экономике фирмы, да?

## General negative questions

<i>Haven't you come across this before?</i> <i>Разве вы не встречались ранее с этим?</i>
---

## 7 Translate the sentences paying attention to this difference:

*Have you read this item?*      *Вы (не) читали эту статью?*  
*Haven't you read this item?*      *Разве вы не читали эту статью?*

Вы не записали эти цифры?  
Разве вы не изучали эту тему?  
Вы не помните названия этой книги?  
Вы не могли бы мне помочь перевести этот текст по макро-экономике?  
Разве вы не знаете имени этого ученого? Он опубликовал много книг по экономике.

## 8 Translate these questions, make them negative and translate them again:

Have you read this part of the lecture?  
Did you do your homework yesterday?  
Are there any mistakes?  
Are you going to the theatre tomorrow?  
Do you like traveling in Russia?  
Have you started reading the book he gave you yesterday?  
Have you come across the term 'elasticity' before?

## Study sentence patterns!

*let us do smth*  
*let smb do smth*

давайте сделаем что-либо  
позволить/разрешить кому-либо  
сделать что-либо

### 9 Translate into Russian:

Let me explain this.

Let's take the price of ten pounds as an example.

Let's consider a price cut to seven pounds fifty (pence).

Let me repeat that any positive number divided by zero yields plus infinity.

Let me remind you that the word *yield* can be used both as a verb and as a noun.

Let's remember a few other words which can be used the same way.

### 10 Say in what situations a person can say the following:

Let me introduce myself.

Let me repeat this rule.

Let me answer your questions.

Let's sum it up.

Let me help you.

Let's have a look at this table.

### 11 Translate into English:

Давайте посмотрим на первую колонку этой таблицы.

Посмотрим, что происходит, когда цена уменьшается на 2,5 фунта.

Давайте рассмотрим уменьшение цены до 7,5 фунтов.

Разрешите мне привести другой пример.

## Work on the words!

*Per cent (percent) — percentage*

*one per cent*

*the percentage*

*one point five per cent*

*what percentage*

### 12 Use the right word, either *per cent* or *the percentage*; read and translate the sentences:

There is a price change here of minus twenty five ...

The change in the quantity demanded is a hundred ...

There is a hundred ... change.  
 Will you repeat ..., please.  
 I am sorry I don't know ...  
 What is ... of the change?  
 Divide this number by the minus twenty ... change in price.  
 What ... of his income is paid as income tax?

### 13 Translate into English:

Цена изделия уменьшается на 25%.

Я не знаю, на сколько процентов выросли цены на этот товар в прошлом году.

Разрешите мне назвать этот процент. Я думаю, вы согласитесь со мной.

Они уже определили процент дохода, не так ли?

Процент можно рассчитать по этой формуле.

### Saying '0': *oh, nought, zero, nil, love*

<i>oh</i>	after a decimal point	5.03	<i>five point oh three</i>
	in telephone numbers	67 01 28	<i>six seven oh one two eight</i>
	in hotel room numbers	Room 206	<i>room two oh six</i>
	in bus numbers	No.701	<i>number seven oh one</i>
	in years	1905	<i>nineteen oh five</i>
		2003	<i>two thousand and three</i>
<i>nought</i>	before the decimal point	0.5	<i>nought point five</i>
<i>zero</i>	for the number	0	<i>the number zero</i>
	for temperature	-5°C	<i>five degrees below zero</i>
<i>nil</i>	in football scores	5-0	<i>five nil</i>
<i>love</i>	in tennis scores	15-0	<i>fifteen love</i>

### 14 Read aloud the following:

The price elasticity of demand for 60,000 football tickets is - 0,67.

The price elasticity for 80,000 football tickets is - 0,25.

The increase in production amounted to 5.09%.

The difference was 1.002%.

The exact figure is 0.03.

They are in Room 804 now.

It's 30 degrees below 0 today!

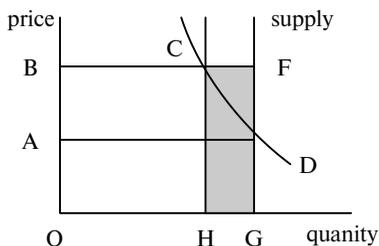
That day it was 35 degrees above 0.  
 The score was 2-0 to Juventus.  
 She won twenty love.

## Have another look at the text of the lecture and ...

- 15a** Read the first two paragraphs paying attention to the intonation.
- b** Underline the predicates in the sentences of the other two paragraphs and say in what tenses the verbs are used.
- c** Translate the last two paragraphs into Russian.

### Text: Price support

Price support is a means of supporting the incomes of certain producers by administratively maintaining the prices of their products above market price. In many countries, price support systems are used specifically to assist the agricultural sector by ensuring an adequate level of total farm incomes. In the figure below, the equilibrium market price is OA.



If this price is considered too low to adequately remunerate farmers the government will set a support price, say OB, at which it is prepared to buy up any unsold output. At the support price of OB, the government is then committed to acquiring the unsold output of CF at a total cost equal to the shaded area CFGH. The main problems with the price support method are that it penalizes consumers and results in wasteful over-production. The price support method is used as the basis of the common agricultural policy of the European Union countries.

## Do you know these words?

support		поддержка
to ensure	[ɪn'ʃʊə]	обеспечивать, гарантировать, ручаться
to insure	<i>Am.</i>	
to remunerate		вознаграждать, оплачивать, компенсировать
to commit		брать на себя обязательство
to acquire	[ə'kwɪɪə]	приобретать
to shade		затенять, штриховать
wasteful		расточительный

## Grammar Revision: *if-, when- clauses*

*If you read the text you will get the answer.*

*When I read the text I shall take some notes.*

### 16 Underline *if-* and *when-* clauses and translate the sentences:

If the price is considered too low the government will set a support price.

If I understand the lecture I will certainly take proper notes.

When they remunerate all the expenses they will start producing another model.

If he acquires sufficient knowledge he will start research work.

As soon as he comes he will send us all the necessary information.

He will study the problem thoroughly before he makes a report.

### 17 Use the verbs in Present Indefinite or Future Indefinite and translate the sentences:

If the producers (*to ask*) the government for help, most probably they (*to get*) it.

They (*to turn*) to the government authorities if they (*not to ensure*) an adequate level of income.

Before he (*to start*) doing this exercise he (*to refresh*) the rules.

I (*to telephone*) you as soon as I (*to get*) home.

We (*to discuss*) this topic after we (*to collect*) all the necessary materials.

If the scientist (*to get*) an invitation he (*to participate*) in the conference.

## 18 Translate into English:

Доходы компании возрастут, если необходимые меры будут приняты в течение двух месяцев.

Если вы посмотрите на заштрихованный квадрат на графике, вы легко ответите на этот вопрос.

Фермеры получают финансовую поддержку, после того как правительство примет соответствующее решение.

## 19 Underline the Gerunds and translate the sentences:

Price support is a means of supporting farmers.

The government supports producers by administratively maintaining the prices.

In these cases the government is committed to acquiring the unsold output.

There are some other ways of supporting producers.

They are certainly interested in getting price support.

The government suggested reconsidering this proposal.

## 20 Underline the attributes and translate these word combinations:

price support system

price elasticity of demand

price support method

price cuts

adequate level of incomes

a twenty five per cent change in price

European Union countries

corresponding percentage change

## Word formation: Suffixes and prefixes of verbs

suffixes	prefixes
<i>penal — to penalize</i>	<i>to order — to <b>re</b>order</i>
<i>special — to specify</i>	<i>to lead — to <b>mis</b>lead</i>
<i>multiple — to multiply</i>	<i>to believe — to <b>dis</b>believe</i>
	<i>to lock — to <b>un</b>lock</i>
	<i>to pay — to <b>over</b>pay</i>
	<i>to base — to <b>de</b>base</i>
	<i>large — to <b>en</b>large</i>

**21 a Translate the verbs and write the words from which they are formed:**

to finalize	to testify	to purify	to personify
to criticize	to certify	to simplify	to modify

**b Form and translate verbs:**

<i>re-</i>	<i>mis-</i>	<i>dis-</i>	<i>un-</i>
to write	to interpret	to satisfy	to mask
to read	to spell	to organize	to nerve
to open	to pronounce	to qualify	to leash
to construct	to understand	to regard	to do

<i>over-</i>	<i>de-</i>	<i>en-</i>
to estimate	to grade	courage
to come	to nationalise	list
to crowd	to classify	rich
to tax	to code	sure

**Work on the words!**

**22 Translate the nouns and write the corresponding verbs:**

maintenance	penalty	specification
remuneration	wastes	assistance
commitment	support	consideration
acquisition	production	shade

**23 Match and translate the synonyms:**

to acquire	to help	to ensure	to trade
to assist	to keep	to commit	to lose
to penalize	to obtain	to waste	to guarantee
to maintain	to punish	to market	to oblige

**24 Match the English and Russian equivalents:**

price elasticity	ПОТОЛОК ЦЕН
price ceilings	ИНДЕКС ЦЕН
price discrimination	ЦЕНОВАЯ ЭЛАСТИЧНОСТЬ

price fixing	ценовая дискриминация
price flexibility	ценовое лидерство
price index	фиксирование цены
price leadership	стабильность цен
price level	уровень цен
price stability	ценовая гибкость

## Have another look at the text and ...

**25 a** Translate the text into Russian.

**b** Say in your own words what the idea of price support is.

**c** Describe the graph.

### Newspaper item: **N Korea forced to lift food prices sharply**

Chronic shortages have forced North Korea to implement unprecedented increases in food prices and wages, South Korea's central bank said yesterday, warning that prices could climb even higher, *Reuters reports from Seoul*.

Rice prices in communist North Korea jumped 5-fold in July as ration coupons used for decades were scrapped and the government boosted prices closer to levels seen on its black market.

'This is a first step towards adopting a market economy,' the Bank of Korea said in a report, Seoul's most formal assessment yet of the North's economic reforms.

It added that 'chronic supply shortages' had forced the Pyongyang to raise prices in its centrally planned economy and that the trend would continue. If North Korea did not fully liberalize prices, its efforts to provide rations to its people would meet with further distortions.

A UN official who visited the North this month said that efforts to move prices closer to those on the black market could help the country toward self-sufficiency.

'Street vendors have appeared for the first time in a long while and local people certainly understand the value of a dollar,' economist Mike Newton wrote after a recent trip to Pyongyang.

## Do you know these words?

<b>shortage</b>		нехватка, дефицит
<b>to implement</b>	[ˈɪmplɪmənt]	выполнять, осуществлять
<b>to warn</b>		предупреждать
<b>ration</b>		рацион, продовольствие
<b>to scrap</b>		отдавать на слом, выбрасывать
<b>assessment</b>	[əˈsesmənt]	1) оценка 2) обложение, сумма обложения
<b>trend</b>		тенденция, направление
<b>distortion</b>		искажение, искривление
<b>sufficiency</b>	[səˈfɪʃnsɪ]	достаточность
<b>vendor</b>		продавец

## Work on the words!

### 26 a Read and translate the words:

coupon	to assess
reform	to liberalize
chronic	unprecedented

### b Translate into English:

постоянный дефицит  
беспрецедентное увеличение цен  
цены на рис увеличились в пять раз  
купоны, использовавшиеся десятилетиями  
увеличить цены до уровня, близкого к уровню на черном рынке  
самая официальная оценка, имеющаяся на данный момент  
экономическая самостоятельность страны

### 27 Make your own sentences with these word combinations:

2-fold	{	to increase	to provide	{	figures
		to jump			rations
		to climb			information
		to lift smth			advice
		to boost smth			food
		to decrease			vehicles
		to drop			equipment

to meet with { difficulties  
hardships  
distortions  
accidents

to raise { *to raise (raised, raised)* — *to rise (rose, risen)*  
prices } are rising  
tariffs } is rising  
a ship } has risen  
hopes } rose  
prices }  
the sun }  
the moon }  
the smoke }

## Revise Grammar!

### 28 a Say if the words in italics are Gerunds or Participles I and translate the sentences:

The bank spoke about the shortages *warning* that prices could climb even higher.

This is the first step towards *adopting* a market economy.

It raised the prices *bringing* them to a high possible level.

By *liberalizing* prices they improved the economic situation inside the country.

### b Read the sentences, underline the predicates, say if the verbs are used in Active or Passive Voice and translate the sentences:

Ration coupons were scrapped some time ago.

This situation has forced North Korea to implement unprecedented increases.

They were forced to raise the prices.

The prices were raised 2-fold.

The government boosted the prices.

He added that the trend would continue.

## Have another look at the newspaper item and ...

### 29 Give extensive answers:

- 1) Why did the government of North Korea raise food prices?
- 2) What rations did the item mention?

- 3) What trend did this decision initiate?
- 4) Did the government plan to liberalize prices?
- 5) In what connection were street vendors mentioned?
- 6) What was the opinion of the US official?

## Business letter: **Regretting price increase**

Dear Customer

Steadily rising prices over the past few years have been a matter of common experience and it will come as no surprise to you that our own costs have continued to rise with this general trend.

Increasing world demand has been an important factor in raising the prices of our imported raw materials. A recent national wage award has added to our labour costs, which have been increased still further by constantly increasing overheads.

Until now we have been able to absorb rising costs by economies in other areas. We now find that we can no longer do so, and therefore increases in our prices are unavoidable. The new prices will take effect from 1 October, and revised price lists are now being prepared. These should be ready within the next two weeks and copies will be sent to you.

We are sorry that these increases have been made necessary, but can assure you that they will not amount to an average of more than about 5%. As general prices have risen by nearly 10% since our previous price list, we hope you will not feel that our increases are unreasonable.

Yours faithfully, ...

## Do you know these words?

<b>cost(s)</b>		1) расходы, издержки, затраты 2) себестоимость
<b>raw materials</b>	[ro:]	сырье
<b>award</b>	[ə'wo:d]	1) награда, премия 2) выдача заказа 3) государственный заказ

<b>labour costs</b>		затраты на рабочую силу
<b>labor costs</b> ( <i>Am.</i> )		
<b>overheads</b>		накладные расходы
<b>to take effect</b>		вступать в силу
<b>to revise</b>	[rɪ'vaɪz]	проверять, пересматривать, исправлять
<b>to assure</b>	[ə'ʃʊə]	уверять, гарантировать
<b>to amount to</b>		составлять (сумму)

## Work on the words!

### 30 a Translate these words into English:

постоянно растущие цены	важный фактор
возрастающий спрос на мировом рынке	неизбежный кризис
наши собственные затраты	ваши издержки
общая тенденция	пересмотренные цены
импортируемое сырье	в среднем более 5%
	недавний

### b Translate the words and write those from which they are formed:

unreasonable	effective	preparation
unavoidable	national	revision
unexpected	international	assurance

### c Match the English and Russian equivalents:

costs	увеличение зарплат
wage award	затраты на рабочую силу
labour costs	уменьшение
overheads	увеличение
amount	себестоимость
increase	накладные расходы
decrease	сумма

## Revise Grammar!

### 31 a Underline attributes, state what parts of speech they are and translate these word combinations:

steadily increasing prices	rising costs
increasing world demand	revised price list
constantly increasing overheads	previous price list

### b State the tense and voice forms of verbs in italics and translate the sentences:

These prices *have been* a matter of common experience.

It *will come* as no surprise.

Our own costs *have continued* to rise with this general trend.

Until now we *have been* able to absorb rising costs.

Revised price lists *are now being prepared*.

Copies *will be sent* to you.

We are sorry that these increases *have been made* necessary.

General prices *have risen* by nearly 10%.

### c Translate the sentences paying attention to the Rules of the Sequence of Tenses:

Фирма сообщала, что с января она повысит цены.

Производители подчеркивали, что повышение цен вызвано рядом причин.

Они говорили, что длительное время старались избегать этого.

Покупатель узнал, что готовятся списки пересмотренных цен.

Они понимали, что все цены возрастут.

Компания сообщила своим дилерам, что прекращает выпуск этой модели.

## Have another look at the letter and ...

### 32 a Underline and translate the sentence which seems the most important to you.

b Write out the reasons for the price increase.

c Write out the words and sentences showing that the writer tried to be very tactful.

## Newspaper item: **Renewed fund buying pushes gold higher**

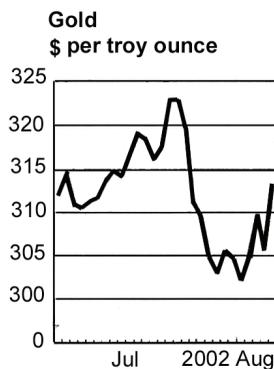
Gold was \$312.20 a troy ounce at London bench-mark afternoon fixing, its strongest since July 24 and \$6.45 above Tuesday's afternoon fix.

Gold has been languishing in recent weeks. The market built up a long position in the metal — the highest since 1999 — but in June profit-taking set in.

Yesterday, the funds seemed to be showing more interest in gold again.

'There was good fund buying, and the price moved through \$311.20, which is its 100-day moving average. In doing so we think it triggered short covering. That could be what took it as high as \$314 at one point,' said Ross Norman, metals analyst.

He added that better rainfall in India might improve the outlook for the harvest and therefore increase income available to buy gold. India is the largest gold consumer.



Source: Thomson Datastream

## Do you know these words?

**fund**

**funds**

запас, резерв, фонд  
фонды, средства, капитал

**troy ounce**

**ounce**

тройская унция (31,1 г)

унция (28,3 г)

**bench-**

**mark/benchmark**

база (в статистике)

**fixing**

установление, фиксация

**to languish**

[ˈlæŋɡwɪʃ]

слабеть, уменьшаться

**long position**

(бирж.) обязательст-  
ва/позиция по срочным  
сделкам при игре на

<i>ant. short position</i>		ПОВЫШЕНИЕ обязательства/позиция по срочным сделкам при игре на понижение
<b>average</b>	[ˈævərɪdʒ]	индекс, курс; среднее число
<b>to trigger covering</b>		начинать, вызывать (бирж.) покупка для покрытия обязательств по срочным сделкам
<b>analyst</b>	[ˈænəlist]	экономист-аналитик
<b>harvest</b>	[ˈhɑ:vɪst]	урожай

## Work on the words and revise Grammar!

### 33 a Read and translate into Russian:

renewed fund buying	profit-taking
bench-mark afternoon fixing	good fund buying
a long position in the metal	to show interest

That could be what took it as high as \$314 at one point.

### b Insert correct prepositions, read and translate the sentences:

*above at through to in*

Gold was \$312.20 ... London bench-mark afternoon fixing.

It was \$6.45 ... Tuesday's afternoon fix.

Gold has been languishing ... recent weeks.

The market built up a long position ... the metal.

Yesterday, the funds showed more interest ... gold again.

The price moved ... \$311.20.

The troy ounce is equal ... 31,1 grammes/grams.

The ordinary ounce is equal ... 28,3 grammes.

### c Translate the sentences using the verbs in the Present Perfect Continuous Tense, as in the example:

*Последние несколько недель цена на золото падает.*

*Gold has been languishing in recent weeks.*

Цена на золото растет уже неделю.  
Они производят эту модель уже несколько лет.  
Фирма продает эти машины с 2000 г.  
Я учу английский язык с осени 2001 г.  
Сколько времени он переводит эту статью?  
Экономист-аналитик использует в своем исследовании данные за последние десять лет.

**d Translate the sentences paying attention to the construction to seem to be doing smth:**

*The funds seemed to be showing more interest in gold again.*

Казалось, что фонды снова проявляют интерес к золоту.

The prices seem to be increasing.

The trend seems to be changing.

The wasteful over-production seemed to be growing further.

The analyst seemed to be speaking about other markets.

**e Translate the definition of the term and say what it is (shortage/short position/short covering):**

... — The purchasing of goods that have been sold short so that the open position is closed. A dealer in commodities hopes to cover shorts at below the selling price in order to make a profit. Dealers cover their shorts when they expect the market to turn or when it has already started to move upwards.

## **Have another look at the newspaper item and ...**

**34 a Say what the diagram shows.**

**b Translate the item.**

**c Answer these questions:**

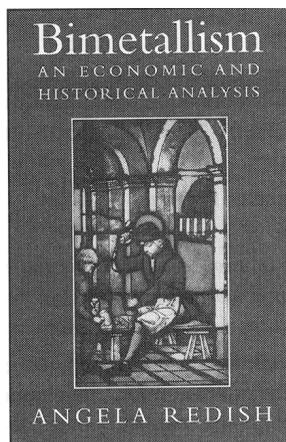
- 1) Why did the analyst mention India?
- 2) What was the outlook for selling gold to Indian purchasers?

## Annotation of the book to translate:

### **Bimetallism**

This book presents a history of Western monetary systems and explains why bimetallism was preferred to a gold standard before 1800.

Professor Redish argues that the technological ability to issue fiduciary monies, and a commitment mechanism to prevent opportunistic governments changing the ratio between the currency and a unit of gold, were (frequently overlooked) prerequisites for the emergence of the Classical gold standard. The simplicity of the gold standard, a monetary system where there is a fixed ratio between a weight of gold and a unit of currency, makes it an obvious focus for discussion of commodity money system, and for contrasting with today's fiat money requires.



### **35 Translate these texts into English:**

**a** Биметаллизм — тип денежной системы. Эта система основана на двух металлах — обычно золоте и серебре. Оба металла являются законным платежным средством (*legal tender*) и обязательны к приему в неограниченных количествах. Соотношение между их весовыми количествами фиксируется в денежной единице.

**b** Неразменные бумажные деньги (*fiat money*) — деньги, которые государство объявило законным платежным средством, хотя они не имеют собственной стоимости, не разменны на золото.

Interview:	<b>Economies and manufacturing</b>
Texts:	<b>Allocation of products and resources</b> <b>Public and private sectors in the UK</b>
Newspaper items:	<b>UK may move to save British Energy</b> <b>Bush vows to 'do what it takes' for economy</b>
Annotation:	<b>Between Politics and Markets</b>
Grammar:	<b>Participle II</b> <i>many — much; few, a few — little, a little</i> <b>Equivalents of modal verbs</b>
Word formation:	<b>Compounds</b>

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## Interview: **Economies and manufacturing**

*Interviewer:* Denis Mills, do you agree with the people who say that manufacturing industry will inevitably decline in what we call the industrialized countries?

*Denis Mills:* I think manufacturing will change, convert itself. There are many new products that have to be invented to serve new needs, and they can be made in the advanced countries because in fact the technology of production means you need very little labour input. I'm holding in my hand a simple pen that British Airways gives away to its passengers. It is made in Switzerland, a pen, a low-tech product, made in Switzerland, with the highest labour costs in the entire world, and British Airways, a British company, having to pay in low value pounds, is buying from Switzerland a manufactured product. Now what's going on here? It seems to me that the — and they also manage to do it with their watches, the famous Swatch

mous Swatch — have stumbled on a new secret, which is how to make low-tech products, sell them profitably, but actually make them in a country where in theory there should be no more manufacturing and if you look at any successful economies these days, they all have a strong manufacturing component.

*Interviewer:* Which countries are you thinking of?

*Denis Mills:* I'm thinking of the dynamic Asian economies, all based on manufacturing, I'm thinking indeed of the United States which now has created for example a new computer, high-tech computer industry, its car industry is coming right back in America. America is a giant manufacturing economy, which is why it is still the richest nation in the world, so I am extremely dubious of the theorists who say that manufacturing has no future in the advanced industrialized countries.

## Do you know these words?

<b>inevitably</b>	[ɪn'evɪtəbli]	неизбежно
<b>to invent</b>		изобретать
<b>input</b>		1) ввод, вводимый ресурс, вводимый фактор производства 2) затраты на производство (в анализе межотраслевого баланса)
<b>labour input</b>		затраты труда, трудоемкость
<i>comp.</i> <b>labour costs</b>		затраты на рабочую силу
<b>entire</b>	[ɪn'taɪə]	полный
<b>to stumble on smth</b>		запинаться, ошибаться
<b>giant</b>	[dʒaɪənt]	гигантский, громадный
<b>dubious</b>	['dju:bjəs]	сомнительный

## Work on the words!

### 1 Read and translate these words:

manufacturing	Switzerland
manufactured	Asia
product	Asian
company	dynamic
theory	dubious
to convert	extremely
advanced	profitably

### 2 Translate into English paying attention to these verbs:

*to say smth*

*to tell smb smth*

*to speak* (about smth/a language/in a certain place/  
for a certain period of time)

В своем докладе он говорил об обрабатывающей промышленности.

Я не знаю, где он говорил о продукции высокой технологии.

Он сказал несколько слов и о продукции с низким уровнем технологий.

Он сказал журналисту, что хочет привести еще один пример.

На пресс-конференции говорили только по-английски.

Я думаю, что они говорили около получаса.

### 3 State if the word *need* is a verb or noun in each case and translate the sentences:

These products are invented to serve new *needs*.

In this case the technology of production means you *need* very little labour input.

They do not *need* to copy this text./ They *need* not copy this text.

Do you *need* to write an essay?/ *Need* you write an essay?

There is no *need* for you to translate this text.

There is a great *need* for a good book on this subject.

He earns enough to satisfy his *needs*.

\$100 will meet his immediate *needs*.

Does he *need* any help?

This chapter *needs* rewriting.

There's no/not much *need* for anxiety.

## Grammar Revision: *many — much; few, a few — little, a little*

исчисляемые существительные	неисчисляемые существительные
<i>many products</i>	<i>much efficiency</i>
<i>few products</i>	<i>little efficiency</i>
<i>a few products</i>	<i>a little efficiency</i>

### 4 Translate into English:

много / мало/ не- сколько	<div style="display: flex; align-items: center; justify-content: center;"> <div style="font-size: 3em; margin-right: 10px;">{</div> <div style="text-align: center;">                     теорий компонентов индустриальных стран развитых стран людей продуктов                 </div> </div>	многие/ немногие, небольшие	<div style="display: flex; align-items: center; justify-content: center;"> <div style="font-size: 3em; margin-right: 10px;">}</div> <div style="text-align: center;">                     затраты затраты на рабочую силу потребности трудности расходы успехи                 </div> </div>
много/мало	<div style="display: flex; align-items: center; justify-content: center;"> <div style="font-size: 3em; margin-right: 10px;">{</div> <div style="text-align: center;">                     нефти угля информации работы                 </div> </div>	большая/ небольшая, малая	<div style="display: flex; align-items: center; justify-content: center;"> <div style="font-size: 3em; margin-right: 10px;">}</div> <div style="text-align: center;">                     трудоемкость усталость сила стойкость                 </div> </div>

### Equivalents of modal verbs

<i>can</i>	<i>to be able to</i>	<i>I have been able to read this book.</i> <i>...was able...</i> <i>...shall be able...</i>
<i>must</i>	<i>to have to</i>	<i>I have to come to the University at 9.</i> <i>...had...</i> <i>...shall have...</i>
	<i>to be to</i>	<i>The lecture is to start at 9.15.</i> <i>...was...</i>

### 5 Read the sentences, underline the modal verbs and their equivalents; translate the sentences into Russian:

There are many new products that have to be invented to serve new needs.

They can be made in the advanced countries.

British Airways have to pay in low value pounds.  
There should be no more manufacturing there.  
They hope they would be able to visit a few advanced industrialized countries.

The conference is to start next Monday in Switzerland.  
All the participants are to be officially presented.

## 6 Translate into English:

Они вынуждены констатировать снижение производства.  
Ученый сможет продолжить свои исследования, если будут сделаны инвестиции в этот проект.

Интервью должно начаться в 10.00.

Инженеры вынуждены были признать большую трудоемкость этого проекта.

Компания сможет сократить затраты на рабочую силу.

## Grammar: Participle II

**Participle II (причастие II)** образуется с помощью окончания **-ed**, добавляемого к инфинитиву *правильных глаголов* без частицы *to*. Неправильные глаголы образуют Participle II не по правилам. Participle II — это третья форма глаголов.

*to operate* — *operated* — ***operated***

*to begin* — *began* — ***begun***

*to speak* — *spoke* — ***spoken***

В предложении Participle II может выполнять функции:

- части сказуемого

*The price is **considered** too low.*

*They have already **studied** the price list.*

- определения

*The **offered** price is too high.* (Предлагаемая / предложенная цена очень высока.)

*The price **offered** by the vendors is too high.* (Цена, предлагаемая / предложенная продавцом, очень высока.)

На русский язык Participle II переводится глаголом, страдательным причастием, придаточным предложением, прилагательным, существительным с предлогом и т.д.

## 7 Read and translate into Russian paying attention to the words in italics:

It is a low-tech product *made* in Switzerland.

It seems to me the Swiss have *stumbled* on a new secret.

I'm thinking of the dynamic Asian economies *based* on manufacturing.

They raised prices in its centrally *planned* economy.

The authorities regulate the prices *charged* by monopolistic suppliers.

Any positive number *divided* by zero yields plus infinity.

Have a look at the *shaded* area.

## 8 Underline Participles I, write out Participles II and translate the sentences:

There is a corresponding quantity of twenty thousand tickets demanded.

Chronic shortages have forced North Korea to implement these increases.

The indicator compiled by the consortium estimates the GDP growth of 1.8%.

Sales increased by 13% compared with estimates for the same period last year.

The company cut inventories to reduce the need for discounted sales.

Increasing world demand has been an important factor.

Cambridge University Press is a charitable enterprise required by University Statute.

## 9 Translate into English:

товар, указанный в списке

количество, указанное в точке А

продукция, изготовленная этой фирмой

модифицированный прибор

оплаченная сумма

пересмотренная цена

запрашиваемая цена

произведенный расчет

компьютеризированный процесс

закупленное оборудование

## Have another look at the interview and ...

### 10 Read the following paying attention to the sound [ə:]:

to convert	to return	certain	curve
to serve	returns	vertical	research
services	upturn	to earn	merger
sir	downturn	earnings	entrepreneur

### 11 Read the sentences paying attention to the intonation:

**Нисходящий тон** (↘) выражает законченность или категоричность высказывания; употребляется также в *общих вопросах*.

**Восходящий тон** (↗) указывает на незаконченность высказывания или отсутствие категоричности; употребляется также в *специальных вопросах*.

I think manufacturing will ↘ change, } convert it ↘ self.

Do you agree with the ↗ people } who say that manufacturing industry will de↗cline?

There are many new products that have to be invented to serve new needs, and they can be made in advanced countries because in fact the technology of production means you need very little labour input.

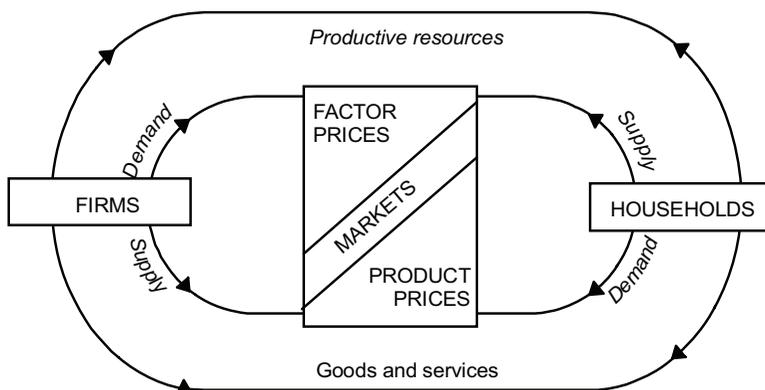
I am extremely dubious of the theorists who say that manufacturing has no future in the advanced industrialized countries.

### 12 Read the interview aloud.

### 13 Sum up what Denis Mills said about manufacturing industry.

## Text: Allocation of products and resources

The pure market economy, without any government control whatsoever, allocates products and resources in the way which, in the most simplified manner, can be shown by the figure below:



As to the command economy, practically speaking, it allows the government to act as a dictator.

Fortunately a community or a country does not have to make a complete choice between the two extremes: the market economy and the command economy. Instead it can compromise and have a mixed economy.

In a mixed economy three quarters of production is carried out by the private sector through the market, though subject to varying degrees of government control. For the other quarter the government is directly responsible through the public sector. Thus the government influences the allocation of the goods and services produced.

Even in the USA, a stronghold of free enterprise, it has been found necessary to control or regulate national income conditions.

As to Britain, today it has a mixed economy. In the public sector of British economic life are the nationalized industries like coal and steel, British Rail and BOAC. In the private sector are the majority of the nation's industries, both large and small, from giants like ICI and BP to small family businesses.

## Do you know these words?

to allocate	['æloukeɪt]	выделять (суммы, ассигнования)
pure		чистый
whatsoever		какой бы ни
to allow smb to do smth		позволять кому-либо делать что-либо
instead	[ɪn'sted]	вместо
subject to smth	['sʌbdʒəkt]	при условии соблюдения чего-либо
to vary	['veəri]	изменять(ся)
to influence smth	['ɪnfluəns]	оказывать влияние на что-либо
stronghold		оплот
free		1) свободный, 2) бесплатный
majority	[mə'dʒɔrɪtɪ]	большинство

## Word formation: **Compounds**

noun + noun = noun	<i>news + paper = <b>newspaper</b></i>
noun + verb = noun	<i>house + to hold = <b>household</b></i>
preposition + verb = noun	<i>in + to put = <b>input</b></i>
adjective + noun = noun	<i>super + market = <b>supermarket</b></i>

*Note:* Compounds are usually pronounced with the first part of the word stressed.

### **14 Translate these words and write those which formed them:**

stronghold	whatsoever	textbook
output	upturn	businessman
bench-mark	downturn	undergraduate
carmaker	life-cycle	well-being
network	broadcasting	telecommunication

### **15 Say how these words are formed and translate them:**

allocation	regulation	privatisation	airways
government	community	nationality	airline
dictator	responsibility	railway	overseas

## Revise Grammar!

### 16 Classify these words into two columns *Participle I* and *Participle II*, and translate them:

allocated	simplified	mixing	regulating
speaking	making	varying	nationalized
showing	compromised	influenced	controlled

### 17 Translate into English:

выполняемые услуги	практически говоря
рисунок, данный в тексте	откровенно говоря
смешанный тип экономики	слушая их
национализированные отрасли промышленности	наблюдая за ними
	изучая этот вопрос

### 18 Underline the predicates, state in what forms the verbs are used and translate the sentences:

The way in which the market economy allocates products and resources can be shown in a certain figure.

A country does not have to make a complete choice between the two extremes.

A country can compromise and have a mixed economy.

It has been found necessary to control national income conditions.

As to Britain, today it has a mixed economy.

They were not able to allocate a bigger sum to education and social security.

## Have another look at the text and ...

### 19 Write the abbreviated names of the companies and match the Russian notes on them:

British (Overseas) Airways Corporation  
Imperial Chemical Industries

Британская компания трансокеанских воздушных сообщений  
Британская компания железных дорог, основана в 1963 г.

British Petroleum

Крупнейший в Великобритании и Западной Европе химический концерн, основанный в 1926 г.

British Railways Board

Крупнейшая нефтяная компания, основанная в 1909 г.

## 20 Mark the right statements:

- The item starts with describing the market economy.
- The market economy allocates products and resources through the market without any government control.
- Then the picture relating to the mixed economy is given.
- The command economy is not mentioned at all.
- A mixed economy is a compromise between the two extremes.
- In a mixed economy one half of the production is carried through the market with a certain government control. For the other half the government itself is responsible through the public sector.

## 21 Fill in the gaps with the words from the text:

Thus the government ... the allocation of the goods and services produced.

Even in the USA, a ... of free enterprise, controls or ... national income conditions.

As to Britain, today it has a ... economy.

In the public sector of Britain are the nationalized industries like ...

In the private sector of Britain are the ... of the industries.

In the private sector of Britain are both large and small enterprises, from giants like ... to small ...

## 22 Answer these questions:

- 1) How does the market economy work, judging by the figure?
- 2) What are the features of a mixed economy?
- 3) How are the USA and Britain characterised in terms of the economy?
- 4) What countries, if any, have a command economy now?

# Text: Public and private sectors in the UK

At the beginning of the 1980s there were many public corporations in the United Kingdom. They included British Coal, British Steel, the Post Office, British Telecom, the British Airports Authorities, British Rail and some others.

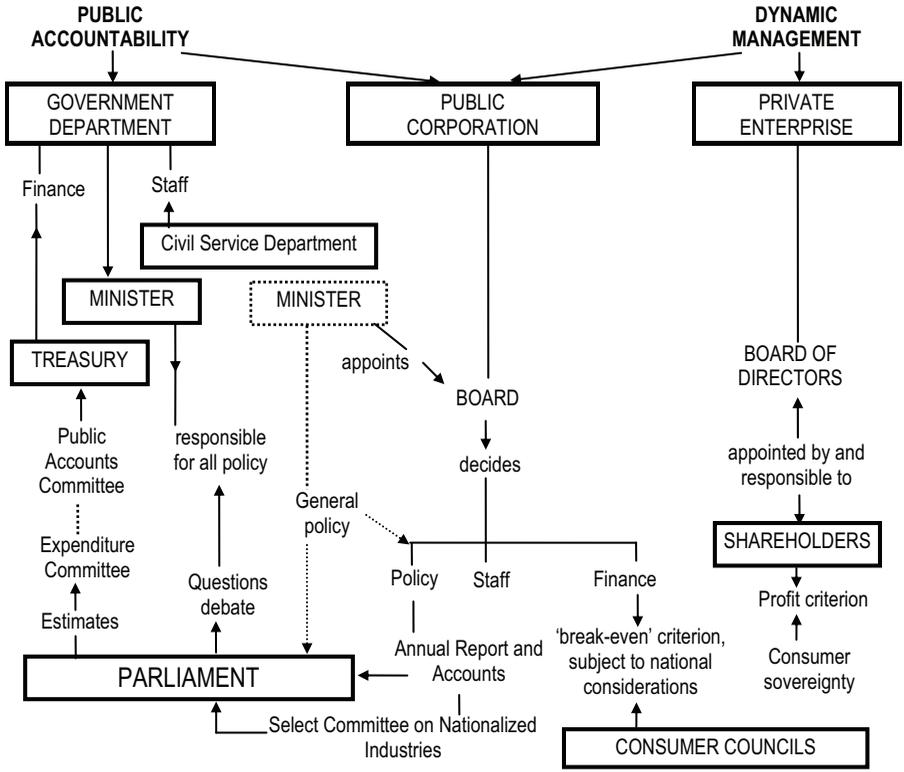
They were nationalized mostly by Labour governments for political reasons, reflecting a desire to control and plan the economy in detail and a belief in the «rightness» of public ownership as an ideal.

Some corporations became public to be rescued from bankruptcy. Thus the governments saved thousands of jobs in those firms, so the taxpayer was saved from paying out large sums to unemployed people.

Very many public corporations later became private again. But some others are still publicly owned.

A special mention should be made of British Rail. Railway tracks make a natural monopoly of the state. At the same time different companies are allowed to operate competing services on the same tracks. Thus there is a natural monopoly in track ownership but not in operating trains.

Here is a figure showing the interrelation between Parliament and the two sectors of the economy, that is the public and the private sectors, in Great Britain:



## Do you know these words?

<b>authorities</b>	[ə'θɒrətɪz]	власти
<b>to reflect</b>		отражать
<b>to rescue</b>	['reskjʊ:]	спасать, освобождать
<b>to save</b>		спасать, избавлять, экономить, откладывать
<b>to save time/ money/ gas/ energy/ ...</b>		экономить время/ деньги/ газ/ электроэнергию/ ...
<b>taxpayer</b>		налогоплательщик
<b>Parliament</b>		парламент
<b>public accountability</b>	[ə'kauntə'bɪlɪtɪ]	отчетность перед государством
<b>to exercise/to have public accountability</b>		осуществлять отчетность перед государством
<b>public corporation</b>		государственная компания (организованная по специальному правительственному постановлению)
<b>public accounts</b>		счет государственного учреждения
<b>civil service</b>		государственная служба
<b>Treasury</b>	['trezəri]	Казначейство, Министерство финансов (в Англии)
<b>expenditure</b>	[ɪk'spendɪtʃə]	расходы
<b>to break even</b>		остаться при своих
<b>criterion</b>	[kraɪ'tɪəriən]	критерий
<i>pl. criteria</i>	[kraɪ'tɪəriə]	
<b>council</b>	['kaʊnsɪl]	совет
<b>shareholder</b>		акционер
<b>sovereignty</b>	['sovrənɪtɪ]	суверенитет

## Work on the words!

### 23 Read and translate the words:

public	reason	belief
private	desire	department
bankruptcy	control	ownership
corporation	detail	ideal

**24 Say from what words the following ones are formed:**

ownership  
professorship  
kinship

relationship  
scholarship  
friendship

**25 Make sentences using the following words and word combinations:**

state  
local  
income  
direct  
indirect  
value added

} taxes

to pay  
to collect  
to levy  
to lift

} taxes

taxpayer  
tax-collector  
to be tax free  
to be tax exempt  
tax exemption

**26a Give names of various trades as in the example:**

*to own some land → The man who owns some land is called a **landowner**.*

to own a ship  
to own a car  
to own a factory  
to breed horses  
to breed cattle

to breed pigs  
to grow fruit  
to make shoes  
to keep a shop  
to mine for coal

**b Say how the following names of trades and professions are formed:**

steel worker  
fisherman  
builder  
banker  
economist  
stewardess  
manager

farmer  
electrician  
teacher  
musician  
engineer  
customer  
physiologist

accountant  
translator  
retailer  
treasurer  
operator  
spokesman  
miner

## Revise Grammar!

### 27 Say in what forms the verbs are used in the following sentences:

- A lot of public money has been used to save the company.
- Many companies have been saved from bankruptcy.
- Analogous monopolies have long been in public ownership.
- Nationalization has been used as a form of regulating monopolies.
- A few more companies have been taken into public ownership.
- This company has gone bankrupt this year.
- The business has been sold off early this month.

### 28 Complete the sentences paying attention to the use of the Participles I:

The industry was nationalized reflecting the desire of the government to control...

There is no monopoly in operating...

Here is a figure showing...

I like this picture showing...

I like this film describing...

Have you read the article spotlighting...

There is no sense in learning by heart...

## Study sentence patterns!

*A special mention should be made of this fact.*

### 29 Make a few similar sentences with these words:

these figures

this giant of a company

this fabulous story

this scandalous story

bankruptcy

the incredible profits of the company

## Have another look at the text and...

### 30a Find the terms in the text corresponding to these definitions:

the sector comprising central government

local authorities, nationalized industries and other public corporations

the sector comprising households

unincorporated business and companies

a company which can raise permanent capital by issuing shares to the general public

### b Sum up what the text said about:

British Rail

public companies in the UK

### c Say what interdependence and interrelation the table given below the text shows.

## Newspaper item: **UK may move to save British Energy**

The British government admitted for the first time yesterday that it is contemplating an overhaul of the UK's wholesale electricity trading market in order to save nuclear power giant British Energy from a deepening financial crisis.

In comments that attracted immediate criticism from Ofgem, the electricity watchdog, Brian Wilson, the energy minister, said the Department of Trade and Industry was prepared to consider reforming wholesale electricity trading arrangements in the UK in a forthcoming policy paper.

British Energy, which was fully privatised six years ago, is the dominant generator of electricity in the UK from nuclear sources. But the company faces numerous financial problems.

It is losing around £4 for every megawatt hour of electricity it sells and faces having to come up with £450m next year to pay off debts and cover losses.

One reason for British Energy's problems is that the cost of generating electricity from nuclear power stations has remained high, while the price of electricity in the wholesale market has plunged by more than 30 per cent in the last two years.

Mr Wilson yesterday put some blame for the company's woes on the introduction 14 months ago of reforms aimed at opening up competition between generators, thereby cutting domestic bills.

However, a spokesman for Ofgem defended the power trading system and said generators should be allowed to go bust. 'This is a commercial market and, as in all markets, companies will fail — it's as simple as that,' he said.

## Do you know these words?

<b>to move</b>	[mu:v]	1) двигать(ся), 2) вносить предложение
<b>move</b>		предложение
<b>to admit</b>	[əd'mɪt]	1) допускать 2) впускать
<b>to contemplate</b>	['kɒntemplət]	рассматривать, обдумывать
<b>overhaul</b>	['əʊvəho:l]	пересмотр, тщательный осмотр
<b>trading market</b>		1) вялый, неактивный рынок 2) коммерческий рынок
<b>nuclear</b>	['nju:kliə]	ядерный
<b>arrangements</b>	[ə'reɪndʒmənts]	меры, мероприятия
<b>trading arrangements</b>		меры по улучшению состояния рынка
<b>to pay off debts</b>		выплачивать, погашать долги
<b>to cover losses</b>	['kʌvə]	покрывать убытки
<b>to plunge</b>		погружать(ся)
<b>to put the blame on smb</b>		обвинять кого-либо в чем-либо
<b>woe</b>	[wɔ:]	<i>поэт.</i> горе, скорбь, несчастье

**domestic bill**

вексель, оплачи-  
ваемый в местной  
валюте

зд. счет за электриче-  
ство для внутренних  
потребителей

**to defend**

[di'fend]

защищать

**to fail**

потерпеть неудачу,  
провалиться

## Revise Grammar!

**31 a** Translate the following paying attention to articles  
and make sentences of your own using these words:

*the British/American/French Government*

*British Energy/Ford/Fiat*

правительство Российской  
Федерации

«Рено»

«Тойота»

правительство Великобритании

«МакДональдс»

правительство США

«Бритиш Петролиум»

правительство Италии

«Бритиш Рэйл»

**b** Underline attributes and translate these word combinations  
paying attention to the basic nouns:

the UK's wholesale electricity trading market

wholesale electricity trading arrangements

nuclear power giant British Energy

the power trading system

the UK energy sector

**c** Translate into English using Participles I or Participles II:

вялый, неактивный рынок

углубляющийся финансовый кризис

рассматривать вопрос о реформах

меры по улучшению состояния рынка

подготавливаемый документ, который определит политику государства

компания, приватизированная шесть лет назад

**d Underline the Participles and translate the sentences:**

The Department of Trade and Industry is prepared to consider reforming wholesale electricity trading arrangements in the UK.

British Energy faces having to come up with £450m next year to pay off debts and cover losses.

The cost of generating electricity from nuclear power stations has remained high.

He spoke about the reforms aimed at opening up competition between generators, thereby cutting domestic bills.

**Work on the words!**

**32 a Read and translate the words:**

crisis	criticism	numerous
crises	forthcoming	however
giant	dominant	spokesman
comment	generator	watchdog
to comment	electricity	system

**b Match the synonyms:**

to contemplate	to suggest	domestic	principal
to plunge	to save	dominant	extreme
to move	to sell	numerous	natural
to admit	to improve	high	many
to rescue	to consider	commercial	inland
to reform	to decrease	simple	hard
to trade	to agree	difficult	trading

## Have another look at the newspaper item and ...

**33 a** Translate the item.

**b** Write extensive replies:

- 1) What crisis was British Energy suffering?
- 2) Who planned some arrangements to save British Energy?

Annotation of the book:

### **Between Politics and Markets**

*Firms, competition and institutional change in Post-Mao China*

Yi-min Lin

Hong Kong University of Science and Technology

*Between Politics and Markets* examines how the decline of central planning was related to the rise of two markets: an economic market for the exchange of products and factors, and a political market for the diversion to private interests of state assets and authorities. Lin reveals their concurrent development through an account of how industrial firms competed their way out of the plan through exchange relations with one another and with state agents.

He argues that the two markets were mutually accommodating, that the political market grew also from a decay of the state's self-monitoring capacity, and that economic factors' competition for special favours from state agents constituted a major driving force of economic institutional change. The findings presented in the book illustrate that concrete markets for products and factors need not mimic 'the invisible hand', nor is there a linear correlation between their expansion and the rise of a legal-rational state.

**Translate these words referring to a dictionary if necessary:**

diversion _____	mutually _____
assets _____	to accommodate _____
to reveal _____	decay _____
concurrent _____	capacity _____

## Work on the words!

### 34a Match the English and Russian equivalents:

rise	власти	account	мощность
decline	соотношение	decay	счет, отчет
diversion	рост	capacity	расширение
assets	отвлечение	favour	распад
authorities	снижение	findings	выводы
correlation	активы	expansion	одобрение

### b Write as many words with the same root as you can and translate them into Russian:

*to compete — competitor — competition — competing*

to institute	to plan	to exchange	to authorize
to change	to relate	to produce	to develop
to examine	to rise	to divert	to accommodate
to decline	to market	to interest	to constitute

### c Translate into English:

уменьшение централизованного планирования  
обмен продукцией и факторами производства  
интересы частного бизнеса  
государственные активы  
государственные организации  
происходящие изменения  
стремление получить особые льготы  
основная движущая сила  
выводы, представленные в книге

### d Underline the sentence which seems most important to you and translate it.

## Newspaper item: **Bush vows to ‘do what it takes’ for economy**

President George W. Bush took his message on the economy to the Midwest yesterday, telling a Wisconsin audience he would do whatever it took to ensure the economy remained strong.

Mr Bush sought to strike a positive note, acknowledging that corporate scandals and market turbulence had led to ‘a little shaking in our confidence’, but he said the fundamental strength of the economy outweighed the challenges.

Mr Bush said he left Tuesday’s economic forum in Waco, Texas, ‘confident about our economic future, but not content with the progress we’re making’.

Stressing the need for responsibility in Congress at a time when the war on terror and the recession had led to deficits, Mr Bush said excessive would be a drag on growth.

He claimed he had ‘tried to help’ on Tuesday by refusing to release \$5. bn (€ 5.2bn) in emergency cash demanded by Congress for homeland security because most of it had been earmarked for other purposes.

On the day the deadline for chief executives to certify their financial statements, Mr Bush said he had been disappointed in the performance of some, whom he described as ‘liars’, who had fudged the books and shaken confidence in the economy. He said corporate reforms sent a ‘strong signal’ to potential wrongdoers.

**35 a** Write out and translate the words you consider key words.

**b** Answer these questions:

- 1) Where did President George W. Bush speak, according to the newspaper?
- 2) What was the main idea of his speech?
- 3) What negative facts did he admit?
- 4) Why did the President mention the war on terror?
- 5) Why was Congress dissatisfied with the President’s decision about the emergency expenditures?
- 6) Who was meant by ‘chief executives’?
- 7) Whom did the President mean by ‘liars’ and ‘wrongdoers’?

**c** Retell the newspaper item.

**d** Write an essay on the topic ‘*Some concurrent problems of market economies*’ making use of this lesson and other English/Russian sources.

# The transitional economy

Dialogue:	<b>About a lecture on Hungary</b>
Text:	<b>The Russian Federation</b>
Annotations:	<b>The Vanishing Rouble</b> <b>Building capitalism</b> <b>The New Russia</b>
Newspaper items:	<b>Privatisation in doubt</b> <b>Russians moot Murmansk oil export terminal</b> <b>Brussels aid for Yugoslavia</b>
Grammar:	<b>The Infinitive</b> <b>The Adverb</b> <b>The degrees of comparison</b>

## Dialogue: **About a lecture on Hungary**

Two American scholars are speaking in the Dean's room after their tutorial classes.

- A:* I always bite off more than I can chew. I agreed to speak at the club next Monday. Now I won't be able to do it.
- B:* Why not? What happened?
- A:* I'm going to Denver that day. I forgot all about it. I don't have the heart to tell the club now. It's the second time I've done this.
- B:* By the way, on what exactly were you to speak at the club?
- A:* Oh, as you know, I returned from Hungary some time ago where I studied the latest trends of their economic development. And I wanted to share my observations, analysis and some predictions, too. Now that I can't come, I don't know how I can save face.

- B:* Don't worry about it. They'd have to search high and low to find a better speaker. And they know it.
- A:* Thank you. But I doubt that. I'm sure they'd prefer someone who keeps his word.
- B:* Forget it. They know you're not leading them on. They'll ask you again, I'm sure. It's hardly possible they'll be able to have a replacement. I'm sure they are interested in the topic. But don't fail them again.

## Do you know these words?

to mix		смешивать
mixed		смешанный, разнородный
scholar		ученый
dean	[di:n]	декан
tutorial classes	[tju:'tɔ:riəl]	учебные практические занятия
to bite off more than one can chew	[tju:]	взяться за непосильное дело, переоценить свои силы
not to have the heart to do smth now that to save face		не иметь смелости сделать что-либо теперь когда спасти репутацию, избежать позора
to search high and low not to lead smb on	[sə:tʃ]	искать повсюду неумышленно подвести кого-либо
it is hardly possible replacement		маловероятно замена

## Work on the words!

### 1 Read and translate these words paying attention to the suffix *-ment*:

to replace — replacement  
to develop — development

to manage — management  
to state — statement

to recruit — recruitment  
to postpone — postponement  
to retire — retirement

to fulfil — fulfilment  
to ship — shipment  
to pay — payment

## 2 Read and translate these words having the same stem:

*to share* — share — stocks and shares — shareholder — shareholders' meeting

*to doubt* — doubt — doubtful — doubtfully — doubtless

*to fail* — fail — failing — failure

*to prefer* — preferred — preference

## 3 Match these words having the opposite meaning:

next

to forget

exactly

high

more

better

possible

able

less

worse

impossible

unable

low

last

to remember

approximately

## 4 Read these words in the singular and in the plural:

analysis — analyses

crisis — crises

house — houses

phenomenon — phenomena

criterion — criteria

man — men

woman — women

child — children

wife — wives

foot — feet

## 5 Combine two sentences with the help of the conjunction *where*, like this:

I returned from Hungary some time ago. I studied the latest trends of their economic development. → *I returned from Hungary some time ago where I studied the latest trends of their economic development.*

- 1) He returned from Poland last week. He read a few lectures there.

- 2) He went to London last month. He participated in a seminar there.
- 3) We went to New York last year. We visited the New York Stock Exchange.
- 4) The prime minister visited the exhibition in Prague. He spoke about further cooperation between our countries.
- 5) We spent a few hours at a company. We spoke with English leading economists.
- 6) Not long ago I attended a lecture on ethics. I heard a lot of interesting things.
- 7) Yesterday I read a new magazine. I found a lot of interesting information there.

**6 Combine two sentences using the emphatic beginning *now that*, like this:**

I can't come. I don't know how I can save face. → *Now that I can't come I don't know how I can save face.*

- 1) I can't come. I don't know what to do.
- 2) I'm leaving town. I can't go to the club.
- 3) I fail them. They will never invite me again.
- 4) I can't keep my word. They would prefer someone else.
- 5) I'm learning economics. I start liking it.
- 6) I've started reading English newspapers. I learn many words.
- 7) I listen to radio programmes in English. I've started understanding English speech better.

## Revise Grammar!

**7 Use the verbs in the Present Perfect Tense and say why it is necessary to use this particular tense in these sentences:**

It is the second time I (*to do*) this.

I (*to fail*) them once.

I believe he (*to read*) many lectures of this kind.

But it seems to me he not (*to read*) a lecture on the situation in Hungary yet.

They (*to increase*) production 4 per cent this month as compared with the same month last year.

The prices (*to go up*) significantly since the beginning of the year.

We (*to have*) two seminars this week.

**8 Have a look at this timetable for the Economics department at a University. Imagine that now the time is 13 o'clock on the Thursday afternoon. Say what has already happened and what has not happened yet.**

	<i>Monday</i>	<i>Tuesday</i>	<i>Wednesday</i>	<i>Thursday</i>	<i>Friday</i>
9 <sup>00</sup>	Prof. Jones (L) Macro-economics	Prof. Jones (S) Macro-economics	Mr Roberts (L) Macroeco- nomics	Mr Roberts (L) Normative economics	Mr Roberts (S) Macro- economics
10 <sup>00</sup>	Mr Smith (L) Positive economics	Prof. Jones (T) Macro- economics	Mr Roberts (L) Inflation	Prof. Jones (S) Macro- economics	Mr Smith (T) Theories of Keynes
11 <sup>00</sup>	Mr Smith (L) Tools of economic analysis	Mr Smith (L) Theories of Keynes	Mr Smith (L) Inflation	Mr Roberts (S) Normative economics	Prof. Jones (T) Micro- economics
14 <sup>00</sup>			Mr Smith (S) Positive economics	Mr Smith (T) Positive economics	Mr Smith (T) Tools of economic analysis

L = lecture; S = seminar; T = tutorial

**9 Translate these sentences into English using the modal equivalent to be (was/were to do something):**

- О чем конкретно вы должны были говорить в клубе?
- Я должен был говорить об экономическом положении Венгрии.
- Кто должен был присутствовать?
- Я не знаю, кто должен был присутствовать.

Вчера у нас должны были быть три лекции.

Он должен был закончить доклад на прошлой неделе. Таков был его план.

Эти страны должны были подписать соглашение в Париже.

**10 Translate these sentences into Russian paying attention to the modal equivalent have to:**

They would have to search high and low to find a better speaker.

They had to search high and low to find a better lecturer.

They had to search for a replacement.

You will have to keep your word. Though I understand it is next to impossible.

The government had to introduce this law to curb unemployment.

They had to increase the price by 1 per cent to maintain the profit.

To economize on the electricity they have to reduce the working hours.

**Have another look at the dialogue and...**

**11a Answer these questions:**

- 1) Where was one of the scholars to speak the next Monday?
- 2) On what topic was he to speak?
- 3) Why could't he go and speak at the club that day?
- 4) What was his colleague's reaction?
- 5) How do you think the club would react?

**b Write down from the dialogue all the emphatic words you liked.**

**C Read these sentences paying attention to the stress:**

**The words stressed:**

*nouns, verbs, adjectives, adverbs, numerals*

**The words which are usually not stressed:**

*personal and possessive pronouns, auxiliary verbs,  
articles, prepositions*

I a'greed to 'speak at the 'club 'next \Monday.

Now I won't be able to do it.

I'm going to Denver that day.

I forgot all about it.

It's the second time I've done this.

On what exactly were you to speak at the club?

Why not?

What happened?

**d Enact the dialogue.**

**Text: The Russian Federation**

Here are a few extracts from the booklet distributed among the participants of the seminar *Trade Finance in the Transitional Economy of the Federation of Russia* held in London in December 1997.

**Scenario in the beginning:**

1. High industrial capacity
2. Absence of working capital
2. «Violent» privatisation process
4. High domestic interest rates
5. Low availability of credit
6. High inflation
7. Intercorporate indebtedness

The total of arrears in industry, transportation, construction and agriculture	R 723,1 tr 27.1% of GDP (19.3% in 1996)
Arrears/claims (owed by non-state sector)	R 694,3 tr
Arrears/liabilities	R 432,3 tr

### **Trade finance first stage**

Pre-export finance and limited amounts of import finance  
Short-term but favourable conditions vis-a-vis other traded securities  
Bank guarantees  
Standard documentation  
Low corporate indebtedness

### **Trade finance second stage**

Pre-export finance on a name lending basis  
Import finance available for larger amounts  
Export finance starts moving in.  
Tenor increases and margins come under pressure from capital markets issues.  
Documentation requirements increase as transactions become more complicated.  
Corporates prepare for equity issues.

### **Trade finance bridging the gaps**

Russian corporates ambitions are exceeding the current legal and administrative infrastructure.

Lack of transparency and information jeopardises potential for corporates to raise finance in the own name.

Many Republics and other administrative entities are now starting to play an important role in raising trade financing to support their own large projects.

Practical impossibility of having external escrow accounts and the strict requirement to repatriate at least 50% of the value of the goods exported.

The Russian commercial banking system can be the key to intermediate many of the collateral and corporate security requirements.

Central Bank regulations must be more flexible.

Syndicated trade credits are becoming the norm to comply with the increasing nominal amount of the facilities and to overcome Central Bank restrictions.

Credit derivatives and default options find limited application in trade credits.

## Do you know these words?

<b>arrears</b>	[ə'riəz]	задолженность
to be in arrears		иметь задолженности
<b>to owe</b>	[ou]	быть должным
<i>They owe us a big sum.</i>		<i>Они должны нам большую сумму.</i>
<i>I owe it to him.</i>		<i>Этим я обязан ему.</i>
owing to him...		благодаря ему...
<b>liabilities</b>	[,laɪə'bɪlɪtɪz]	обязательство, задолженность, пассив (правая сторона бухгалтерского баланса)
<i>ant. assets</i>		
<b>favourable</b>	[ˈfeɪvərəbl]	благоприятный
<b>favourable balance of trade</b>		положительное сальдо торгового баланса
<b>favourable balance of payments</b>		положительное сальдо платежного баланса
<b>vis-a-vis (фр.)</b>		1) друг против друга, напротив 2) в отношении, по отношению
<b>tenor</b>	[ˈtenə]	высокий
<b>transaction</b>	[træn'zækʃn]	делка, операция
<b>complicated</b>	[ˈkɒmplɪkeɪtɪd]	сложный
<b>equity issue</b>	[ˈekwəti]	выпуск акций
equities = ordinary shares		акции
<b>administrative</b>	[əd'mɪnɪstrətɪv]	административный
<b>infrastructure</b>	[ˈɪnfɹə,straʊktʃə]	инфраструктура (дороги, связь, транспорт, образование, здравоохранение)
<b>transparency</b>	[træns'pærənsɪ]	прозрачность, ясность
<b>to jeopardise</b>	[ˈdʒepədaɪz]	угрожать

<b>entity</b>	[ˈentɪtɪ]	юридическое лицо: самостоятельная организация, компания...
<b>external</b> <i>ant.</i> <b>internal</b>	[ɪksˈtɜːnl]	внешний внутренний
<b>escrow account</b>	[ˈeskrou]	счет в банке (на котором блокируются средства на покупку товара в качестве гарантии завершения товарообменной операции)
<b>to intermediate</b>	[,ɪntəˈmɪdɪˈeɪt]	быть посредником
<b>collateral</b>	[kəˈlætərəl]	обеспечение кредита (ценные бумаги и другая собственность)
<b>comply</b> <b>to comply with a request</b>	[kəmˈplaɪ]	справляться, выполнять выполнять просьбу
<b>facilities</b>	[fəˈsɪlɪtɪz]	зд. кредиты, ссуды
<b>to overcome</b>	[ˈoʊvəkʌm]	преодолевать
<b>derivative</b> <b>credit derivatives</b>	[dɛˈrɪvətɪv]	производное кредиты и их производные
<b>default</b>	[dɪˈfoːlt]	невыполнение условий кредитного соглашения, неплатеж
<b>option</b>	[opʃn]	опцион: право выбора

## Increase your vocabulary!

### 12 Say from what words the following nouns are formed:

indebtedness	privatisation
liability	availability
transportation	documentation
participant	requirement
transaction	transparency

### 13 Match the English and Russian equivalents:

arrears	задолженность
gap	обеспечение кредита
entity	ценные бумаги
collateral	производные
escrow account	неплатеж
securities	право выбора
derivatives	размещать акции
option	изыскивать средства
to raise finance	отставание
to distribute stock	юридическое лицо
to jeopardise	угрожать

### 14 Match the words which are close in their meaning:

arrears	sum
amount	liabilities
credit	ordinary share
transaction	loan
equity	deal
default	restricted
gap	deficit
limited	present
current	non-payment

### 15 Match the words which are opposite in their meaning:

favourable	to facilitate
external	to borrow
absence	substandard
payment	simple
to jeopardise	fixed
entity	low
high	individual
standard	unfavourable
complicated	internal
flexible	presence
to lend	non-payment

## Revise Grammar!

### 16 Underline the Participles and translate the word combinations into English:

booklet distributed among the participants  
the seminar held in London  
the goods exported  
arrears owed by non-state sector  
the corporate bonds issued  
trade finance bridging the gaps  
to play an important role in raising trade financing  
impossibility of having escrow accounts

## Have another look at the text and ...

### 17a Translate these extracts into Russian.

#### b Say:

- 1) which part was most difficult to translate
- 2) what terms were difficult to remember

#### c Translate into English:

простые акции	корпоративная задолженность
корпоративные акции	пассив
облигации	потребности
выпуск акций и облигаций	сделки
процентные ставки	производственные мощности
угрожать	приватизация
финансирование импорта	юридическое лицо
изыскивать средства	торговля
преодолевать ограничения	

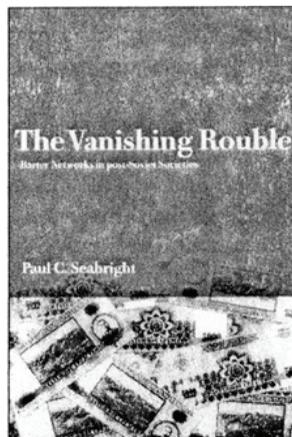
## Annotation of the book: **The Vanishing Rouble**

*Barter networks and non-monetary transactions  
in post-Soviet societies*

Edited by Paul Seabright  
University of Toulouse

One of the most remarkable aspects of the transition process in the former Soviet Union has been the extent to which the economy has effectively become demonetarized in recent years. At the time of Russia's financial crisis of 1998 it was estimated that up to 70% of industrial output was being exchanged for barter. This book provides an accessible and authoritative analysis of barter in the former Soviet Union, addressing such questions as:

- What has brought about this demonetarization and why have we not seen the same phenomenon on a widespread scale in central and eastern Europe?
- Does the nature of demonetarization cast light on what underpins monetary transactions in industrial societies?
- What are the consequences for output and growth?
- Should the state interfere and how?
- Does the network character of many non-monetary transactions have implications for the role and value of social networks in complex modern societies?



### **Do you know these words?**

**to vanish**  
**remarkable**

[ˈvæniʃ]  
[rɪˈmɑ:kəbl]

исчезать  
замечательный; вы-  
дающийся

**extent**  
**to what extent**  
**to provide**

[ɪksˈtɛnt]

степень  
до какой степени  
обеспечивать, пре-  
доставлять

**scale**  
**on a widespread scale**

масштаб, размер  
в широком масштабе

**consequence**  
**to interfere**

['kɒnsɪkwəns]  
[,ɪntə'fɪə]

последствие  
вмешиваться; мешать

## Grammar Revision: **The Adverb**

**adjective + -ly = adverb**

*high* — **highly**

*quick* — **quickly**

*remarkable* — **remarkably**

Exceptions

*good* — **well**

*long* — **long**

*much* — **much**

*early* — **early**

*little* — **little**

*hard* — **hard** (много, упорно)

*late* — **late**

**hardly** (едва)

### **18 Form and translate adverbs:**

effective

economical

total

formal

recent

possible

quick

natural

authoritative

probable

slow

independent

exact

high

early

immediate

good

low

much

long

### **19 Use the right word and translate the sentences:**

The economy (*effective/effectively*) become demonetarized for some time.

The analysis was quite accessible and (*authoritative / authoritatively*).

The industrial output was rather (*high/highly*).

They (*previous/previously*) accepted our suggestions.

The delegation (*thorough/thoroughly*) discussed the topic.

Why were they very (*careful, carefully*)?

Did they consider the matter very (*careful/carefully*)?

## 20 Translate into English:

значительно	широко	непосредственно
точно	хорошо	глубоко
приблизительно	фактически	коммерчески

## Grammar Revision: The degrees of comparison of adjectives and adverbs

<i>quick — quicker — quickest</i>	<i>considerable — more considerable — most considerable</i>
<i>quickly — quicker — quickest</i>	<i>considerably — more considerably — most considerably</i>
Exceptions	
<i>good — better — best</i>	<i>many — more — most</i>
<i>much — more — most</i>	<i>well — better — best</i>
<i>little — less — least</i>	<i>bad — worse — worst</i>

## 21 Translate into English:

самый дорогой	быстрее всего	самый важный
самый дешёвый	быстрее	более подходящий
более выгодный	более медленно	лучше
самый напряжённый	более выгодно	хуже
	более точный	точнее

## 22 Translate the sentences using appropriate word combinations:

Он ответил на вопросы более подробно, чем другие.	most of all
Мне больше всего понравилось первое выступление.	least of all
Нам показалось, что он говорил слишком много об этой проблеме.	too much

Эти вопросы более важны, и лучше мы их обсудим сейчас.		much more important
Мы меньше всего ожидали вмешательства со стороны этих властей.		much less expensive
Товары, предложенные итальянской фирмой, были немного дешевле.		in a more detailed way

## Have another look at the annotation and ...

### 23a Read and translate these words:

aspect	phenomenon	demonetarized
process	phenomena	financial
crisis	demonitarization	accessible
crises	society	authoritative
analysis	to underpin	former
analyses	to cast light	widespread

### b Answer these questions:

- 1) When do you think this book was published?
- 2) Has the economic situations changed in Russia since then?
- 3) Are barter transactions practised on a wide scale anywhere now?
- 4) Why do you think the author of the book choose this title?

### c Translate the annotation of the book.

#### Newspaper item: **Privatisation in doubt**

The privatisation of Unipetrol, the Czech petrochemicals and refinery group, was thrown into doubt yesterday when Agrofert, its intended purchaser, insisted on a renegotiation of the sale contract's conditions.

The Czech privately held agrochemicals group won a tender for the government's 63 per cent stake in Unipetrol last December when it bid €361m. But antimonopoly proceedings were delayed for months as Agrofert failed to supply requested documentation, prompting speculation it had lost interest.

Now Agrofert wants to complete the transaction in concert with PKN Orlen, the Polish refinery group, through a joint venture, even though Agrofert had won the original tender on its own.

Agrofert also wants changes in the sale contract's conditions because of unstable supply relations between Unipetrol's 51 per cent owned refinery subsidiary Ceska Rafinerska and its petrochemicals arm Chemopetrol. The sale contract signed at the start of the year between Agrofert and the National Property Fund includes heavy penalties if supplies are not maintained for eight years.

Andrej Babis, Agrofert general director, said he was unwilling to complete the deal under the current conditions. 'The nature of the transaction has changed since we first made the bid,' he said.

Long-term supply agreement between Cheska Rafinerska and Chemopetrol were not renewed after their expiry at the end of last year. Supplies are being made on the basis of monthly contracts.

But a dispute over prices between Unipetrol and shareholders owning the other 49 per cent of Ceska Rafinerska led to a temporary freeze in supplies to Chemopetrol in May.

A Fund source said: 'It would be an extremely complicated process to change the conditions: the sale contract has already been signed and the privatisation approved by the government.'

## Do you know these words?

<b>refinery</b>	[rɪ'faɪnəri]	очистительный завод
<b>to insist</b>	[ɪn'sɪst]	настаивать
<b>stake</b>		доля, часть; участие;
		ставка
<b>to bid (bid, bid)</b>		предлагать цену
<b>bid</b>		предложение цены, пред- ложенная покупателем
		цена
<b>proceedings</b>	[prə'si:diɪnz]	поступки, действия, дела
<b>to delay</b>	[dɪ'leɪ]	задерживать
<b>joint venture</b>	['dʒɔɪnt 'ventʃə]	совместное предприятие
<b>subsidiary</b>	[səb'sɪdʒəri]	дочерняя компания; фи- лиал
<b>expiry</b>		окончание, истечение срока

## Grammar: The Infinitive

В английском языке инфинитив глаголов соответствует неопределенной форме глаголов в русском языке. Как правило, инфинитив употребляется с частицей *to*.

Инфинитив может иметь следующие формы:

**Active Infinitive:** *to write, to prepare*

**Passive Infinitive:** *to be written, to be prepared*

**Continuous Infinitive:** *to be writing, to be preparing*

**Perfect Infinitive:** *to have written, to have prepared*

Инфинитив выполняет в предложении следующие основные функции:

1) части сказуемого

- после глаголов *to start, to begin, to continue* (может также употребляться герундий, без изменения значений)

*They **started** to negotiate the contract last Monday.*

- после глаголов *to finish, to stop* (note: *to stop to do smth* — остановиться, чтобы сделать что-либо *to stop doing smth* — перестать делать что-либо)

*He **stopped** to read the ad.*

*He **stopped** reading ads.*

- после модальных глаголов *must/can/may/should do smth ought/to have/to be/to be able to do smth*

*You **must** see this film by all means.*

2) прямого дополнения после глаголов *to want, to need, to plan, to decide, to offer, to refuse, to hope, to try, to forget* (note: *to hope to do smth = to hope do smth*)

*I **wanted** to have a holiday in July.*

*I **hoped** (to) go to Cyprus that summer.*

3) обстоятельства цели

*He came to Russia **to deliver** a few lectures at the University.*

4) определения

*It's a good book **to read**. (Это хорошая книга, которую нужно прочитать.)*

На русский язык инфинитив переводится неопределенной формой глагола или придаточным предложением.

## 24 Underline the Infinitives and translate the sentences into Russian:

Agrofert failed to supply requested documentation.

Now Agrofert wants to complete the transaction in concert with the Polish refinery group.

Andrej Babis said he was unwilling to complete the deal under the current conditions.

It would be an extremely complicated process to change the conditions.

Lack of transparency and information jeopardises potential for corporates to raise finance in their own name.

Many entities are now starting to play an important role in raising trade financing to support their own large projects.

## 25 Use the particle *to* where necessary, translate the sentences:

I agreed ... speak at the club next Monday.

I always bite off more than I can ... chew.

Now I won't be able ... do it.

I don't have the heart ... tell the club now.

On what exactly were you ... speak at the club?

I wanted ... share my observations.

Now that I can't ... come I don't know how I can ... save face.

They would have ... search high and low ... find a better speaker.

It's hardly possible they'll be able ... have a replacement.

## 26 Translate into English:

Он говорил о необходимости акционировать это предприятие.

Представитель компании сообщил о правилах, которые необходимо соблюдать.

Производитель не мог согласиться изменить условия поставки.

Они не смогли (*to fail*) представить документацию вовремя.

Мы очень хотели пересмотреть этот вопрос.

## Have another look at the newspaper item and ...

### 27a Underline the basic nouns and translate these word combinations:

the Czech petrochemicals and refinery group

the Czech privately held agrochemicals group

Unipetrol's 51 per cent owned refinery subsidiary Ceska Rafinerska  
the government's 63 per cent stake  
the sale contract's conditions  
unstable supply relations  
the National Property Fund

**b Translate into English:**

осуществить сделку вместе с польским партнером  
в виде совместного предприятия  
самостоятельно выиграть тендер  
нестабильные поставки  
серьезные штрафные санкции  
осуществлять поставки на установленном уровне в течение  
нескольких лет  
соглашение не было возобновлено после того, как срок его  
действия истек

**c Write a summary of this item in a few sentences.**

## Annotation of the book: **Building Capitalism**

*Markets and government in Russia and transitional economies*  
Anders Aslund  
Carnegie Endowment for International Peace,  
Washington DC

This is the most comprehensive empirical analysis of the economic transformation of the former Soviet bloc during the first decade after communism. It debunks many myths, seeing transition as a struggle between radical reformers and those thriving on rent seeking. People have gained from fast and comprehensive reforms, but several countries have gotten stuck in corruption.

Economic decline and social hazards have been greatly exaggerated, since people have forgotten how awful communism was. Swift liberalization of prices and foreign trade, as well as rapid and profound fiscal adjustment, have been vital for growth, institutional reforms, legality and greater equity.

Privatization has been beneficial, and its effects will grow over time. The main problem has been the continuation of unregulated and ubiquitous state apparatuses living on corruption, while no country has suffered from too radical reforms. Where malpractices of the elite can be checked, market reforms and democracy have proceeded together.

## Work on the words!

**28a** Translate the words referring to a dictionary if necessary:

endowment	to exaggerate
to thrive	ubiquitous
to gain	malpractice
hazard	to proceed

**b** Translate the following into English:

развевать миф	стремительная либерализация
радикальный реформатор	быстрое и полное финансовое
погрязнуть в коррупции	регулирование
экономический спад	реформы государственных
большая справедливость	институтов

**c** Make sentences of your own using these word combinations:

a comprehensive	{	analysis	to seek	{	transition
		reform			a quarrel
		review			shelter
		school			safety
		description			fortune

**d** Translate the annotation into Russian.

### Newspaper item: **Russians moot Murmansk oil export terminal**

Yukos, Russia's second largest oil company, might join top producer Lukoil in building a major export terminal in Murmansk on the Barents Sea aimed at boosting supply to the US.

Mikhail Khodorkovsky, head of Yukos, which made Russia's first direct shipment of crude oil to the US in June, said Lukoil's plan could increase supplies across the Atlantic and help ease the crowded

Bosphorus straits, currently handling the bulk of Russia's crude exports shipped from the Black Sea.

Russia exports up to 3m barrels a day (b/d) of crude to world markets. Its oil output is booming for the fourth consecutive year and Moscow needs to build new export routes as its own domestic consumption is barely increasing.

The US has said Russia's booming output could help cushion oil markets against volatile supplies from Opec producers in the practically turbulent Middle East.

Lukoil raised the idea of a 1m b/d terminal in Murmansk, formerly a Soviet era military base, during a Russia-US summit in May. But analysts questioned the plan, saying the outlet would require building a huge new pipeline.

Mr Khodorkovsky's comments give the idea a significant boost, since Yukos is seen by market analysts as one of Russia's most pragmatic and dynamic oil companies.

## 29a Find the equivalents in the text:

обсуждать вопрос о строительстве терминала в Мурманске для экспорта нефти

нефть-сырец

строить новые транспортные линии для экспорта

внутреннее потребление увеличивается очень незначительно

защитить нефтяной рынок при нестабильных поставках нефти странами ОПЕК

обрабатывать/пропускать большую часть экспортных поставок

предложить идею

ставить план под сомнение

## b State what parts of speech the words in italics are and translate the sentences:

Yukos *might* join Lukoil in *building* a major export terminal in Murmansk *aimed* at *boosting* supply to the US.

Lukoil's plan could help *ease* the crowded Bosphorus straits, currently *handling* the bulk of Russia's crude exports *shipped* from the Black Sea.

Russia's *booming* output could *cushion* oil markets against volatile supplies from Opec producers.

Analysts questioned the plan *saying* the outlet would require *building* a huge new pipeline.

**C Insert articles where necessary:**

- |                       |                  |
|-----------------------|------------------|
| ... Barents Sea       | ... River Volga  |
| ... Atlantic Ocean    | ... River Thames |
| ... Bosphorus straits | ... River Neva   |
| ... Gulf Stream       | ... Ladoga Lake  |
| ... British Channel   | ... Ontario      |

**d Answer these questions:**

- 1) What terminal did Yukos and Lukoil plan to build?
- 2) What was the opinion of analysts about the plan?
- 3) What is the progress of the construction at present, as far as you know?
- 4) How did the newspaper characterise Lukoil and Yukos?
- 5) What did the newspaper say about oil exports from Russia and its domestic oil market?
- 6) In what connection was Middle East mentioned?
- 7) What is the acronym for the Organisation of Petroleum-Exporting Countries?

**Newspaper item to retell: Brussels aid for  
Yugoslavia**

The European Commission said yesterday it plans to give an additional €130m to Yugoslavia and issued a favourable assessment of Belgrade's use of prior donations.

The package, €75m of which would be released in the form of grants, requires approval by the European Parliament.

This week Yugoslavia received the third and final tranche of a €345m EU package targeting key economic reforms — public expenditure control, tax policy and administrative reform, banking sector restructuring and private sector development.

Annotation of the book to translate:

## **The New Russia**

*Transition gone awry*

Edited by Lawrence Klein

University of Pennsylvania

Foreword by Mikhail Gorbachev

This book delivers an unpopular message: the West has played a pivotal role in the Russian economic disaster of the 1990s. Western advisors, including the International Monetary Fund and the US Treasury, applied a narrow conception of economics that pushed Russia, after more than seventy years of communism, toward another failed utopia. The twenty six contributions to this book are divided into three parts: theory, evidence, and policy. Part One directly challenges orthodox economic theory for obscuring the necessary role of government in creating and sustaining a market system and features essays by three Nobel laureates in economics — Kenneth J. Arrow, Lawrence R. Klein, and James Tobin. Part Two describes the dimensions of the economic crisis in Russia and presents a Russian perspective on the failure of shock therapy. Part Three presents policy recommendations, with special attention given to improving the integrity and administrative competence of the Russian government.

'No writing or oratory in history has been more replete with bad advice than that given Russia in the last decade. Here, for a change, is something very good — the best, in fact, that truly competent and responsible American and Russian scholars have to offer. I strongly recommend it.'

*John Kenneth Galbraith*

### **30 Write an essay on one of the following topics making use of the material of this lesson and other English/Russian sources:**

The current economic situation in the countries of Eastern Europe.

Economic reforms in Russia in the second decade of political transformation.

The first decade of economic reforms in the former Soviet Union.

Speech:	<b>The quality of the goods produced</b>
Texts:	<b>Production function</b> <b>Production possibility boundary</b>
Figure:	<b>Location of production</b>
Business letter:	<b>Industrial and office accommodation</b>
Newspaper item:	<b>MIM Holdings to boost coal production</b>
Grammar Revision:	<b>Object clauses</b> <b>Attributive clauses</b> <b>The pronoun <i>one</i></b>

### Speech: **The quality of the goods produced**

I'm Alan Severn, I'm the Quality Manager at Acam, and my responsibilities are exactly that, for the quality of the product, the quality of the services, and the quality of all interfaces which involve the customer and our customers.

The word 'quality' is a very easy one that slips off the tongue, it's quite easy to say but it means an awful lot of things. I have a department of three people, but in essence, everybody in the company works for me, because everybody works for the word 'quality'. Quality starts and must start with the conception of everything and goes through every department within the company. You can't pack quality into a box at the end of the line. You have to implant it at the start of the process, and it knocks on through every process until it goes into a box, into your home, into your living room, and you switch it on and you're a happy person.

The two aspects of quality are that we must reproduce, must, sorry, design to reproduce excellent hi-fi equipment, and that must be a design which has got quality built into it in terms of the performance of the product, but also must have the ability to be produced in volume. Er, now, that means the designers have to have

restraints put on them, and that restraint means that they must work to quality standards to ensure that their designs are reproducible in volume. They must design for manufacture. That's one part of the quality aspect.

Then the designers hand the information on to the manufacturing departments. We have to then implant into our suppliers, and our manufacturing people, the quality standards which will achieve our aim, our goals. So, our message spreads then from our designers into our manufacturers and our subcontractors, who make the metal work, who make the printed circuit boards, etc., etc.

Quality is a very well-worn word and in this business, certainly in Arcam business, it is an ongoing activity within the company, and it's called TQM, Total Quality Management. We improve our quality on a daily, weekly, monthly, yearly basis. So we never stop refining the process. And we don't know what the ultimate quality is. I don't know when we're going to arrive there.

## Do you know these words?

<b>to involve</b>	[ɪn'vɔʊlv]	1) вовлекать, затрагивать 2) возводить в степень (мат.) <i>затрагивать чьи-либо права</i>
<b>to involve the rights of smb</b>		запутанный, сложный
<b>involved</b>		запутавшийся в долгах
<b>involved in debt</b>		1) тесные связи
<b>involvement</b>		2) затруднительное положение; денежное затруднение
<b>to slip</b>		скользить
<b>to slip off</b>		выскользнуть, соскользнуть
<b>a slip of the tongue</b>		оговорка
<b>a slip of the pen</b>		описка
<b>to implant</b>		насаждать, внедрять
<b>to switch on</b>		включать
<b>to switch off</b>		выключать
<b>restraint</b>		строгость, сдержанность
<b>to achieve</b>	[ə'tʃi:v]	достигать

to spread

простира́ться, распро-  
страня́ться

circuit

['sə:kɪt]

цепь, контур, схема

ultimate

конечный

## Grammar Revision: Object clauses

<i>Direct word order</i>	<i>The Rules of the Sequence of Tenses, direct word order</i>
<i>I know what his name is.</i>	<i>I knew what his name was.</i>
<i>I don't know what his name is.</i>	<i>I didn't know what his name was.</i>
<i>Do you know what his name is?</i>	<i>Did you know what his name was?</i>

### 1 Underline the object clauses, read and translate these sentences:

We don't know what the ultimate quality is.

At the time of Russia's financial crisis of 1998 it was estimated that up to 70 % of industrial output was being exchanged for barter.

They say (that) manufacturing industry will inevitably decline.

He asked the representative if the company had been privatised.

He wanted to know when the lecture would be delivered.

I inquired what he meant by 'a potential wrongdoer'.

### 2 Use the verbs in the right forms and translate the sentences:

He inquired what results (*to obtain*).

They did not know how many customers (*to involve*).

The participants of the conference asked the lecturer if the aim (*to achieve*).

We didn't know when the analysts (*to complete*) the analysis.

The student asked the tutor how '0' (*to pronounce*) before the decimal point.

Nobody knew how the prices (*to change*) by that time.

### 3 Translate into English:

Он спросил, на сколько процентов изменились цены.

Я не знаю, почему никто не ответил на этот вопрос.

Они спросили, когда правительство Северной Кореи повысило цены на продукты питания.

Журналисты хотели узнать, когда будут опубликованы эти статистические данные.

## The pronoun *one*

*I need a pen. Have you got one?* (a pen)

— *Is there a bookshop near here?*

— *Yes, there's one at the end of this street.* (a bookshop)

*Which book is yours? This one or that one?* (book)

*I don't like this text but I like the one(s) we discussed yesterday.* (text, texts)

— *Which topic have you chosen?*

— *The last one.* (topic)

*I have lost my dictionary. I must buy a new one.* (dictionary)

### 4 Write the words substituted by the pronoun *one* in each case, read and translate the sentences:

The word 'quality' is a very easy *one*.

Complete this sentence and the other *ones*.

Translate this word and the *ones* you see at the bottom of the page.

You may use this item and the *one* published by *The Economist*.

This text is much more difficult than the *one* we translated last week.

This question is clear but the *one* she asked is not.

— Is the graph quite understandable?

— Which *one* do you mean?

### 5 Translate into English:

Эта статья для перевода значительно труднее чем та, которую мы читали вчера.

Я прочитал этот обзор литературы и тот, что опубликован в газете «Экономика и жизнь».

Он ответил на все вопросы, кроме последнего.

Этот компьютер очень старенький, а вот тот самый современный.

В этой таблице экономические показатели более точные, чем в той.

## Study sentence patterns!

*to be going to do smth*  
*собираться сделать что-либо*

### 6 Read the sentences and translate into Russian:

We are going to discuss this problem tomorrow.

They are going to arrange a conference on this topic next week.

My friends are going on an expedition to Siberia next summer.

They are going to visit a few old Russian villages located on the banks of the River Lena.

He is going to make a report on this subject at the symposium which will be held in Kiev.

I don't know when we are going to achieve this highest level of quality.

### 7 Translate into Russian:

Правительство собирается обсуждать вопрос об инвестициях на заседании во вторник.

Он собирается выступить на конференции по вопросам производства электроэнергии.

Они собираются говорить о приватизации этого комбината на совещании в министерстве, не так ли?

Мы просили узнать, где будет проходить эта ежегодная конференция.

## Work on the words!

### 8a Use the appropriate word and translate the sentences:

The quality of the product and the quality of the services ... the customer and our customers too.

The country was deeply ... in debt.

It didn't ... the sovereign rights of anybody.

The analysts considered the system was very ....

involvement

to involve

Judging by the title the item spoke about new ... of the company.	involve
There was indepth ... of the French company with a few Italian ones.	involved
The experts did not advise the manager ... himself in unnecessary expenses.	
The war ... a great increase in the national debt.	

**b Make sentences using these words:**

a lot of money	}	was/were <i>involved</i>
big sums of money		
a lot of people		
a few banks		
a few companies		
a few countries		

**c Translate into English:**

В проекте было задействовано несколько крупных иностранных фирм.

Эти непродуманные действия создали для компании большие проблемы.

Бизнес-план компании был очень продуманным, но сложным.

Его объяснение было очень запутанным.

Это дело очень сложное и запутанное.

**9 Translate the sentences paying attention to the word to ensure:**

They must work to quality standards *to ensure* that their designs are reproducible in volume.

The authorities promised *to ensure* their independence.

The documents *ensured to* them the authority they needed.

The head of the department couldn't *ensure* him a good post in the near future.

I can't *ensure* that he will be there in time.

**10 Make sentences of your own using these word combinations:**

to achieve	{	an aim	to refine	{	a process
		a goal			oil
		a target			sugar
		a purpose			a language
		success			speech

**11 Match the English and Russian equivalents:**

to restrain	распространяться	manufacturer	продавец
to slip	сдерживать	subcontractor	покупатель
to spread	исчезать	customer	поставщик
to mean	насаждать	supplier	изготовитель
to implant	смягчать	vendor	субподрядчик
to vanish	обсуждать	purchaser	заказчик, клиент
to cushion	скользить	seller	
to moot	распространяться	buyer	

**Have another look at the text of the speech and ...**

**12a Write its summary in 3 or 4 sentences.**

**b Translate into English:**

Это лекция была посвящена вопросам управления качеством.

Преподаватель рассказал, что идея управления качеством выпускаемой продукции зародилась в Японии. В этой стране и сейчас существуют кружки качества.

Вы знаете, что эта идея развивалась в Японии в течение 30 лет после Второй мировой войны?

Я не знал, что в 80-х годах эта идея была затем заимствована США.

В Японии эта идея называется “постоянным совершенствованием”, или ‘kaisen’.

## Text: **Production function**

*Production function* is a function that shows for a given state of technological knowledge the relationship between physical quantities of factor inputs and the physical quantities of output involved in producing a good or service. Since the quantity of output depends upon the quantities of inputs used, the relationship can be depicted in the form of functional notation:

$$Q = f(I_1, I_2, \dots, I_n)$$

where  $Q$  — output of a product and  $I_1, I_2$ , etc., are quantities of the various factor inputs 1, 2 etc., used in producing that output.

It is important to emphasize that factor inputs can be combined in a number of different ways to produce the same amount of output. One method which is technically the most efficient is the one which uses the only small amounts of labour, while another method may employ large quantities of labour and only a little capital. In physical terms. the method which is technically the most efficient is the one which uses the fewest inputs. Economists, however, are more concerned with the costs aspects of the input-output relationship, specifically the least costly way of producing a given output. Such relationships can be analysed using isoquant curves, isoquant maps and process rays.

## Do you know these words?

<b>to depend on/upon smth</b>	[dɪ'pend]	зависеть от чего-либо
<b>to depict notation</b>	[dɪ'pɪkt]	изображать, описывать запись; изображение условными знаками, цифрами, буквами
<b>phonetic notation</b>	[fou'netɪk]	транскрипция
<b>to combine terms</b>		соединять выражения, язык, способ выражения; условия
<b>specifically</b>	[spɪ'sɪfɪkəlɪ]	специально, особенно; в частности
<b>isoquant (curve)</b>		изокванта, изоквантная кривая, кривая равных количеств
<b>map</b>		карта
<b>ray</b>		луч

## Grammar Revision: **Attributive clauses**

*It is the function **that/which** shows this relationship.*

*It is the function (**that/which**) we discussed yesterday.*

*He is the economist **who/that** worked at this problem.*

*He is the economist (**who/that**) we spoke about yesterday.*

*Note:* The conjunctions *who/that/which* can be omitted if **they are not subjects** in attributive clauses.

### **13 Underline the attributive clauses, read and translate the sentences:**

It is the method which is technically the most efficient.

One of the most remarkable aspects of the transition process has been the extent to which the economy has become demonetarized.

He is the head of Yukos which made Russia's first direct shipment of crude oil to the US.

I agree with the people who say that manufacturing industry will inevitably decline.

That must be a design which has got quality built into it.

We have to implant into our suppliers the quality standards which will achieve our aim.

Our message spreads into our subcontractors who make the metal work.

Last year I visited the town where I was born.

### **14 Put the conjunctions in brackets if it is correct to omit them:**

Everything *that* they said was correct.

Do you know anyone *who* speaks Italian?

The woman *who* I was sitting next to talked all the time.

She works for a company *which* makes washing machines.

Have you found the key *that* you lost?

I gave her all the money *that* I had.

The people *who* we met at the office were very friendly.

Is this the place *where* you were last year?

## 15 Make a few sentences, like this:

*It was the worst film (that) I have ever seen.*

worst	film	to see
best	performance	to read
longest	book	to visit
most interesting	story	to have
dullest	town	to do
biggest	place	to use

## 16 Translate into English:

Это самый сложный вопрос, который мы когда-либо обсуждали.  
Проблема, о которой мы говорили на прошлой неделе, очень интересная.

- Ты знаешь студента, который выступал вчера на семинаре?
- Да, знаю. Это Петров с третьего курса экономического факультета.
- Тебе понравилось его выступление?
- Конечно, да. Оно было очень актуальным и интересным.

## 17 Underline Participles I, II and Gerunds; state what parts of sentences they are and translate the sentences:

It is the function showing the relationship between physical quantities.  
It shows the relationship between the two quantities involved in producing a good or service.

It depends on the quantities of inputs used.

They are quantities used in producing that output.

Such relationships can be analysed using isoquants.

The designers have to have restraints put on them.

We never stop refining the process.

## Have another look at the text of the speech and ...

### 18a Translate these words into English:

количество  
качество

отношение  
равенство

кривая равных количеств  
(производственный) фактор  
ввод, вводимый ресурс  
выпуск (продукции)  
товары и услуги

сумма  
рабочая сила  
функция  
производимое  
производственная функция  
занятость

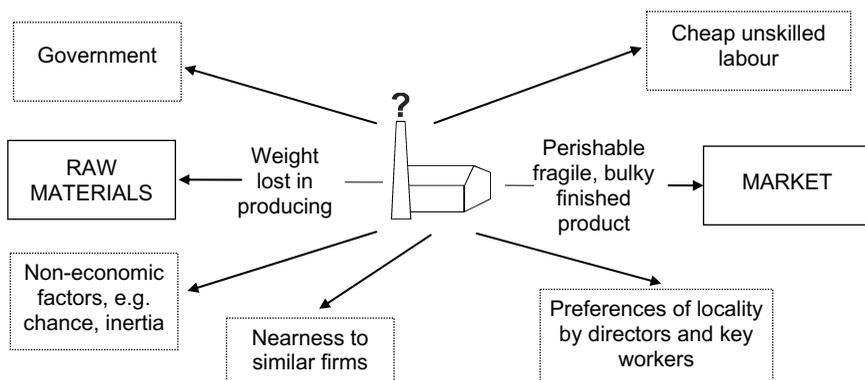
**b Translate the text.**

**c Translate the following definition, and say if you like it better than the one given in the text:**

**The production function** shows the maximum output that can be produced in a given period from specified inputs in the existing state of technical knowledge. The function is usually expressed in mathematical terms. The function may exhibit constant, increasing or diminishing returns to scale.

### Figure: Location of production

The figure below shows the various factors influencing the location of production or siting of a business:



## Do you know these words?

location	[lou'keɪʃn]	месторасположение, местонахождение
to site siting		размещать, располагать размещение
weight	[weɪt]	вес, тяжесть
perishable		быстропортящийся
fragile	['frædʒaɪl]	хрупкий, бьющийся, ломкий
bulky		громоздкий

## Work on the words!

**19a** Read and translate these words paying attention to the suffix *-y* and its variants:

formal — formality	local — locality
original — originality	relative — relativity
individual — individuality	proper — property
possible — possibility	to celebrate — celebrity
difficult — difficulty	to continue — continuity

**b** Underline the suffixes, read and translate these words:

preference	reference
independence	existence
residence	violence
rememberance	maintenance
accordance	allowance
abundance	predominance

**c** Form the words using the suffix *-ness* read and translate them:

*near* + *-ness* = *nearness*

new	direct
right	bright
fit	useful
watchful	close

**20 Match the words having the opposite meaning:**

near	unskilled
raw materials	expensive
to lose	finished products
similar	to gain
cheap	far from
skilled	different

**21a Match the words which are very close in their meaning:**

producing	goods
products	inexpensive
firm	siting
location	manufacturing
cheap	company

**b Give a few examples with these words which practically mean the same:**

goods	commodity
commodities	products
produce	a good

**Have another look at the figure and...**

**22a Answer these questions:**

- 1) What factors did the figure show?
- 2) Which of these factors are most important, to your mind?
- 3) What is the role of the government?
- 4) For whom do you think all these factors are of importance?
- 5) When are they all very attentively considered?

**b Try to draw a similar figure and say what its advantages are.**

## Business letter: **Industrial and office accommodation**

Gentlemen:

I am pleased to report that we have found suitable buildings for low cost industrial and office accommodation. The site is Delaware Corporate Park in Trenton NJ.

Trenton is the State Capital of New Jersey, with a population of 110,000. It is mid-way between Philadelphia and New York City on the banks of the Delaware River and also well-sited for communications by truck or automobile with major markets in the USA and Canada.

Over 50% of the total population of both the USA and Canada are within 750 miles (over 130 million people) — the most extensive consumer market in the Western Hemisphere. Although the competition here is very fierce, the potential is enormous! Besides the state of New Jersey offers some tax advantages. And grants are available for setting up a new plant and training staff.

Awaiting your further instructions.

Truly yours,

...

### Do you know these words?

<b>accommodation</b>	[ə,komə'deiʃn]	размещение, устройство
<b>state</b>		1) государство 2) штат
<b>extensive</b>	[iks'tensɪv]	обширный, пространный
<b>hemisphere</b>	['hemɪ,sfiə]	полушарие
<b>although</b>	[o:l'dəu]	хотя
<i>syn.</i> <b>though</b>		

<b>fierce</b>	[fiəs]	острый, сильный
<b>enormous</b>	[ə'no:məs]	огромный
<b>available</b>	[ə'veiləbl]	доступный, имеющийся в наличии
<b>to set up</b> <i>syn.</i> <b>to found</b> <b>to establish</b>		основать, организовать
<b>to train</b> <b>staff</b>		подготавливать, обучать персонал
<b>to await smth</b> <i>syn.</i> <b>to wait for</b> <b>smth/smb</b>	[ə'weɪt]	ожидать

## Work on the words!

**23a** Translate these adjectives and write the words from which they are formed:

industrial	extensive	advantageous
inertial	competitive	various
essential	productive	bulky
official	informative	different

**b** Form adjectives instead of attributive clauses, like this, and translate them:

*which can suit us — suitable*

which can change	which can be used
which can vary	which cannot be used
which can perish	which can be excused
which can be marketed	which makes profit
which can be easily read	which has value

**c** Say how these compound adjectives are formed and translate them:

well-sited	well-conducted	well-known
well-prepared	well-balanced	well-informed
well-done	well-connected	ill-timed

ill-advised  
ill-affected

ill-tempered  
ill-bred

ill-fated  
ill-judged

## Revise Grammar!

### 24a Make two sentences as in the example paying attention to the articles:

*city / 110,000 / manufacturing → It's a big city with a population of 110,000. The population is mostly engaged in manufacturing.*

city/200,000/steel industry

city/150,000/watchmaking

city/100,000/textile industry

town/3,000/handicraft

city/250,000/carmaking

region/200,000/agriculture

city/300,000/shipbuilding

place/4,000/fishing

### b Translate these pairs of sentences as in the example. Pay attention to the use of articles:

*It is a most extensive market. — Это очень большой рынок.*

*It is the most extensive market in the region. — Это самый большой рынок в регионе.*

- 1) It is a most extensive consumer market. It is the most extensive consumer market in the Western Hemisphere.
- 2) They visited a most highly populated area. They visited the most highly populated area in the republic.
- 3) It is an easiest diagram. It is the easiest diagram we have had.
- 4) It is a most interesting book. It is the most interesting book I have ever read.

### c Make sentences with these expressions where no article is used:

by truck

by automobile

by car

by bus

by taxi

by post

by express mail

by telegraph

by telephone

by fax

## 25 Change these sentences by using Gerunds, like this:

*Grants are available for those who wish to set up a new plant. →  
Grants are available for **setting up** a new plant.*

Grants are available for those who are planning to train staff.

Grants are available for those who wish to learn this rare language.

Grants are available for those who want to do this research work.

Grants are offered to those who are eager to make these experiments.

Unfortunately no help is offered to those who are prepared to do this work.

## Have another look at the text and ...

### 26 Read these words:

<i>State</i>	<i>Capital</i>	<i>Chief cities in the state</i>
Delaware	Dover	Smerna, Wilmington
New Jersey	Trenton	Newark, Jersey City
New York	Albany	New York, Buffalo, Rochester
Pennsylvania	Harrisburg	Philadelphia, Pittsburgh

### 27a Answer these questions:

- 1) Who do you think wrote this letter?
- 2) What assignment had he been given?
- 3) What place did he recommend?
- 4) What advantages of the place did he describe?

### b Complete the sentences by using the words from the text:

He found suitable buildings for low cost industrial and office ...

The site was Delaware Corporation Park in ...

Trenton is the State Capital of New Jersey, with ...

It is mid-way between ... and well-sited for ...

It is the most extensive consumer market ...

Although the competition seemed very ... the potential was ...

Besides the state of NJ offered some ...

And grants were available for ...

- c** Sum up the advantages of this location.
- d** Imagine a businessman has bought an office in an English town. He says it is well-located. Describe the location.

### Newspaper item: **MIM Holdings to boost coal production**

MIM Holdings, the diversified Australian mining group, is to capitalise on the strong performance of its coal business by almost doubling the division's production over the next five years.

The Brisbane-based group said it aimed to lift coal production from 21m last year to 38m tonnes by 2006-07 by increasing output from existing operations and developing two new mines. A decision on whether to proceed with the commercial development of a Rolleston mine would be taken in the second half of the present financial year, it added.

Higher Australian dollar prices and increased production boosted the group's coal division's operating earnings 68 per cent to A\$421m (US\$228m) in the year to June. This helped generate a 4 per cent increase in operating profits to A\$308m, ahead of expectations.

However, net profits fell 15 per cent to A\$89m due to a A\$116m write-down against two European zinc smelters and a A\$272m loss due to currency hedging.

### Do you know these words?

<b>mining</b>	[ˈmaɪnɪŋ]	горнодобывающая промышленность
<b>mine</b>		шахта
<b>to double</b>	[dʌbl]	удваивать(ся)
<b>to aim</b>		стремиться
<b>to aim at doing smth</b>		стремиться сделать что-либо
<b>=to aim to do smth</b>		
<b>to lift</b>		1) поднимать (цены) 2) отменять, снимать (ограничения, запрет)
<b>net profit</b>		чистая прибыль

write down write-down

1) понижение цены  
2) частичное списание (задолженности)

hedging ['hedʒɪŋ]

хеджирование, страхование от потерь

## Work on the words!

### 28 Match and translate the synonyms:

to lift	to drop	output	achievement
to double	to go on	performance	money
to aim	to boost	division	production
to develop	to make twice	earnings	waste
to proceed	to target	loss	return
to fall	to progress	currency	section

### 29 Translate into English using this pattern:

Brisbane- <i>based</i> group	группа, находящаяся в Брисбейне
privately- <i>owned</i> enterprise	частное предприятие

частный завод	фирма, находящаяся в Мельбурне
частный очистительный завод	организация со штаб-квартирой в Нью Йорке
частные шахты	союз предпринимателей с центром в Трентоне
частный магазин	
частная сеть магазинов	
частные самолеты	

### 30 Translate into English paying attention to these words:

<i>higher</i> prices	повышение цен, более высокие цены
further price <i>increase</i>	дальнейшее повышение цен

повышение тарифов на электроэнергию	дальнейшее понижение цен
понижение доходов населения	значительное повышение обменного курса
повышение налогов на экспортную продукцию	незначительное повышение небольшого изменение

игра на понижение ставок                      заметное понижение валют-  
повышение выпуска продукции              ного курса

## Revise Grammar!

### 31 Write what parts of speech the words in italics are and translate the sentences:

MIM Holdings is going *to boost* coal production.

MIM Holdings is *to capitalise* on the strong performance of its coal business.

They are planning *to do* so by almost *doubling* the production.

This helped *generate* a 4 per cent increase.

The group said it aimed *to lift* coal production.

The spokesman added that they planned *to achieve* it by *developing* two new mines.

### 32 Translate into English observing the Rules of the Sequence of Tenses:

В статье отмечалось, что они планировали увеличить производство.

В газете сообщалось, что чистые доходы холдинга несколько сократились.

В докладе указывалось что доходы от производственной деятельности сократились на 5%.

## Have another look at the newspaper item and ...

### 33a Answer these questions:

- 1) Can you suggest what the letters MIM stand for?
- 2) What is MIM Holdings?
- 3) What were their plans about coal production?
- 4) Thanks to what did the holding company increase their earnings?
- 5) Did they equally increase their net profit?

### b Translate the item into Russian.

### c Translate into English:

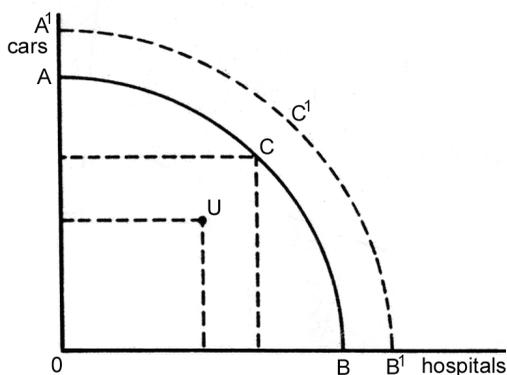
Финансовый год — бюджетный год. Это период в 12 месяцев, на который составляется государственный бюджет; он мо-

жет совпадать или не совпадать с календарным годом. В Великобритании он начинается 1 апреля и длится по 31 марта следующего года; в США финансовый год — это период с 1 октября по 31 сентября.

### Text: **Production possibility boundary**

Production possibility boundary or transformation curve illustrates the economic problem of scarcity in production. The production possibility boundary shows the maximum amount of goods and services that can be produced by an economy at a given point in time with available resources and technology.

The figure below shows a production possibility boundary for motor cars and hospitals, assuming that all resources are fully employed in the most efficient way.



Point A represents the maximum production of motor cars if no hospitals are produced, while point B represents the maximum production of hospitals if no motor cars are produced. At any point along the boundary, such as C, there is a trade-off between the two goods. Motor car production can be expanded only by taking resources away from the production of hospitals.

The point labelled U indicates unemployment. More of both goods can be produced as idle resources are employed up to the limit set by the production possibility boundary. The broken line A'B' shows how the production possibility boundary tends to move outwards over time as a result of long-term economic growth which increases potential output. How far outward the boundary moves and how quickly depends upon the rate of economic growth.

**34a** Translate these words referring to a dictionary if necessary:

boundary	to label	unemployment
scarcity	to indicate	point
to assume	idle	long-term
trade-off	to tend	hospital

**b** Match the English and Russian equivalents:

possibility	количество	available	эффективный
amount	альтернатива	above	краткосрочный
growth	граница	efficient	долгосрочный
boundary	рост	potential	имеющийся
trade-off	кривая	long-term	вышеуказанный
curve	возможность	short term	потенциальный

**c** Translate the text into Russian

**d** Match the equivalents:

transformation curve	кривая производительности
isoquant curve	кривая спроса
consumption curve	кривая потребления
cost curve	кривая распределения
demand curve	кривая равных количеств
distribution curve	кривая стоимости, кривая затрат
curve of output	кривая трансформации

**e** Translate into English:

граница производственных возможностей  
экономические проблемы, связанные с ...  
максимальное количество  
предполагая/допуская, что ...  
наиболее эффективно  
свободные ресурсы  
долгосрочный экономический рост

**f** Write a short essay on one of the topics:

- 1) *Production and econometrics*
- 2) *Some problems in production*
- 3) *Production and quality*

Dialogue:	<b>A job interview</b>
Business letter:	<b>Offering an agency</b>
Text:	<b>An Apple a day</b>
Newspaper items:	<b>IKEA founder ends uncertainty by saying sons will take over</b> <b>Companies 'bigger than many nations'</b>
Annotation:	<b>The Entrepreneurship Dynamics</b>
Grammar:	<b>Conditionals</b> <b>The Absolute Participial Construction</b> <b>The word <i>other</i></b> <b>The word <i>which</i></b>

## Dialogue: A job interview

Here is a part of an interview between a Personnel Manager (PM) and a young girl (Ann) who wanted to be employed by the company:

*PM:* Good morning, Miss...

*Ann:* Miss Johnes.

*PM:* Miss Johnes, yes, right. Hi. Um, you'd like to join our team, I gather.

*Ann:* Yes, I would.

*PM:* That's very good. I'd like to know a little bit about you. Perhaps you could tell me a little bit about your education.

*Ann:* Oh yes, right. Well, I left school at 18 and for the first two years I went to Gibsons, you might know them, they're an engineering firm. And after that, I wanted to do a course, so I did a one-year full-time PA course and went back to Gibsons. I was PA to the Export Director. I stayed there for two years and then moved on to my present company. That's Europa Marketing. Mr. Adair, the marketing director, offered me a job because Gibsons had worked quite a

lot with Europa Marketing. And I've been with them for three years. I first worked with the Marketing Director and now I'm with the Sales Director.

*PM:* That's all very interesting, Miss Jones. And what did you enjoy most at school? What was the course that you enjoyed most?

*Ann:* Ah... foreign languages I liked best. We did French and German. Yes.

*PM:* Mhm. And are you quite fluent in those now?

*Ann:* Yes, a bit rusty now, but obviously the more travel I can do the more I can use my languages and I'd like to learn another language. I'd like to add Italian as well.

*PM:* Italian?

*Ann:* Yes.

*PM:* Very good, very good, that might be very useful. Now tell me a little bit about the work you're doing at present.

*Ann:* Well, Europa Marketing is a marketing and public relations company and they do consultancy work for companies operating in the UK and European markets. Our clients come from all over the world. We deal with some of them by post, but most of them come to our offices and at least once during a project. I assist the sales director by arranging these visits, setting up meetings and presentations and I deal with her correspondence.

*PM:* It sounds as if you're very happy there, Miss Jones. I'm curious why you'd like to leave them and join our company.

*Ann:* Well, I know the reputation of Anglo-European and it has a very good reputation. And I feel that I would have more scope and opportunity in your company and that the work will be more challenging for me. I might be able to possibly travel and use my languages because at the moment most of my work is rather routine secretarial-type work and I like the idea of more challenges in my life really....

## Do you know these words?

<b>personnel</b> <i>syn. staff</i>	[,pɜːsə'neɪ]	штат, персонал
<b>team</b>		команда
<b>to gather</b>		1) собирать 2) понимать
<b>perhaps</b>	[pə'hæps]	возможно

<b>full-time</b>		полный рабочий день
<i>ant. part-time</i>		
<b>PA = Personal Assistant</b>		секретарь, помощник
<b>to move on to</b>		переходить в
<b>fluent</b>	[flu:ənt]	свободный
<b>rusty</b>		запущенный, забытый
<b>obviously</b>	[ˈɒvviəslɪ]	очевидно
<b>curious</b>	[ˈkjʊəriəs]	любопытный
<b>challenging</b>		бросающий вызов

## Grammar: **Conditionals**

<b>Present</b>	<i>If I knew English I would get this job. If I were you I would start learning English.</i>
<b>Past</b>	<i>If they had decided to offer the job to me they would have contacted me long ago.</i>

### 1 Read and translate the sentences:

If I could I would join your team.

If I could I would have joined your team last year.

If you joined us for the trip to this University I would be very happy.

If you had joined us for the trip to the university last month I would have been very happy.

If I were there now I would ask him very many questions.

I would have told him about my education if he had asked me these questions.

They would have done this course if they had had enough money to pay for it.

We would be very glad to see you tomorrow.

### 2 Make sentences as in the example and translate them into Russian:

*to have more scope / your company → I would have **more** scope in your company.*

to have more scope / university

to have more opportunity / firm

to have more challenges / institute

to do more challenging work / laboratory  
 to make more progress / plant  
 to improve my English / Travel Centre  
 to increase my vocabulary / Students' Club

### 3 Complete the sentences the way you like:

If I were you I would ...  
 If I had not entered the University I would have ...  
 If he had attended all the lectures ...  
 If she could speak French ...  
 If I had more spare time ...  
 They would have gone on a studying tour to ...  
 He would accept the appointment ...

### 4 Translate into English:

Если бы я больше знал об этой проблеме, я бы вам, конечно, помог.

Мы бы посетили эту международную выставку, если бы у нас было приглашение.

Журналисты бы задали этот вопрос министру финансов, если бы он пришел на пресс-конференцию.

Она бы перешла на эту фирму, если бы знала немецкий язык.

Если бы мне предложили эту работу, я бы сразу согласилась. Но мне предложили совсем не интересную работу.

## Grammar: **The word *other***

<b><i>another</i></b> + noun in the singular	<i>May I ask you <b>another</b> question?</i> (еще один, какой-то другой)
<b><i>the other</i></b> + noun in the singular	<i>The first question is easy but <b>the other</b> (question/one) is not.</i> (другой из двух)
<b><i>the other</i></b> + noun in the plural	<i>The first question is easy but <b>the other</b> questions/ones are not.</i> (ор: <b><i>the others</i></b> ) (остальные)
<b><i>other</i></b> + noun in the plural	<i>He answered my question and a few <b>other</b> questions. (or: <b>others</b>)</i> (другие)

## 5 Use the right word and translate the sentences:

I cannot say I like German. I'd like to learn (*another/the other*) European language.

Yesterday they showed two English films. One was about the Second World War and (*another/the other*) was devoted to the current events in Britain.

Have (*another/the other*) look at this newspaper item.

There are a few items on the topic. Read the first and translate (*others/the others*).

He has read the poems of Pushkin, Lermontov and a few (*other/others*) Russian poets in the original.

## 6 Translate into English:

Он хотел сначала перейти на другую работу, но потом передумал.

Вы хотите учить еще какой-нибудь язык?

Они посетили маркетинговую, консалтинговую, рекламную компании и некоторые другие.

Партнеры обсудили стоимость проекта, сроки строительства и другие важные вопросы.

## 7 Say if the verbs are used in the Active or Passive Voice and translate the sentences:

Ann wanted to be employed by this particular company.

Most probably the company was rather big and it employed many people.

I don't think she will get a job here.

The Personnel Manager interviewed her for rather a long time.

It seems to me Ann was interviewed for an endless time.

Do you like to be interviewed?

Have you ever been interviewed?

## 8 Use Participles I to make the word combinations more official and translate into Russian:

*companies which operate in the USA* → *companies **operating** in the USA*

*companies which operate on this market*

companies which deal with the UK  
 companies which deal in gold  
 trust which deals in securities  
 branch which deals in this region  
 affiliate which deals in exporting oil  
 parent company which controls the money flow

## Study the pattern!

*to assist somebody by doing something*

### 9 Make sentences as in the example:

*to arrange these visits → I assist them by **arranging these visits**.*

to set up visits	to make telephone calls
to set up presentations	to prepare business visits
to deal with correspondence	to make travel arrangements
to draw diagrams	to print all the materials

## Have another look at the dialogue and ...

### 10a Read the following paying attention to the sounds [ð] and [ŋ]:

That's very good.	They do consultancy work.
That's Europa Marketing.	They come from all over the world.
That's all very interesting.	The reputation is very good.
That might be very useful.	The work will be more challenging
They're an engineering firm.	for me.

### b Read the sentences paying attention to the intonation:

^Well, I left school at eigh`teen.      I first worked with the  
 And after ^that, } I wanted to do Marketing Di`rector } and now  
 a `course.                                      I'm with the `Sales Director.

Mr. Adair, the marketing di' rec-  
tor, } offered me a `job.

Are you quite fluent in `French?

What foreign languages can you  
`speak?

What was the course that you  
enjoyed `most?

**C Read the dialogue.**

**11a Find the terms in the dialogue which mean the following:**

a number of persons united for business or commerce

a person who directs the affairs of a business company

a person who controls a business

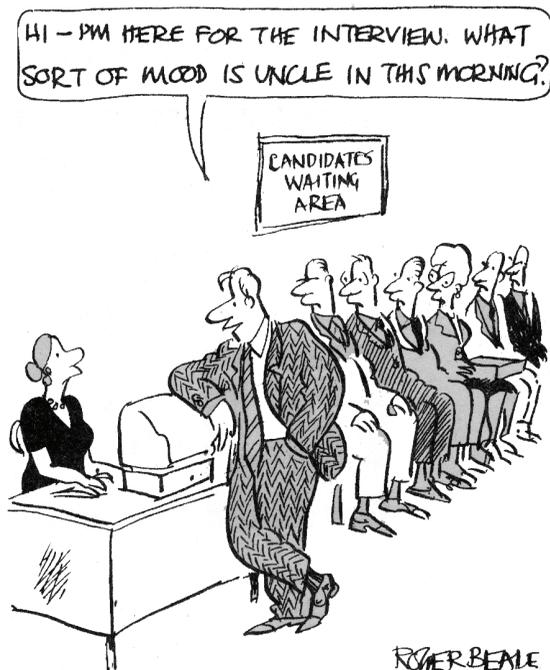
**b Can you explain the following:**

an engineering firm

a marketing company

a public relations company

**C Have a look at the cartoon and say what you see in it:**



## Business letter: **Offering an agency**

Here is a letter of an English company offering an agency to a German company:

Grassmann AG  
Lindenweg 18  
D-100 Berlin 12

23 October 2002

Dear Sirs,

Your company was recommended to us by the German Chamber of Commerce in London, who said you might be interested in representing our porcelain manufacturing company in your country.

We have a number of agencies in other European countries who receive products on approval, then sell them on a six per cent commission on ex-works prices. These are sole agencies which means that only we supply them, and they represent only us in this line.

Generally, their customers settle all accounts with us, then we supply them direct on invoices received from the agent.

In most cases we offer a trial agency for one year, and if the results are good, we extend the agency on a further two-year contract. We would offer you support through advertising, brochures, and leaflets in German, the cost of this being shared between us.

Our market researchers tell us there is an increasing demand for our line of products in your country, so it will not be difficult to sell our wares.

If you would be interested in an agency of this type, we can send you a standard agreement, giving you more details of our terms. Meanwhile we are enclosing our current catalogue.

Yours sincerely,

P. King  
General Manager

### **Do you know these words?**

<b>agency</b>	[ˈeɪdʒənsɪ]	агентство, представительство; посредничество
<b>chamber of commerce</b>		торговая палата
<b>to represent</b>		представлять

<b>approval</b>	[ə'pru:vl]	одобрение
<b>ex-works prices</b>		цены франко завод (цена включает только стоимость товара; без транспортных и других расходов за пределами завода-изготовителя)
<b>sole</b>		исключительный, монопольный
<b>line</b>		ассортимент
<b>customer</b>	['kʌstəmə]	покупатель
<b>to settle accounts with smb</b>		производить оплату
<b>invoice</b>	['ɪnvoɪs]	счет
<b>to share</b>		делить, разделять
<b>wares</b>		товар; изделия
<b>to enclose</b>	[ɪn'kləʊz]	прилагать

## Grammar: The Absolute Participial Construction (Абсолютный причастный оборот)

Абсолютный причастный оборот образуется с помощью существительного и причастия I:

*We would offer you support through advertising,  
**the cost of this being shared** between us.*

(Мы могли бы предложить свое участие в рекламе, разделив с вами расходы на рекламу.)

Абсолютный причастный оборот переводится на русский язык:

- 1) деепричастным оборотом
- 2) придаточным предложением причины или времени с помощью союзов *так как, потому что, поскольку, после того как* и др.
- 3) самостоятельным предложением.

Причастие I, входящее в абсолютный причастный оборот, может быть:

простым

*We would offer you support through advertising, our two companies **sharing** the cost.*

(Мы могли бы предложить свое участие в рекламе, и наши фирмы поделили бы между собой расходы на рекламу.)

перфектным

*We supported them through advertising, our company **having shared** the costs with all of our agents previously.*

## 12 Underline the Absolute Participial Constructions, read and translate the sentences:

The Chamber of Commerce giving the information, the English company sent an offer to the German company.

The company accepted the offer, with the prices for similar wares having increased significantly on their market.

With the prices being very high, the company managed to sell the goods at a very good profit.

The designers having completed the work, the constructors started delivering special equipment to the site.

They discussed the terms of delivery, with the company having agreed to reconsider the price.

They sent the company an invoice, the first lot having been sent the previous week.

### The word *which*

Вопросительные предложения (при условии ограниченного выбора)	Придаточные предложения, относящиеся к существительному	Придаточные предложения, относящиеся ко всему главному предложению
<p><i>Which text do you like better?</i> (Какой из этих текстов вам нравится больше?)</p>	<p>Read the text <i>which</i> seems more interesting to you. (Прочитайте текст, <i>который</i> вам кажется более интересным.) Read the text (<i>which</i>) we translated at the previous lesson, please. (Прочитайте текст, <i>который</i> мы переводили на прошлом уроке.)</p>	<p>He has read all the texts <i>which</i> is very important. (Он прочитал все тексты, <i>что</i> очень важно.)</p>

### 13 Read and translate the sentences:

These are sole agencies *which* means that only we supply them. And they represent only us in this line.

*Which* of the two companies seems more reliable to you?

They contacted the company *which/that* had been recommended by the German Chamber of Commerce.

The English company had a number of agencies in other countries *which/who* received their products on approval.

Some agencies receive goods from their principals on commission *which* is rather popular.

A French company offered an agency on a consignment basis *which* did not suit the agent.

### 14 Translate into English:

Мы получили всю документацию на русском языке, *что* приятно удивило нас.

Фирма согласилась разделить эти расходы с доверителем (*principal*), *что* было вполне естественно.

Они получили письмо, *к которому* был приложен новый каталог их продукции.

### 15 Use correct articles where necessary and translate the sentences:

The company was recommended by ... German Chamber of Commerce.

We do not know ... name of ... English company.

Mr King is ... General Manager of ... company.

... English company has ... number of agencies in ... other European countries.

These agencies receive products on ... approval.

Then they sell ... products on ... six per cent commission on ... ex-works prices.

In ... most cases they offered ... trial agency for one year.

If ... results were good they extended ... agency on ... further two year contract.

## Work on the words!

<i>to offer</i> (предлагать что-либо конкретное)	<i>to suggest</i> (предлагать какую-либо идею)	<i>to propose</i> (предлагать что-либо на официальном уровне)
<i>He offered his help.</i> <i>He offered to help us.</i>	<i>He suggested a trip to the country.</i> <i>He suggested going to the country.</i> <i>He suggested that we (should) go to the country.</i>	<i>The country proposed a very good project.</i> <i>They proposed to meet next month.</i>

### 16 Read and translate into Russian:

The English principals offered an agency to a German company.

They offered a sole agency.

They suggested that the advertising expenses should be shared.

The principals offered a six per cent commission on ex-works prices.

Most probably the Chamber of Commerce had offered/proposed a list of prospective agents.

The company offered him the house for £20,000.

His wife suggested that they (should) see the house the next day.

### 17 Translate into English:

Финансовый менеджер предложил подготовить и обсудить проект договора в четверг.

Он предложил обсудить этот вопрос всем вместе.

Мне предложили сделать обзор новинок экономической литературы.

Он предложил свою помощь в этом трудном деле.

Я предложил ей помочь, и она с радостью приняла мою помощь.

### 18 Choose the right verb and use it in the correct form:

*to say, to tell, to speak*

The officials of the Chamber of Commerce ... the English company that a few companies might be interested in representing them.

The English company ... they had a few sole agencies.

It also ... their customers settled all accounts directly with them.

Did they ... the prospective German agents they would share the advertising expenses?

Their market researchers ... them there was an increasing demand for the English products on the German market.

Can you ... what the reply of the German company will be?

We have not ... about it.

## Have another look at the letter and ...

**19a** Sum up the offer the English company made.

**b** Write a reply in the name of the German company

### Text: **An Apple a day**

In 1976, Anita Roddick took out a GBP4,000 loan and opened the first *Body Shop*. Twelve years later she opened the 322nd *Body Shop* and was launching into the United States. By then she had stores in many countries and ran an empire with an annual turnover of £28.5 million. Her chain of natural cosmetics stores has created over 3,000 jobs in the United Kingdom and many more overseas.

Another spectacular growth story is that of *Apple Computer*. Apple began its life with Steven Jobs and Stephen Wozniak, two students at Stanford University in the United States, who worked in a garage.

They bought a few components and produced the world's first commercially successful personal computer, the Apple. From that modest start, *Apple Computer* has grown into a giant. Two-thirds of all firms are operated by their owners, as *Body Shop* and *Apple* once were.

But companies, like *Body Shop* and *Apple* today, account for about 90 per cent of all business sales.

### Do you know these words?

loan

[ləʊn]

заем, ссуда, кредит

body

['bɒdi]

1) тело

2) организация

to run an empire	[ˈempaɪə]	владеть империей
turnover	[ˈtɜːn,ʊvə]	товарооборот
chain	[tʃeɪn]	цепь
overseas	[,ʊvə'siːz]	за морем, за границей
spectacular	[spek'tækjʊlə]	яркий, захватывающий
garage	[ˈgæraːʒ]	1) бензоколонка 2) гараж
modest	[ˈmɒdɪst]	скромный
to account for.. per cent	[ə'kaunt]	составлять... %

## Increase your vocabulary!

### 20 Form nouns with the help of the suffix- *er/or*

to own	to compute
to work	to buy
to operate	to manage
to instruct	to sell
to produce	to contract
to report	to inform

### 21 Match the words having the opposite meaning:

over	to buy
to launch	under
to sell	to withdraw
to create	to kill
to take	to close
to open	to return
natural	few
first	man-made
many	last

### 22 Match the words which are very close in their meaning:

stores	petrol and service station
job	credit
loan	work

component  
owner  
garage  
spectacular story  
to launch into a country  
to take out a loan  
to run an empire  
in other countries

proprietor  
part  
shop  
to get into a country  
to borrow some money  
overseas  
a story attracting public attention  
to have an empire

**23 Form word combinations with the attribute *chain*, like this, and translate them into Russian:**

*banks* → *a chain bank*

stores  
department stores  
drug stores

shoe shops  
jewellers  
travel agents

**24 Write and translate word-combinations with the verb *to run*. Make a few sentences with these word combinations:**

to run {  
an empire  
an industry  
a company  
a firm  
a store  
a shop  
a factory  
a laundry  
a bakery

**25 Find the terms in the text which describe or mean the following:**

- a sum of money lent
- a number of stores owned or controlled by the same company
- a total sales revenue

**26 Read these words and word combinations. Make a few sentences with them:**

*loan* — loan agreement — to grant a loan — to provide a loan —  
to take out a loan — to get a loan — to apply for a loan

*to grow* — growing demand — growth — to grow by... to...

*to operate* — operation — operator — tour operator

**27 Make sentences as in the example:**

*these companies / 90% of all sales* → *These companies **account for** 90% of all sales.*

this chain of stores / 20% of all sales

this industry / 90% of all exports revenues

this sector / 50% of all exports figures

agriculture / 10% of the revenues

steel industry / 5% of the year figures

mining industry / 3% of the expenses

**28 Change these sentences paying attention to the words *later* and *in*, as in the example:**

*The production increased 2 years later.* → *The production **will increase in** 2 years.*

The turnover decreased 3 years later.

The output diminished a year later.

Exports went up two years later.

Imports slowed a year later.

The manufacturing industry grew 3 years later.

The mining industry was practically destroyed 2 years later.

The output of textiles jumped a year later.

**Have another look at the text and...**

**29a Answer these questions:**

- 1) Who was Anita Roddick and what was her success in business?
- 2) How did Apple Computer grow?
- 3) Are they giants today?

- 4) What is the share of such giants in business sales in the USA?
- 5) Do you think these figures are the latest?

**b Give another example of a big company and say how it has grown into a giant.**

**c Agree or disagree:**

There are more giant companies than small businesses in our country.

It is better to work for a big company than to run your own small business.

A parent company exercises control over one or more subsidiary enterprises.

A subsidiary is often called a daughter company.

**d Have a look at the caricature below and answer the questions which follow:**

'We're a parent company, Wolper — not to be confused with your real parents.'



- 1) Who do you think the gentleman sitting in the arm-chair is?
- 2) And who is the other gentleman?
- 3) Do you think this younger man is asking for something?
- 4) What could it be?
- 5) What is the reaction of the older gentleman?
- 6) Why is he so angry and furious?
- 7) What do you know about parent companies?

## Newspaper item: **IKEA founder ends uncertainty by saying sons will take over**

Ingvar Kamprad, the 76-year-old founder of IKEA, says his three sons are set to take over his global furniture retailing empire, ending uncertainty about the succession.

They will take charge of a group of companies which have been valued at up to €25bn. Mr Kamprad is ranked as the world's 17th richest person by the US magazine *Forbes*, with an estimated personal wealth of \$13.4bn (€13.8bn).

In a rare interview, Mr Kamprad said it was likely that his eldest son Peter, 38, would take over from him as chairman of the Dutch foundation at the centre of the IKEA empire. He described the position, which he has occupied since 1975, as the most powerful in the group.

Jonas, 35, has agreed to take charge of the group's huge product range, currently running 12,000 different items. The role of Matthias, 33, is still uncertain, but Mr Kamprad described him as a possible successor to Anders Dahlvig, IKEA president. Both Peter and Matthias would have operational roles within the group, he stressed.

Asked if he would ever fully withdraw from the business, Mr Kamprad replies: 'I doubt it. If you stop working, you must have some other very strong interests, otherwise you will die within one or two years'.

Mr Kamprad said he expected IKEA would 'at least double' in size in the next 10 years from its current 154 stores in 22 countries. Most of the expansion will take place in existing markets, with Japan and Portugal as the only new markets. There would be a big focus on China and Russia.

Mr Kamprad said IKEA had stood up to the international economic downturn better than he had expected. But he admitted that the privately owned group would not achieve its target of lifting the turnover of its existing stores by 10 per cent in the year to August 31 2002. The turnover of the Ikea stores in the year to August 31 was €10,4bn. IKEA does not disclose its profit.

## Do you know these words?

to be set to do smth		решиться	сделать
to take over		что-либо	
succession	[sək'seʃn]	принимать	(долж- ность) от другого
to succeed	[sək'si:d]	последовательность,	преемственность
to take charge of smth		следовать за,	сменять
to rank		принимать	обязан- ности по
rare		занимать	какое- либо место
huge		редкий	
range		огромный	
to withdraw (withdrew, withdrawn)	[wið'dro:, wið'dru:, wið'dro:n]	диапазон,	сфера, область
to stand up to smth		1) уходить;	
		2) изымать	
		смело	встречать,
		быть на высоте	

## Revise Grammar!

### 30a Underline the basic nouns and translate these word combinations:

global furniture retailing empire

the IKEA empire

an estimated personal wealth of \$13.4bn

the group's huge product range

the privately owned group

another spectacular growth story

the world's first commercially successful personal computer

natural cosmetics stores

**b State the forms of the verbs and translate the sentences:**

The Swedish magnate said his sons *would take over* from him in the very near future.

Asked if he *would* ever *withdraw* he replied he *would* never fully *withdraw*.

He hoped his business *would* at least *double* very soon.

Nobody knew when he *would make* an official announcement.

If I knew some other details I *would tell* you.

If he could read English he *would* certainly *read* English newspapers.

If there were English newspapers sold nearby I *would buy* some regularly.

**Work on the words!**

**31a Write as many words having the same stems as possible and translate them:**

*to succeed — succession — successor — successive*

to found  
to achieve  
to close  
to expand

to value  
to estimate  
to describe  
to occupy

to stress  
to withdraw  
to interest  
to exist

**b Match and translate the synonyms:**

huge  
certain  
valuable  
wealthy  
powerful

rich  
strong  
big  
sure  
dear

possible  
various  
current  
full  
successive

complete  
succeeding  
probable  
different  
present

**c Make short sentences with these word combinations:**

to doubt it { these figures  
the information  
if he would withdraw  
if he would ever stop working  
If it would rain soon

to disclose { the profit  
the fact  
the name  
the address  
the secret

## Have another look at the newspaper item and ...

### 32a Insert the appropriate words and translate the sentences:

*at of from in as*

They will take charge ... a few companies.

These companies were valued ... up to € 25bn.

He is ranked ... the world's 17<sup>th</sup> richest person.

He wanted his eldest son to take over ... chairman of the Dutch foundation.

He described his younger son ... a possible successor to the present IKEA President.

Most probably both ... elder sons will have operational roles within the group.

When he was asked if he would ever fully withdraw ... the business he answered no.

He said he expected IKEA to double ... size in the next few years.

### b Read these figures:

€ 25bn	12,000	76	1975
\$13.4bn	22,000	38	2002
€ 13.8bn	154,000	33	2004

### c Answer these questions:

- 1) When do you think this item was written?
- 2) What has changed since then in the IKEA empire?
- 3) Are there many empires like IKEA?
- 4) Do they publish their financial figures anywhere?

### d Retell the newspaper item.

## Annotation of the book: **The Entrepreneurship Dynamics**

*The origins of entrepreneurship and its role in industry revolution*

Edited by Kaye Schoonhoven  
University of California, Irvine

This volume uses the perspective of organization studies to answer two major questions about entrepreneurship. First, what are the conditions that prompt the founding of large numbers of new organisations or entirely new industries? Second, what are the real and important effects of such entrepreneurial activities on existing industries, economies and societies? The contributors explore the mental models that founders of new companies bring with them from previous experiences, the genesis of their ideas not only from the companies in which they work but from the surrounding organisational communities, and the importance of local and regional dynamics in nurturing innovative communities. The second part of the book explores the role of entrepreneurial activity in the transformation contexts and the evolution of industries, focusing on the processes entrepreneurs use to legitimate new organisational populations, and the collateral industries that build up around such populations, aiding the development of new companies.

### Do you know these words?

**to prompt**

1) вызывать

2) подсказывать

3) суфлировать

**to exist**

[ɪg'zɪst]

существовать

**existing**

существующий

**to explore**

[ɪk'splɔ:]

исследовать

**experience**

[ɪk'spɪəriəns]

опыт

**experiences**

знания

**to nurture**

['nʌ:tʃə]

воспитывать, выра-  
щивать, питать

**collateral**

[ko'lætərəl]

второстепенный

**to aid**

помогать

### 33a Read and translate these words:

entrepreneurship _____	perspective _____
dynamics _____	organization _____
origin _____	condition _____
role _____	effect _____
industry _____	model _____
revolution _____	genesis _____
volume _____	innovative _____

### b State what parts of speech the words in italics are and translate the sentences:

What are the effects of entrepreneurial activities on *existing* industries?

The contributors explore the genesis of their ideas from the *surrounding* organisational communities.

They also explore dynamics in *nurturing* innovative communities.

The book explores the evolution of industries *focusing* on these processes.

They study the collateral industries *aiding* the development of new companies.

### c Translate into English:

предприниматель	малый бизнес
предпринимательский	абсолютно новые отрасли
предпринимательство	второстепенные отрасли
основной вопрос	существующие отрасли
большое количество	накопленные знания
инновационное предпринимательство	предпринимательская деятельность

### d Translate the annotation.

### e Underline the sentence of the original text, which seems most important to you.

## Newspaper item: **Companies 'bigger than many nations'**

Twenty-nine of the world's 100 biggest economic entities are multinational companies, according to the United Nations Conference on Trade and Development (UNCTAD). The field is led by the US energy group Exxon, which is larger than all but 44 national economies.

The activities of the 100 biggest companies, measured on the basis of value-added — the yardstick used to calculate countries' gross domestic product — accounted for 4.3 per cent of world GDP in 2000, up from 3.5 per cent in 1990, UNCTAD said.

Exxon, with estimated value-added of \$63bn (€ 64.9bn) was about the same size as the economy of Pakistan and larger than Peru's, while Ford, Daimler Chrysler, General Electric and Toyota were all comparable in size to the economy of Nigeria.

Philip Morris, the tobacco group, was on a par with Tunisia, Slovakia and Guatemala, while BP, Wal-Mart, IBM and Volkswagen all ranked in size between Libya and Cuba. GlaxoSmithKline and BT, the smallest of the top 100 multinationals, were equal in size to Syria.

Anti-globalisation protesters have often complained that multinational companies are wealthier and more powerful than the economies of many countries in which they do business.

Protesters say the alleged imbalance puts small countries at a disadvantage in international trade and argue strict global rules are needed to govern such companies' conduct.

UNCTAD said its measures showed the economic importance of the 100 biggest multinationals relative to national economies had grown in the past decade, although the position of the 20 largest companies had receded slightly over the same period.

### **34a Translate these words referring to a dictionary if necessary:**

to measure

a measure

value-added

on a par

to complain

economic entities

the yardstick

to allege

strict

to recede

**b Find the English equivalents in the text:**

по данным UNCTAD	сравнимы по размеру
добавленная стоимость	равны по размеру
составлять 4,3%	на одном уровне с ...
добавленная стоимость кото-	антиглобалисты
рой составляет ...	несбалансированность

**c Translate the item.**

**d Write an essay on one of the topics using the texts of the lesson and other English/Russian sources:**

- 1) *Multinational companies*
- 2) *Globalisation*
- 3) *Antiglobalisation protests*
- 4) *Modern world economics*

**35a Draw a diagram showing various types of companies which exist in the world.**

**b Make an oral report using your diagram for illustration.**

**c Write questions which the audience may ask you about companies in Russia.**

**d Write your answers to the above questions.**

Conversation:	<b>Labour conditions</b>
Texts:	<b>The sources of economic health</b> <b>Thomas Maltus</b> <b>Labour market</b>
Annotations:	<b>Work, Employment and Society</b> <b>The American Workplace</b>
Grammar Revision:	<b>Indefinite Pronouns and Adverbs</b> <b>Complex Object</b>

### Conversation: **Labour conditions**

*A few office executives are talking in a rather informal atmosphere:*

- It's quite clear that our office is much too overcrowded, here in the city centre. We ought to move some of the departments out of town.
- You know, that's exactly what I think. What's more, why don't we move the whole office and save rent at the same time?
- I can see what you mean, but think of the problem of transport. How would our staff get to work?
- Now, that's just what I was thinking. Not everyone has a car, you know.
- Well, I don't think it's a good idea either. Our customers have got used to us being here. If we move we'll lose business.
- Well, my opinion, for what it's worth, is that moving some of our staff out of the city would mean more space for the others.
- Mm, that's a good point and we would also keep our office in the city for our customers.
- I agree entirely. But why don't we stay where we are?

## Do you know these words?

<b>executive</b>	[ɪg'zekjʊtɪv]	должностное лицо, руководитель, администратор
<b>overcrowded</b>		переполненный
<b>exactly</b>	[ɪg'zæktli]	точно, строго, аккуратно
<b>rent</b>		1) арендная плата, квартирная плата; 2) наем, прокат; 3) плата за прокат
<b>to rent</b>		отдавать в аренду, на прокат
<b>to lose (lost, lost)</b>		терять
<b>opinion</b>	[ə'pɪnjən]	мнение
<b>in my opinion</b>		по-моему, по-моему мнению
<b>syn. to my mind</b>		
<b>for what it's worth</b>		если оно ценно для вас (раз.)
<b>space</b>		пространство, место, площадь
<b>point</b>		точка, пункт, момент, вопрос
<i>There is no point in doing that</i>		<i>Не имеет смысла делать это.</i>

## Grammar: Indefinite Pronouns and Adverbs

<b>Утвердительное предложение</b>				
<i>some</i>	<i>something</i>	<i>somebody</i>	<i>someone</i>	<i>somewhere</i>
<i>We ought to move <b>some</b> of the departments out of town.</i>				
<b>Вопросительное предложение</b>				
<i>any</i>	<i>anything</i>	<i>anybody</i>	<i>anyone</i>	<i>anywhere</i>
<i>Did they move <b>any</b> departments?</i>				
<b>Отрицательное предложение</b>				
<i>no</i>	<i>nothing</i>	<i>nobody</i>	<i>none</i>	<i>nowhere</i>
<i>They moved <b>no</b> departments.</i>				
<b>Различные предложения</b>				
<i>every</i>	<i>everything</i>	<i>everybody</i>	<i>everyone</i>	<i>everywhere</i>
<i>They meet <b>every</b> day.</i>				

**1 Use the appropriate word (in some cases two variants are possible) and translate the sentences:**

Most probably ... of their offices were really overcrowded.

She said there were ... problems of transport.

Have you got ... problems?

There was ... point in discussing this matter in the absence of the general manager.

... employees worked part-time at this plant in summer-time.

Do ... students of his group speak fluent French?

If I were you I would ask him ... questions.

She has not got ... questions.

**2 Translate into English**

Никто не знает, что делать дальше.

Я нигде не мог найти учебник известного английского экономиста Джека Харвея «Современная экономика».

Он ничего не знал об этом монопольном агентском соглашении.

Я думаю, что все знают значение этого термина. По-моему, это «добавленная стоимость».

Они предложили обсудить все позже.

Все знали, что у них не было опыта в этой области.

Почему никто не смог ответить на этот легкий вопрос?

**3 Read paying attention to the articles used with the words in italics and translate the sentences:**

The office is located in the centre of the *town*.

Would you rather live in a *town* or in the country?

Some of them wanted to move the offices out of *town*.

She went to *town* to do some shopping.

I'm going *downtown* this afternoon.

He is spending the weekend in *town*.

Mr Green is not in *town*/is out of *town*.

She's in *town* today.

#### 4 Translate the sentences paying attention to the use of tenses:

*If we move we'll lose business.*

Если арендная плата станет очень высокой, они переедут в другое помещение.

Если фирма не решит проблему с транспортом, покупатель не подпишет договор.

Если фирма не согласится с этими условиями, она может потерять несколько дилеров.

Штат сотрудников будет увеличен, если увеличится объем работы.

#### 5 State the forms of the verbs and translate the sentences:

How *would* our staff *get* to work in this case?

We *would keep* our office in the city for our customers.

That *would mean* more space for the others.

I *would agree* to move out of town.

I *would* rather *stay* at home.

I'd *like* to say a few words about that job interview.

*Would* you *like* to have a cup of coffee?

### Work on the words!

#### 6 Read the words paying attention to the difference in spelling and translate them:

*British English*

centre

theatre

labour

favour

colour

organise

specialise

apologise

travelled

cancelled

*American English*

center

theater

labor

favor

color

organize

specialize

apologize

traveled

canceled

## 7 Make sentences:

The office is *much too overcrowded*. This topic is *much too* difficult.  
buses story/long  
trains sum/big  
streets costs/high  
shopping centre compensation/small

*There is no point in* { discussing ...  
reading ...  
writing ...  
speaking ...

*We got used to* { being here  
asking ...  
accepting ...  
complaining ...

## 8 Translate into English:

Они привыкли решать все вопросы всей командой.  
По-моему, не было смысла спорить с ними.  
Я бы не стал с ними спорить.  
Вы знаете, что все дороги были перекрыты?  
Он сейчас находится в городе?

## 9 Match the English and Russian equivalents; use them in short sentences:

capitalized rent	натуральная рента, рента продуктами
labour rent	чистая рента
land rent	капитализированная рента
maximum rent	монопольная рента
mining rent	отрабочная рента
money rent	земельная рента
monopoly rent	максимальная рента
natural rent	рента с рудников
pure rent	денежная рента

## Have another look at the conversation and ...

### 10a Read these word combinations paying attention to the letter *r* pronounced as [r]:

our\_ office [aur'ofis]      here\_in the city      for\_our customers  
our\_opinion      here\_in the office      for\_our people

their offer                      here in the building      for us  
their idea                      here at home              for everybody

**b Read the sentences paying attention to the intonation:**

Why don't we move the whole office } and save rent at the same  
time?

How would our staff get to work?

Why don't we stay where we are?

Well, my opinion, for what it's worth, is that moving some of our staff would mean more space for the others.

My opinion, for what it's worth, is that it is necessary.

**c Read the conversation.**

**Text: The sources of economic health**

In 1776, new technologies were being invented and applied to the manufacture of cotton and wool, iron, transportation and agriculture in what came to be called the 'Industrial Revolution'.

Adam Smith was keenly interested in these events. He wanted to understand the sources of economic wealth, and he brought his acute powers of observation and abstraction to bear on this question.

His answer was:

— The division of labour

— Free domestic and international markets

Smith identified the division of labour as the source of 'the greatest improvement in the productive powers of labour'. The division of labour became even more productive when applied to creating new technologies.

Scientists and engineers, trained in extremely narrow fields, became specialists at inventing. Their powerful skills speeded the advance of technology. Machines started performing repetitive operations faster, and more accurately than people.

But, said Smith, the fruits of the division of labour are limited by the extent of the market. To make the market as large as possible, there must be no impediments to free trade both within a country and among countries.

Smith argued that when each person makes the best possible economic choice based on self-interest, that choice leads as if by an invisible hand to the best outcome for society as a whole.

## Do you know these words?

health	[helθ]	здоровье
to apply	[ə'plai]	применять
keen		острый, резкий, большой
<b>keen competition</b>		острая конкуренция
<b>keen interest</b>		большой, острый интерес
event	[i'vent]	событие
acute	[ə'kju:t]	острый, пронизательный
<b>acute hearing</b>		острый слух
to speed		ускорять
to perform	[pə'fɔ:m]	выполнять
fast		быстрый
accurately	[ə'ækjʊrətli]	точно
impediment	[im'pedimənt]	препятствие, помеха
to argue	[ə'ɑ:gju:]	спорить, возражать
invisible	[in'vɪzɪbl]	невидимый
<b>invisible earnings</b>		поступления от невидимых статей экспорта
<b>invisible exports</b>		невидимые статьи экспорта
<b>invisible imports</b>		невидимые статьи импорта
<b>invisible supply</b>		невидимые запасы (вне коммерческих каналов)
outcome	[a'autkʌm]	выход, исход, результат

## Increase your vocabulary!

**11a** Say from what verbs the following adjectives are formed:

productive \_\_\_\_\_ repetitive \_\_\_\_\_  
accumulative \_\_\_\_\_ preventive \_\_\_\_\_

discriminative \_\_\_\_\_ impressive \_\_\_\_\_  
 cooperative \_\_\_\_\_ creative \_\_\_\_\_  
 extensive \_\_\_\_\_ talkative \_\_\_\_\_

**b Form adjectives with the help of the suffix *ful*, like this:**

*power + -ful = powerful*

meaning \_\_\_\_\_ right \_\_\_\_\_  
 faith \_\_\_\_\_ watch \_\_\_\_\_  
 use \_\_\_\_\_ fruit \_\_\_\_\_

**c Form adverbs with the help of the suffix *-ly* like this:**

*powerful + ly = powerfully*

meaningful	keen	accurate
active	technological	great
serious	primitive	simple
attentive	local	near
entire	legal	natural

**12a Match the words which are very close in their meaning:**

keen	barrier
accute	sharp
large	work
labour	big
outcome	deep
impediment	result
manufacture	to create
event	production
to invent	development

**b Match the words having the opposite meaning:**

advance	international
question	answer
domestic	non-productive

productive  
limited  
acute  
to start  
to understand

regress  
to finish  
weak  
to misunderstand  
unlimited

## Revise Grammar!

### 13 Complete the following phrases as in the text. Pay attention to the use of the Definite Article:

*the division of... → the division of labour*

the productive powers of...    the manufacture of...  
the sources of...                the advance of...  
the extent of...                  the problem of...

### 14 Form two Degrees of Comparison of the following adjectives and adverbs, as in the example:

*quick — quicker —  
quickest*

*important — more important —  
most important*

fast \_\_\_\_\_                      great \_\_\_\_\_  
slow \_\_\_\_\_                      expensive \_\_\_\_\_  
productive \_\_\_\_\_                accurately \_\_\_\_\_  
large \_\_\_\_\_                      narrow \_\_\_\_\_  
powerful \_\_\_\_\_                    wide \_\_\_\_\_

### 15 Make and translate sentences. Pay attention to the use of Past Continuous, Passive:

new technologies  
new methods  
various questions  
numerous questions  
very high prices

} were being invented  
were being applied  
were being translated  
were being used  
were being asked  
were being answered  
were being quoted

**16 Change the sentences, as in the example, to make them shorter. Pay attention to the use of the *-ing forms*:**

*The division of labour became even more productive when applied to the creation of new technologies. → The division of labour became even more productive when applied to **creating new technologies**.*

This method became more productive when applied to the creation of new machines.

The question became clearer when applied to the discussion of economic matters.

This Grammar rule became more understandable when used in the translation of this text.

Their decision became more understandable when made for the change of the price.

Their decision became more understandable when made for the increase of the price.

Their decision became less understandable when made for the decrease of the price.

**17 Make sentences as in the example. Pay attention to the use of the Past Participles and the *-ing forms*:**

*Engineers trained in extremely narrow fields became specialists at inventing.*

scientists/to train in extremely narrow fields/to invent

students/to train in this way/to translate

students/to train in this laboratory/to interpret

workers/to train at the Sellers' plant/to manufacture

workers/to train at this factory/to produce

secretaries/to train at this Centre/to make business contacts

accountants/to train at this School/to make international payments

**18 Complete these sentences. Pay attention to the use of the modal verb *must*:**

There must be no impediments...

There must be no barriers...

There must be no questions...  
There must be no doubts...  
There must be no mistakes...  
There must be no reasons...  
There must be no hesitation...

## **Have another look at the text and...**

**19a Find the words in the text which describe or mean the following:**

- 1) a market within a country
- 2) a market among countries
- 3) a market in which price and output are determined by the actions of buyers and sellers without any outside restriction or regulation

**b Translate these sentences:**

New technologies were being invented and applied to industry, transportation and agriculture in what came to be called the 'Industrial Revolution'.

And he brought his acute powers of observation to bear on this question.

When each person makes the best possible economic choice based on self-interest, that choice leads to the best outcome for society as a whole.

**c Write out all the sentences defining the term *division of labour*. Translate them into Russian.**

**d Agree or disagree:**

- 1) It is very easy to define most economic terms.
- 2) There are many specialized dictionaries on economics available.
- 3) One and the same term is interpreted in every dictionary in the same way.

## Text: Thomas Malthus

Thomas Malthus (1766—1834) was an English clergyman whose pessimistic ideas on population growth were published in his *Essay on the Principle of Population as it Affects the Future Improvement of Society* (1798). Malthus argued that land is finite and that its productivity can, at best, increase only arithmetically (1, 2, 3, 4, etc.); while population increases geometrically (1, 2, 4, 8, etc), so that the increase in population tends to outrun the increase in food supply. Consequently most people would be condemned to live in misery and poverty with wars, epidemics and famines serving to slow the growth of population.

Malthus's gloomy view of population growth contrasted sharply with the optimistic views about long-term economic development held by his contemporaries and contributed to the belief that economics was the 'dismal science'. Though Malthus did not foresee the dramatic improvements of agricultural techniques which have occurred, nor the tendency for population growth to slow in industrialized countries, his ideas still cause concern, especially in developing countries.

### Do you know these words?

<b>to improve</b>	[ɪm'pru:v]	улучшать(ся), совершенствовать(ся)
<b>finite</b>	['faɪnaɪt]	ограниченный, имеющий предел
<b>to outrun</b>		перегнать, опередить
<b>consequently</b>	['kɒnsɪkwəntli]	следовательно
<b>to condemn</b>	[kən'dem]	осуждать, приговаривать
<b>misery</b>	['mɪzəri]	нищета
<b>poverty</b>	['pɒvəti]	бедность
<b>famine</b>	['fæmɪn]	голод
<b>gloomy</b>		мрачный
<b>sharp</b>		острый

<b>contemporary</b> <i>adj.</i>	[kən'tempərəɪ]	современный
<i>n.</i>		современник
<b>dismal</b>	['dɪsməl]	мрачный, унылый, печальный
<i>syn.</i> gloomy		
<b>to foresee</b> (foresaw, foreseen)	[fo:'si]	предвидеть
<b>to occur</b>	[ə'kə:]	случаться, происходить
<b>concern</b>	[kən'sə:n]	беспокойство, озабо- ченность

## Grammar Revision: Complex Object

1. They expected **the company to come** to the conference.

to expect	}	<b>smb to do smth</b>
to want		
would like		
to ask		
to foresee		
to enable		

2. Nobody could make **them come** to the conference.

to make	}	<b>smb do smth</b>
to let		
to see		
to hear		

3. We saw **them coming** into the room.

to see	}	<b>smb doing smth</b>
to hear		

## 20 Underline the Complex Objects and translate the sentences:

Malthus did not foresee the tendency to slow in industrialized countries.

He wanted everybody to agree that the land is finite.

The chairman let a few other participants of the conference take the floor.

His interference enabled the participants to come to an agreement.

I did not expect you to remember all these dates.

I saw her reading this lesson.

I made her rewrite the exercise.

## 21 Translate into English:

Он хотел, чтобы мы поняли эту сложную экономическую концепцию.

Исследования ученого позволили полностью раскрыть содержание этого понятия.

Модификация оборудования позволила увеличить производительность труда на 20%.

Рост цен заставил их несколько сократить производство.

## 22 State what constructions/parts of speech the words in italics are and translate the sentences:

Most people would be condemned to live in poverty *with wars, epidemics and famines to slow the growth of population.*

He argued that land's productivity can at best *increase* only arithmetically.

The *increase* in population tends to outrun the *increase* in food supply.

His gloomy views contrasted sharply with the optimistic views *held* by his contemporaries.

His ideas still *cause* concern.

The conference is *to be held* next month.

You have no *cause* for complaint.

Does this *concern* me?

**23 Underline the basic nouns and translate the word combinations:**

population growth

money growth

food supply

job growth

Malthus's gloomy view

factor supply

land productivity

labour productivity

**Work on the words!**

**24 Write the words from which these compounds are formed, translate them and write a few other similar compounds:**

clergyman

overpopulation

to outrun

chairman

underestimation

to overtake

wholesaler

outcome

to overcrowd

**25 Translate into English:**

народонаселение

замедлять темпы роста

в арифметической прогрессии

населения

в геометрической прогрессии

улучшение жизни общества

долгосрочное экономическое развитие

**26 Match the English and Russian equivalents and make sentences using the verbs:**

to argue

вызывать

to tend

вносить вклад

to cause

происходить

to outrun

осуждать

to concern

доказывать

to condemn

перегнать

to affect

касаться

to contrast

иметь тенденцию

to occur

влиять

to contribute

контрастировать

**27 Write as many word combinations as you can matching the right words:**

pessimistic	view	affection
optimistic	opinion	affair
dramatic	word	story
rare	remark	film
sharp	agreement	play
dismal	criticism	sound

**28 Write a few sentences of your own using these words:**

consequently \_\_\_\_\_  
at best \_\_\_\_\_  
at worst \_\_\_\_\_  
if the worst comes to the worst \_\_\_\_\_

**Have another look at the text and ...**

**29a Translate the text.**

**b Write an essay: *Contributions of Thomas Maltus and Adam Smith into economics.***

Annotation of the journal: **Work, Employment and Society**

Editor: Theo Nichols  
Cardiff University

Published for the British Sociological Association celebrating its 50<sup>th</sup> anniversary in 2002

Now in its fifteenth year of publication, *Work, Employment and Society* has an established international reputation. An official journal of the British Sociological Association. *Work, Employment and Society* analyses all forms of work and their relation to wider social processes and structures, and to quality of life. It embraces the study of the labour process; industrial relations; changes in labour markets; and the gender and domestic divisions of labour. It supports contemporary, historical and comparative studies and both qualitative and quantitative methodologies. Recent issues exemplify its international scope, with contributors from Scandinavia, North America, Australasia, China, and India as well as France, Italy, Hungary, Turkey, Israel, South America and the United Kingdom.

## Do you remember these words?

to celebrate	['selibreit]	праздновать
anniversary	['æni'və:səri]	годовщина
to embrace	[im'breis]	1) охватывать, вклю- чать; 2) обнимать
gender		род, пол
issue	['ɪʃu: /'ɪsju:]	1) вопрос, проблема 2) выпуск, номер
to exemplify	[ɪg'zemplifaɪ]	1) приводить пример 2) служить примером

## Work on the words!

### 30a Read and translate the words:

society	relation	north
association	division	south
publication	methodology	China
reputation	Scandinavia	Hungary

### b Translate the two interpretations of the term Australasia:

- 1) the term is generally used to refer to Australia, New Zealand, New Guinea and the adjacent island groups
- 2) the term may also refer to Oceania (Melanesia, Micronesia, Polynesia)

### c Translate into English:

упрочившаяся международная репутация  
официальный журнал  
более широкий социальный процесс  
процесс развития производительных сил  
рынок труда  
отношения между администрацией и рабочими в промыш-  
ленности  
сравнительный анализ  
международный масштаб

**d Make a few sentences with these words:**

historic ( <i>историче- ский</i> : важ- ный)	} event speech times moment day	historical ( <i>историче- ский</i> : свя- занный или относящий- ся к реаль- ной исто- рии)	} event novel/play/film/painting studies method of investigation
--	---	--	---

**Have another look at the annotation and ...**

**31a Answer these questions:**

- 1) Is *Work, Employment and Society* a book, magazine or journal?
- 2) Who contributed their essays, articles and other works to this publication?
- 3) When did the first issue come out?
- 4) Who is its sponsor?
- 5) Have you read this or any other similar journal?
- 6) Where does your interest lie?
- 7) Is there a similar journal published in Russia?

**b Mark the meaning in which these words are used in it the annotation:**

work	работа произведение	issue	вопрос, проблема выпуск, номер
contemporary	современный современник	to exemplify	приводить пример служить примером

**c Translate the annotation into Russian.**

**d Translate the definitions of one and the same term and guess what it is:**

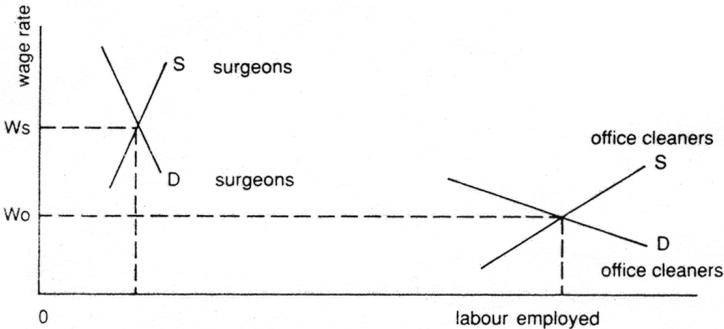
- 1) the use of labour as a factor input in the production of a good or service \_\_\_\_\_
- 2) in its widest sense, this can mean the use of a factor of production by a firm or governmental institution; more narrowly the term refers to the engagement of labour \_\_\_\_\_

## Text: Labour market

*Labour market* is a factor market that provides for an exchange of work for wages. The supply side of the market is represented by individual workers or trade unions bargaining on a collective basis. The demand side of the market is represented by firms who are requiring labour as a factor input in the production process.

The determination of wage rates in labour markets depends upon the supply of, and demand for, labour. The supply of labour depends upon the size of the population, school-leaving and retirement ages, geographic mobility, skills, training and experience, entry barriers to professions and jobs and many other things.

The demand for labour is influenced by, for example, the size and strength of demand for the goods and services produced by workers, the proportion of total production costs accounted for by wages, and the degree of substitutability of capital for labour in the production process.



As a consequence of these factors, the labour market cannot be regarded as a single homogeneous market but must be seen as a number of separate labour markets each with its own particular characteristics. For example, as the above figure shows, a group of workers such as surgeons, whose skills are in limited supply and the demand for whose services is high, will receive a high wage rate; by contrast, office cleaners, who require little or no training or skill, are usually in plentiful supply in relation to the demand for their services, so their wage rates are comparatively low. The wage differential between these two groups is  $W_s - W_o$ .

## Do you know these words?

exchange	[ɪks'tʃeɪndʒ]	обмен
trade union		профсоюз
bargaining	['bɑ:gəniŋ]	переговоры (о заключении договора)
determination	[di,tə:mɪ'neiʃn]	1) установление 2) решимость
retirement	[rɪ'taɪəmənt]	1) выход на пенсию 2) выход в отставку
to substitute	['sʌbstɪtju:t]	заменять
homogeneous	[,hɒməu'dʒi:njəs]	однородный
plentiful		обильный, изобильный
differential		различие, разница, дифференциал

## Work on the words!

### 32a Use correct prepositions where necessary and make sentences with these word combinations:

to be represented ... smb	supply ... smth
to be influenced ... smth	to be ... limited supply
to depend ... smth	demand ... smth
to account ... smth	barriers ... smth
to be accounted ... smth	in relation ... smth

### b Translate the sentences paying attention to the verb *to provide*:

Labour market *provides* for an exchange of work for wages.

These workers have large families *to provide* for.

They *provide* their children with food and clothes.

They *provide* food and clothes for them.

The company must *provide* for their visitors.

The contract *provided* cooperation for a few years.

A clause in the agreement *provides* that the tenant shall bear the cost of all repairs.

**C Complete the sentences in your own way:**

As a consequence ...	It cannot be regarded as ...
As a result ...	They require it as ...
As the figure shows ...	It must be seen as ...
As the graph shows ...	Such professions as ...
As the practice shows...	As the labour market shows ...
As to me I ...	Such jobs as ...

**d Translate into English:**

заработная плата	возраст, когда молодые люди заканчивают школу
спрос и предложение	возраст выхода на пенсию
коллективный договор	запрет на профессию
затраты производственных факторов	производственный процесс
труд как производственный фактор	

**e Do you think these terms mean the same?**

collective bargaining	=?	trade union bargaining on a collective basis
factor input	=?	capital input
wage rates	=?	wages
labour market	=?	factor market
entry barrier	=?	entrance
profession	=?	job
production process	=?	engineering process
wage differential	=?	money wage

**Have another look at the text and ...**

**33a** Underline two or three most important words in each paragraph.

**b** Say which paragraph you find most important and justify your choice.

**c** Make a presentation of the figure showing labour market and wage rates.

## Annotation of the book: **The American Workplace**

*Skills, pay, and employment involvement*

Edited by Casey Ichniowski

Columbia University, New York

Many managers are frustrated by a bewildering array of advice about what works in the workplace. This volume contributes to a growing consensus about effective workplace practices. The collection combines detailed studies of single industries (automobile assembly, apparel, and machine tools) with cross-industry studies of financial performance.

Compared to most past investigations, the research here has better measures of both workplace practices and organisational performance.

The contributors find that systems of innovative human resource management practices can have large effects on business performance. Success does not come from any single innovation, but from a coherent system encompassing pay, training, and employee involvement.

Although a majority of contemporary US businesses now have adopted some innovative work practices, only a small percentage of businesses have adopted a coherent new system.

A concluding chapter outlines barriers to diffusion and discusses public policies to remove barriers and enhance dissemination of effective management.

### **34a** Translate these words referring to a dictionary if necessary:

to frustrate

bewildering

array

human resource

coherent

to encompass

diffusion

dissemination

**b Translate into English:**

организация рабочих мест	единая система
самостоятельные отрасли промышленности	использовать практику устранять препятствия
смежные отрасли	эффективная система управ-
управление кадрами	ления

**c Translate the annotation.**

**d Write a short essay on one of these topics:**

- 1) *Skills and pay*
- 2) *Employers and employees*
- 3) *Human resource management*
- 4) *Motivation management*

**35a Draw a diagram showing the requirements which make work ideal.**

**b Make an oral report using your diagram for illustration.**

**c Enact a presentation of your report with questions from the audience and your answers to the questions.**

Lecture:	<b>Equilibrium, shortage and excess</b>
Texts:	<b>The discoverers of the laws Demand and supply curves John Maynard Keynes</b>
Newspaper items:	<b>US to list exempted products next week Mini helps lift BMW earnings</b>
Grammar Revision:	<b>Subject clauses Clauses of reason Possessive Case of nouns</b>

### Lecture: **Equilibrium, shortage and excess**

Good afternoon, everyone. Now, I know it's late, and it's a Friday, and you all want to get away for the weekend. But what we are going to talk about this afternoon is important, so I hope you will pay attention. OK? Earlier this week you read about demand, supply and equilibrium. But because we were short of time, we only discussed demand and supply. It's equilibrium we're going to talk about today. Specifically, the market and the equilibrium price. I'll say that again. The market and the equilibrium price.

Look at Table again, would you? It describes the demand for and supply of chocolate bars. Let's say we now want to combine the behaviour of buyers and sellers described in this table. We want to do this in order to model how the market for chocolate bars would actually work. If you look at the table carefully, you will see that at low prices the demand for chocolate bars exceeds, is greater than, the quantity supplied. For example, if the price is ten pence, 160 million bars is the demand — but the number of bars supplied is zero. Notice also that the opposite is true if the price is high. If the price is 70 pence, the demand is zero and the supply is 240 million bars. Do you see what I mean? Good.

Table: **The Demand for and supply of chocolate**

Price (£/bar)	Demand (million bars/year)	Supply (million bars/year)
0.00	200	0
0.10	160	0
0.20	120	40
0.30	80	80
0.40	40	120
0.50	0	160
0.60	0	200
0.70	0	240

Now this is the important point. At some *intermediate price* ... intermediate? It means in the middle. OK? At some intermediate price the quantity demanded just equals the quantity supplied. This we call the equilibrium price. *The equilibrium price*. If you look at the table again, you'll see the equilibrium price for chocolate bars is thirty pence. At a price of thirty pence, demand is for 80 million bars, and that's the same quantity as sellers want to supply.

In this example, and I want you to note down this term, it's important you understand it, we call 80 million bars the equilibrium quantity. *The equilibrium quantity*. At a price below thirty pence, the quantity demanded exceeds the quantity supplied. In other words, people can't get enough chocolate bars. So we have a shortage. This shortage we call *excess demand*. Note that down too. Got it? OK, I'll go on. From our previous discussions you will, of course, realise that when we, economists, say there is excess demand we really mean the quantity demanded exceeds the quantity supplied *at this price*. And I emphasise that.

## Do you know these words?

<b>excess</b>	[ɪk'ses]	избыток, излишек, превышение
<b>to be short of smth in order to do smth</b>		нехватать чего-либо для того чтобы сделать что-либо
<b>actually</b>	['æktʃuəli]	фактически

middle		середина
to equal	[ˈi:kwəl]	равняться
to call		называть
to go on		продолжать
to go on with smth		продолжать что-либо
to go on doing smth		продолжать делать что-либо

## Grammar Revision: **Subject clauses**

<i>What I know</i>	}	<i>is very important.</i>
<i>When he comes</i>		
<i>Why he keeps silent</i>		
<i>It is important</i>	{	<i>what I know.</i>
		<i>when he comes.</i>
		<i>why he keeps silent.</i>

### 1 Underline the Subject clauses, read and translate the sentences:

It's important you understand it.

What we are going to talk about today is important.

It is necessary you combine the behaviour of buyers and sellers.

How the market will actually work is necessary to realise.

What you will see in the table is very easy to understand.

It's obligatory everybody attends this seminar.

On what paper he will write the essay does not matter, actually.

## Clauses of reason

*As/ because we were short of time we only discussed demand and supply at our previous lesson.*

*We only discussed demand and supply at our previous lesson because we were short of time.*

**2 Insert one of the two conjunctions and translate the sentences:**

... we did not know this term we noted it down.

They put down these terms ... they wanted to consult the dictionary to be double sure of the translation.

He opened Lesson 3 ... he wanted to see if the same chocolate bars were mentioned in one of the texts.

... the company could not increase supplies it had to waive another contract.

They went on increasing the production ... they expected a few new contracts.

**3 Underline the clauses, state if they are attributive or object clauses and translate the sentences:**

Notice also that the opposite is true in this case.

It's equilibrium we are going to talk about.

I know it's late.

I hope you will pay attention to this fact.

We want to model how the market would work.

Do you see what I mean?

I didn't know when this scientist lived.

Do you remember when he was born?

She even remembers the date when he was born.

**4 Use the right tenses of the verbs in the clauses of time and condition and translate the sentences:**

If you (*to look*) at the table carefully you will see these figures.

If supply (*not to satisfy*) demand the prices will be very high.

If he (*not to understand*) anything he will ask you for help.

When he (*to listen*) to the speaker he will certainly take some notes.

I shall not call you if I (*to be*) short of time.

I'll compare these two variants after I (*to read*) the whole of the text.

As soon as the table (*to be*) ready I'll show it to you.

If she (*to exceed*) the speed limit she'll be fined.

## 5 Translate into English:

На графике представлены кривые спроса и предложения на рынке труда.

Если спрос будет превышать предложение, цены повысятся.

Если спрос и предложение сравниваются, цены будут приемлемыми для всех.

Такое положение называют равновесной ценой.

«Спрос и предложение» — одна из основных тем экономической теории.

Они обсудят этот вопрос после того, как закончатся все поставки.

Когда они получат достаточное количество сырья, они начнут производство шоколада.

## 6 Translate these word combinations paying attention to this difference:



количество } поставщиков  
покупателей  
стран  
рабочей силы

количество } сырья  
сахара  
хлопка  
нефти

количество } людей  
студентов  
экономистов  
информации  
денег  
финансовых средств

**7 Insert prepositions where necessary and make short sentences with these word combinations:**

- |                              |                             |
|------------------------------|-----------------------------|
| to increase demand ... smth  | to look ... smth            |
| to be ... good supply        | to be short ... time        |
| to sell smth ... high prices | to get away ... the weekend |
| to buy smth ... low prices   | ... this week               |
| to pay attention ... smth    | ... that afternoon          |

**Work on the words!**

**8 Group these words into two columns:**

- |                    |                       |                           |
|--------------------|-----------------------|---------------------------|
| behaviour/behavior | centre/center         | to emphasize/to emphasise |
| labor/labour       | meter/metre           | to realize/to realise     |
| favour/favor       | centimeter/centimetre | to analyse/to analyze     |

*British English*

*American English*

_____	_____
_____	_____
_____	_____
_____	_____

**9 Translate these words and make short sentences with them:**

- |                       |                      |
|-----------------------|----------------------|
| <i>to exceed</i> smth | <i>to equal</i> smth |
| excess demand         | to be equal to smth  |
| to be in excess       | equal in quantity    |
| excess of money       | equal in quality     |
| excess of capital     | equal to demand      |
| excessive charges     | equal to sample      |

**10 Make sentences of your own using the following:**

- |                                  |                         |
|----------------------------------|-------------------------|
| I want you to note down ...      | .... in other words ... |
| From our previous discussion ... | .... for example ...    |
| Look at ..., would you?          | In this example ...     |

## 11 Translate into English:

Сейчас спрос на этот товар превышает предложение.

Эти два контракта равны по количеству заказанного товара.

Давайте запишем эти цифры.

Я хотел бы, чтобы вы привели другой пример, из другой отрасли экономики.

Фактически это две разные таблицы.

## Have another look at the text of the lecture and ...

### 12a Read the following paying attention to the sound [w]:

and you all want to get away	we were short of time
for the weekend	we discussed equilibrium
what we are going to discuss	the equilibrium price
I hope you will pay attention	we want to combine the facts

### b Read these sentences paying attention to the intonation:

Do you see what I <sup>ˈ</sup> mean?	Good after <sup>ˈ</sup> noon, everyone.
O <sup>ˈ</sup> K?	I'll say that <sup>ˈ</sup> again.
Look at <sup>ˈ</sup> Table, <sup>ˈ</sup> } <sup>ˈ</sup> would you?	Notice also that the opposite is
Have you <sup>ˈ</sup> got it?	<sup>ˈ</sup> true { if the price is <sup>ˈ</sup> high.

### c Read the text of the lecture.

### d Imagine you are going to read a lecture on the same subject. Write the text and read it.

## Text: **The discoverers of the laws of demand and supply**

The law of demand was discovered by *A.A. Cournot* (1801—1877), a professor of mathematics at the University of Lyon, France, and it was he who drew the first demand curve in the 1830s.

The first practical application of demand theory, by *Jules Dupuit* (1804—1866), a French engineer and economist, was the calculation of the benefits from building a bridge and, given that a bridge had been built, of the correct toll to charge for its use.

The laws of demand and supply and the connection between the costs of production and supply were first worked out by *Dionysius Lardner* (1793—1859), an Irish professor of philosophy at the University of London.

Dionysius Lardner showed railway companies how they could increase their profits by cutting rates on long-distance business, where competition was fiercest. And how they could raise rates on short-haul business, where they had less to fear from other suppliers.

The principles first worked out by Lardner in the 1850s are now used by economists working for the major airline companies today to work out the freight rates and passenger fares that will give the airline the largest possible profit. And the rates that result have a lot in common with those of the nineteenth century in principle.

### **Do you know these words?**

<b>discoverer</b>	[dɪs'kʌvərə]	первооткрыватель
<b>to draw (drew, drawn)</b>	[drɔː, druː, droːn]	рисовать, чертить
<b>benefit</b>	['benəfɪt]	прибыль, польза
<b>bridge</b>	[brɪdʒ]	мост
<b>to bridge</b>		соединять мостом
<b>bridge financing</b>		промежуточное финансирование (краткосрочный кредит на период до начала действия основной схемы финансирования)
<b>toll</b>		плата за проезд по дороге
<b>to charge</b>	[tʃɑːdʒ]	взимать

<b>connection</b>	[kə'nekʃn]	соединение
<b>to cut</b>		резать, сокращать
<b>short-haul business</b>	[ʃo:t'hɑ:l]	перевозки на короткие расстояния
<b>to fear</b>	[fiə]	бояться
<b>freight</b>	[freɪt]	груз
<b>freight rates</b>		тарифы на перевозку грузов
<b>fare(s)</b>	[fɛəz]	плата за проезд
<b>passenger fares</b>		пассажирские тарифы
<b>to have a lot in common</b>	['kɒmən]	иметь много общего

## Work on the words!

### 13 Read these words and make sentences with them:

*to discover* — discoverer — discovery

to discover a land

to discover a fact

*to draw* — drawer — drawing

to draw a curve /the demand curve/ the supply curve

to draw a line/ circle/ graph/ diagram/ plan/ picture

to draw a bill/ cheque/ order for a sum of money

*to compete* — competition — competitor

to compete against/with others

to compete for a prize / for the first place

to face competition

fierce/keen competition

*rate* — freight rate — railway rate

at the rate of...

to work out / to calculate rates

to increase / to cut rates

### 14 Explain the difference between these terms:

1) cost — price — value

2) charge — fare — toll — fee — premium

3) sum — amount

**15 Match the words having the opposite meaning:**

demand	volume
value	supply
drop	behind
ahead	rise
national	least
most	last
first	worst
best	behind

**16 Read and translate the following sentences paying attention to the word *to result*:**

And the rates that *result* have a lot in common with the rates of the nineteenth century in principle.

The innovations *resulted in* growing profits.

The deficit has *resulted from* increasing imports.

Any damage *resulting from* the negligence must be paid by the borrower.

Their dispute *resulted in* another strike.

Their efforts *resulted* badly.

Thus some form of imperfect competition *results*.

Lack of knowledge may *result in* imperfect competition.

## Revise Grammar!

**17a Explain the use of the articles in these sentences:**

A.A. Cournot, a professor of mathematics, drew the first demand curve.

J. Dupuit, a French engineer and economist, was the first to apply demand theory practically. The French economist calculated the correct toll to charge for the use of a bridge.

The law of demand and supply was first worked out by D. Lardner, an Irish professor of philosophy. The Irish professor helped railway companies to calculate proper rates.

**b Translate the following into English using the Definite Article:**

XIX век	XX век
первый раз	первое применение
второй раз	десятое предложение
третий вопрос	четвертый экзамен

**18 Translate these sentences into Russian paying attention to the pronoun *that/those* used to avoid repetition of the preceding noun:**

The rates *that* result have a lot in common with *those* of the nineteenth century in principle.

The prices are much lower than *those* quoted previously.

The passenger fares are different from *those* of the previous year.

The result of the calculation is a little bit different from *that* presented yesterday.

The demand has grown as compared with *that* last month.

The increase is slower than *that* last year.

**19a Complete these sentences paying attention to the use of the *-ing* forms:**

The economists working for airline companies...

The professor working at this problem...

The professor doing the tutorial work...

The countries developing their cooperation...

The companies producing...

The businessmen promoting these goods...

The agents advertizing these products...

**b Complete these sentences paying attention to the use of Participles II:**

The principles worked out by D. Lardner...

The law discovered by...

The calculation made was...

The tolls charged are...  
The theory developed is...  
The quantity demanded...  
The quantity supplied...

## Study sentence patterns!

*It was he who did that.*

### **20 Translate into Russian and add a sentence of your own in each case:**

It was he who discovered the law of demand and supply. ...  
It was he who first applied the law. ...  
It was she who made this calculation. ...  
It was he who wrote this report. ...  
It was he who made the first film. ...  
It was he who invented radio. ...  
It was he who made the first space flight. ...

## Have another look at the text and...

### **21a Sum up what the text said about:**

- 1) A.A. Cournot
- 2) J. Dupuit
- 3) D. Lardner
- 4) an example of the application of the principles at present.

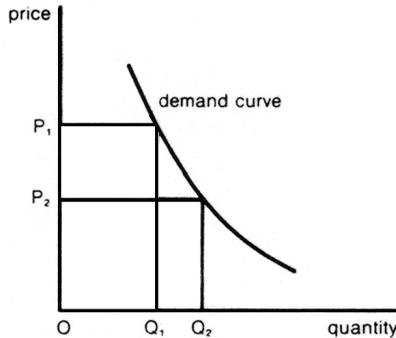
### **b Agree or disagree:**

- 1) It is very easy to calculate such rates knowing the law of demand and supply.
- 2) This principle of calculation is also applied to hotel charges for accommodation.
- 3) This principle is applied in very many cases.

## Text: Demand and supply curves

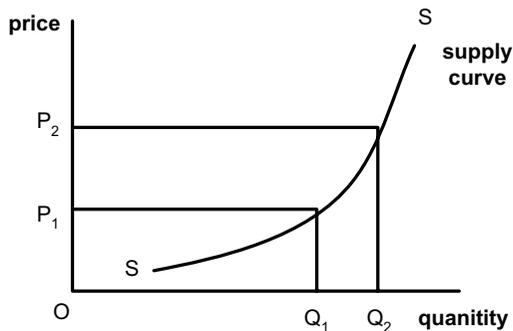
Demand is the total quantity of a good or service which buyers are prepared to purchase at a given price. Demand is always taken to be effective demand, backed by the ability to pay, and not just based on want or need.

*Demand curve* is a line showing the relationship between the price of a product or factor of production and the quantity demanded per time period, as in the figure below.



The typical market demand curve slopes downwards from left to right, indicating that as the price falls more is demanded (that is, a movement along the existing demand curve). Thus, if price falls from  $OP_1$  to  $PP_2$  the quantity demanded will increase from  $OQ_1$  to  $OQ_2$ .

The demand curve interacts with the supply curve to determine the equilibrium market price. *Supply curve* is a line showing the relationship between the price of a product or factor of production and the quantity supplied per time period. 'Supply' means the total quantity of a product or factor that firms or factor owners are prepared to sell at a given price.



The above typical market supply curve for a product slopes upwards from left to right, indicating that as the price rises more is supplied (that is, a movement along the existing supply curve). Thus, if the price rises from  $OP_1$  to  $OP_2$  in the above figure, the quantity supplied will increase from  $OQ_1$  to  $OQ_2$ .

The figure shows the supply curve for the market as a whole. This curve is derived by aggregating the individual supply curves of all of the producers of the goods which in turn are derived from the producers' cost curves.

## Work on the words!

### 22 Translate these words referring to a dictionary if necessary:

per _____	to determine _____
to slope _____	to derive _____
to interact _____	cost _____

### 23 Match the English and Russian equivalents and make short sentences using these verbs in the Passive Voice:

to demand	основывать	to determine	подготавливать
to derive	покупать	to show	указывать
to purchase	поддерживать	to supply	определять
to back	извлекать	to prepare	поставлять
to base	требовать	to indicate	показывать

### 24 Translate into English:

за определенный период	справа налево
за месяц	слева направо
за неделю	отрезок $OP_1$
за/в день	таблица № 3
за/ в час	страница 220
взаимосвязь между	взаимозависимость

## 25 Translate into Russian:

to aggregate	finite aggregate
aggregate	infinite aggregate
in the aggregate	monetary aggregate
economical aggregates	output aggregate

## Have another look at the text and ...

### 26a Write out the definition of the terms:

demand \_\_\_\_\_  
demand curve \_\_\_\_\_  
supply \_\_\_\_\_  
supply curve \_\_\_\_\_

### b Imagine you at a seminar. Describe the two figures given in the text.

### c Find the terms in the text:

...? — a line which shows the cost of production at different levels of output. The curve might relate to average cost and marginal cost, or total cost.

...? — the inputs of resources used in production

...? — the price at which the quantity demanded of a good is exactly equal to the quantity supplied

### d Translate into English:

агрегированный показатель	кривая показывает, что ...
рыночная цена	средняя стоимость
данная цена	предельная стоимость
цена продукта	общая стоимость
по цене ...	в совокупности
цена растет/падает	совокупный продукт
	факторы производства

## Text: John Maynard Keynes

John Maynard Keynes, first Baron Keynes (1883—1946) is an English economist, whose *The General Theory of Employment, Interest and Money* (1936) proposed the prevention of financial crises and unemployment by adjusting demand through government control of credit and currency. He is responsible for that part of economics now known as *macroeconomics*.

John Maynard Keynes saw the cause of a depression as reduced aggregate demand, and in the absence of any automatic stimulus to demand he argued that governments must intervene to increase aggregate demand and end depression. He suggested that governments stimulate consumption by putting money into consumers' pockets through tax cuts or directly increase governments' own expenditure to add to aggregate demand.

## Work on the words!

**27** Translate these words referring to a dictionary if necessary:

to prevent _____	pocket _____
to adjust _____	to add _____
currency _____	to add smth to smth _____

## Revise Grammar and work on the words!

**28a** Use the appropriate prepositions if necessary and make short sentences with these word combinations:

to be responsible ... smth	stimulus ... demand
... the absence ... smb	to add smth ... smth
... the presence ... smb	to increase ... 5 per cent

**b** Translate these nouns and write the corresponding verbs:

responsibility	prevention	suggestion
presence	addition	adjustment
addition	aggregation	argument
increase	proposal	expenditure

**c Translate into English using the verb *to argue*:**

Она доказывала, что необходимо снизить затраты на единицу (*unit*) продукции.

Никто с ней не спорил, но все слушали внимательно.

Они хотели убедить, что должно вмешаться правительство.

Специалисты говорили, что должен быть срочно введен финансовый контроль.

**d Underline basic nouns and translate these word combinations:**

government control

tax cuts

cost control

price cut

expenditure control

tariff cut

food control

rate decrease

labour control

production fall

**e Use Gerunds and translate the sentences:**

He proposed prevention of unemployment by (*to adjust*) demand through government control.

He suggested that governments stimulate consumption by (*to put*) money into consumers' pockets through tax cuts.

They suggested (*to increase*) governments' own expenditure.

Who suggested (*to discuss*) this theme?

**f Translate into English paying attention to the formation of the Possessive Case of nouns:**

*a customer's request*

*customers' request*

известная работа этого экономиста

мнение экономистов

собственные расходы правительства

замечания экспертов

цена покупателей

доклады студентов

цена продавца

стипендия студента

цена производителей

пожелания студентов

мнение студентов

грант фонда

## Have another look at the text and ...

**29a** Translate it.

**b** Say what else you know about this famous economist and his theory.

**c** Translate into English:

Кейнс был основателем теории государственного регулирования. Она получила название теории кейнсианства. Его теория оказала существенное влияние на экономическую политику США, Великобритании и многих других стран. Позднее некоторые положения этой теории были пересмотрены и развиты.

### Newspaper item: **US to list exempted products next week**

The US expects to announce next week the final batch of steel products that it will exempt from tariffs of as much as 30 per cent.

The European Union has drawn up plans for immediate sanctions to the value of as much as €379m on US exports if the so-called safeguard tariffs remain in place. Japan has threatened sanctions to the value of \$5m (€5.2bn) on US steel products.

Most of the latest exemptions imposed by the US in March were for 500,000 tonnes of semi-processed slab steel. Lawyers for the US steel industry said about half was accounted for by imports from Brazil, although the Commerce Department could not confirm this.

Most other exemptions were for products not made in the US or for specialist items for which there was limited demand.

The EU has allowed itself until October to decide whether to impose sanctions on the US. Brussels says an untested provision of World Trade Organisation rules permits immediate retaliation because the US imposed safeguards in the absence of an 'absolute increase' in steel imports.

The European Commission said yesterday it expected WTO arbitrators to announce this week the size of the retaliation that the EU may impose on the US in a separate dispute over a US corporate tax break.

## Do you know these words?

to exempt	[ɪɡ'zempt]	освобождать; изымать
to announce	[ə'nauns]	объявлять
batch		пачка, партия, группа
to draw up		составлять
safeguard	['seɪfgɑ:d]	1) гарантия; охрана 2) охранное свидетельство 3) предосторожность
to remain		оставаться
to threaten		угрожать
to impose	[ɪm'pouz]	налагать; облагать; вводить
to confirm		подтверждать
provision		1) снабжение, обеспечение 2) положение, условие (договора)
retaliation	[rɪ,tælrɪ'eɪʃn]	ответная мера
arbitrator	['ɑ:bitreɪtə]	арбитр
dispute	[dɪ'spjʊ:t]	спор, разногласия
break		1) перерыв в работе 2) быстрое падение (цен) 3) поломка

## Words and Grammar

### 30a Read and translate these words:

tariff	the final batch of products	latest exemptions
value	immediate sanctions	specialist items
lawyer	imports steel products	limited demand
cost	steel industry	untested provision of rules

### b State what parts of speech the words in *italics* are and translate the sentences:

The USA was planning to issue a list of *exempted* products a few days later.

It was going to *exempt* some steel products from tariffs of as much as 30 per cent.

Most of the latest *exemptions* were for semi-processed slab steel.

Some other *exemptions* were for items for which there was limited demand.

President George W. Bush set August 31 as the deadline for announcing the full list of *exemptions*.

**C Read the sentences, translate into Russian paying attention to the construction to account for smth:**

About half the steel products was accounted for by imports from Brazil.

Washington announced a further round of exemptions covering 37 categories of steel products, accounting for 543,000 tonnes of annual imports.

The young man has been asked to account for his conduct.

His illness accounts for his absence.

Ah, that accounts for it.

How would you account for that?

There is no accounting for tastes.

The boy had to account (to his parents) for the money they gave him for school expenses.

**d Insert the appropriate verbs in the right forms and translate the sentences:**

In September 2002 the US ... the final list of exemptions.

It ... the sixth occasion when the US took similar measures.

The EU ... plans for immediate sanctions but I don't know if it ... the plans.

According to the newspaper the EU was to decide in September whether ... sanctions on the US.

Japan ... sanctions too but I don't know what their later actions ... actually.

to account

to be

to announce

to threaten

to impose

to draw up

to realize

**e Underline the nouns the articles are referred to and translate these word combinations:**

the final batch of steel products	an untested provision of WTO rules
the European Union	a US corporate tax break
the so-called safeguard tariffs	the United States
the US steel industry	the World Trade Organisation

**f Translate into English:**

исключить из списков товаров, освобожденных от пошлин  
вводить санкции против  
устанавливать протекционистские тарифы  
размер/объем ответных мер  
подтверждать  
временная отмена корпоративного налога  
включить в списки акцизных товаров

**Have another look at the newspaper item and ...**

**31a Answer these questions:**

- 1) What does 'absolute increase' mean?
- 2) Is it easy to translate the word 'tariff'?
- 3) How would you explain the meaning of 'safeguard tariffs'?

**b Write a plan of the newspaper item and retell it in accordance with your plan.**

**c Translate the definition of an economic term and guess what it is:**

A schedule of charges for goods or services. But, more commonly, a system of duties imposed on goods imported or exported either for revenue purposes or for protection of both. \_\_\_\_\_

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## Newspaper item: **Mini helps lift BMW earnings**

New models such as the popular Mini helped to boost second-quarter profits at the carmaker BMW, despite poor demand and the costs of developing its range.

The group's car and motorcycle sales increased above the market trend in nearly all regions, BMW said yesterday, adding that it expected a 'pleasing' development in the second half of the year. For the full year, BMW, one of the world's most profitable carmakers, expects to beat last year's unit sales, revenue and pre-tax profits.

The German car group's strategy of concentrating on the premium segment has helped to insulate it better than many volume manufacturers from the effects of the economic downturn. BMW also benefits from being well positioned to react rapidly and flexibly to any signs of slowing demand.

BMW's second-quarter pre-tax profit rose 2.5 per cent to €1.02bn (\$984) on an 8.9 per cent increase in revenues to €11.6bn. Its core automotives segment raised pre-tax profits by 9 per cent, helped by the Mini's introduction in July last year, BMW said.

The carmaker aims to sell 120,000 of the British cult car this year. The new flagship 7-series is also on target. Despite weakening overall demand, analysts remain positive about BMW's prospective product offensive.

'On the face of it, the timing appears bad. However premium manufacturers such as Porsche and BMW have proven resistant to flagging demand, and the experience of the Mini and 7-series means we have positive expectations for other launches planned over the next two years,' said Rolf Woller of HVB Group.

These include a Z4 sportscar later this year, the first BMW-made Rolls Royce and a new 5-series limousine next year.

## Do you know these words?

**despite**  
**to beat (beat,**  
**beat/beaten)**

[dɪ'spaɪt]

несмотря на  
бить; превосходить

**revenue**  
**to insulate**  
**offensive**

['revənju:]  
['ɪnsjuleɪt]

доход(ы)  
изолировать  
наступление, на-

**to prove (proved,  
proved/proven)**

[pru:v]

ступательная опе-  
рация

1) доказывать

2) оказываться

**resistant**

[ri'zistant]

стойкий, прочный,  
сопротивляющийся  
оказаться стойким

**to prove resistant**

**32a Translate these word combinations and make sentences of your own using them:**

slowing demand

pre-tax profits

to be on target

weakening demand

to beat profits

to react to smth

poor demand

to boost profits

to aim to do smth

flagging demand

to raise profits

to aim at smth

overall demand

to aim at doing smth

to ensure a profit

**b Translate into English:**

снижать налоги

увеличивать доходы

низкий уровень спроса

повышенный спрос

тенденции, наблюдаемые на рынке

превысить уровень продаж прошлого года

экономический спад

жизненный цикл продукта

**c Underline the sentences or some parts of sentences in the newspaper item which seem most important to you.**

**d Write a short summary of the item.**

**e Translate these words and explain the difference:**

earnings

income

interest

profit

returns

receipts

pre-tax profit

proceeds

salary

revenue

gains

wages

# Monopolies, markets and competition

Interview:	<b>McDonalds may face fierce competition</b>
Texts:	<b>Monopolies in the UK</b> <b>Monopolistic competition</b>
Annotation:	<b>Market Structure and Competition Policy</b>
Newspaper items:	<b>World Cup gives Adidas a kick start</b> <b>Israel diamond market counts cost of conflict</b>
Grammar Revision:	<b>Indirect Speech</b>

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## Interview: **McDonalds may face fierce competition**

*Interviewer:* Mr Allen, I recently read a newspaper article in which one of your business partners announced, 'We are going to invade the whole world with a revolutionary product that is going to be more popular than McDonalds.' Could you explain exactly what this product is?

*Mr Allen:* This product is crisp, hot, fresh french fries, which will be delivered by a vending machine. All that the customer has to do is choose the number of portions, one, two, three or four, pay the amount which he can see on the machine because the amount will vary depending on the country, put the money in, wait 64 seconds for the first serving, and then eat the chips which will come out nicely in a very beautifully looking container, a cup.

*Interviewer:* So this machine can be installed in the street, as well as in restaurants, or cafes ...

*Mr Allen:* Well, the idea is to install it in public places, you

know, not so much inside restaurants, but, you know, anywhere where people gather you can install the machine: airports, railway stations, football stadiums, sports centres, service stations, cinema halls, anywhere, literally anywhere where people want a nice cup of french fries.

*Interviewer:* And these fries are made from powdered, a powdered potato mixture?

*Mr Allen:* That is correct. They are made from dehydrated potato powder, to which we add certain ingredients, you know, which are subject, well, which are secret, which we keep to ourselves.

*Interviewer:* As far as I know, your company is launching the product. And who will manufacture the machine?

*Mr Allen:* The machine will be manufactured by Zanussi, one of the two leading vending machine manufacturers in Europe and the world. Well, you see, if we can deliver the same product to 180 countries in the world, I think that's where the success of this project will lie.

*Interviewer:* And are you aiming at 180 countries?

*Mr Allen:* Oh, yeah. Certainly. Not immediately though. But I'm sure we will see our vending machines with the same logo, the same colour scheme, whether you are in Europe or the US or wherever. The machines will be painted, as you can see from the picture, in very bright fast-food colours, which are red and yellow. I'm sure you have to really make an effort in order to miss such a machine if it is placed on your path. And you know we will place many of them, even the test machines, we will put them in and around Piccadilly Circus, here in London.

## Do you know these words?

to invade

захватывать, овладевать

to install

[in'sto:l]

устанавливать, монтировать

literally

буквально, дословно

<b>powder</b>	['paudə]	порошок
<b>to paint</b>		красить, окрашивать
<b>to make an effort</b>		предпринимать усилие
<b>to miss</b>		промахнуться, упустить, пропустить

## Grammar Revision: **Indirect Speech**

Direct Speech	Indirect Speech
<i>'I like this product', he said.</i>	<i>He said he <b>liked</b> that product.</i>
<i>'Do you like it?' he asked.</i>	<i>He asked her if she <b>liked</b> it.</i>
<i>'When did you see it?' he asked.</i>	<i>He asked her when she <b>had seen</b> it.</i>
<i>'Have a look at it', he said.</i>	<i>He asked her <b>to have</b> a look at it.</i>
<i>'Don't smoke, please', he said.</i>	<i>He asked her <b>not to smoke</b>.</i>
<i>'Good-bye', he said.</i>	<i>He said good-bye.</i>

### 1 Translate into English paying attention to the Rules of the Sequence of Tenses:

Она сказала, что недавно читала статью о перспективах экономического развития этого региона.

Корреспондент сообщал, что фирма планирует создать новый продукт для сети быстрого питания.

В статье было сказано, что этот продукт будет более популярным, чем продукция МакДональдса.

Бизнесмен ответил, что его фирма скоро представит новый продукт, производимый на новом оборудовании.

### 2 Translate into English paying attention to the direct word order and the Rules of the Sequence of Tenses:

Она хотела узнать, что это будет за продукт.

Она спросила, где будут устанавливаться эти автоматы.

Она также поинтересовалась, кто создал это оборудование.

Корреспондент удивился и переспросил, неужели они будут экспортировать это оборудование в 180 стран.

### 3 Translate into English paying attention to the use of Infinitives:

Он попросил повторить вопрос.

Почему он попросил повторить вопрос?

Экскурсовод попросил не трогать руками экспонаты.

Преподаватель попросил перевести эти экономические термины на английский язык.

Он просил пока не смотреть на эти диаграммы.

Он попросил показать диаграммы, показывающие рост производительности на этом предприятии.

### 4 Use the verbs in the Active or Passive Voices and translate the sentences into Russian:

It was not difficult for him (*to explain/to be explained*) what the product was.

The french fries were (*to deliver/to be delivered*) by vending machines.

The word French usually (*spell/is spelt*) with a capital letter.

But it has become customary (*to write/to be written*) this word with a small letter when it (*uses/is used*) with 'fries' to signify well-known fast food.

There are not many words which (*use/are used*) in the same way.

## Work on the words!

### 5 Insert the appropriate words and translate the sentences:

They were going ... the whole world with this new product.

The interviewer asked the businessman ... what this product was.

The company expected the product ... extremely popular all over the world.

There idea was ... the machines in various public places.

This company was going only ... the product.

It was Zanussi that was ... the vending machines.

to use

to install

to manufacture

to be

to launch

to explain

to invade

to do

**6 Translate the sentences paying attention to the verb *to miss*:**

I'm sure you have to really make an effort in order to *miss* such a machine on your path.

The house is at the next corner; you can't *miss* it.

He *missed* the point of my joke.

There were a few pages *missing*.

I *missed* the first part of his speech.

Did the company *miss* or hit the target?

I don't know if the company *missed* their aim or not.

**7 Make a few sentences of your own using these words:**

**a** *to pay a certain amount — to pay the sum of ... Roubles / Dollars/Euro...*

to repay

to allocate

to lose

to return

to spend

to find

to transfer

to economise

to get

**b** *to be made of smth — to be made from smth*

clothes made of	{ cotton silk wool	product made from	{ potato mixture flour soy beans
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dishes made of	{ glass porcelain plastics	wine made from	{ grapes apples berries
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**c** *to depend on smb/smth*

*to install smth in the street*

**d** *to wait for smb/smth*

*to aim at (180) countries*

**8 Make short dialogues using the following:**

All you have to do is (choose ...)

As far as I know ...

That's where/what/when ...

## 9 Translate into English:

Насколько я знаю, они планировали экспортировать оборудование в самые различные страны.

Именно так он ответил на этот трудный вопрос.

В его статье были приведены коэффициенты, рассчитанные по этой методике.

Вам остается только записать его ответы.

## Have another look at the text of the interview and ...

### 10 a Read these compound words paying attention to the stress:

'newspaper	'somewhere	,my'self	,fast-'food
'airport	'anywhere	,our'selves	,short-'haul
'railway	'nowhere	,your'self	,short-'hand
'safeguard	'somebody	,your'selves	,short-'cut

### b Read the sentences paying attention to the words stressed:

'Could you ex'plain e'xactly } what the 'product 'is?

'So this ma'chine can be in'stalled in the 'street, } as well as in 'res-  
taurants, } ca'fes ...

As 'far as I 'know, } your 'company is 'launching the `product.

And 'who will manu'facture the ma`chine?

And 'are you 'aiming at 'one 'hundred and 'eighty 'countries?

### 11a Act out this interview (you can make some changes you find appropriate).

### b Write a summary of this interview.

## Text: **Monopolies in the UK**

Monopolies in the United Kingdom are strictly regulated by the state. Very often the decision as to whether a monopoly is useful or anti-social depends on circumstances and therefore varies from one period to another. Moreover, if legislation is proposed, the term 'unfair competition' has to be closely defined in rigid legal terms.

Where the monopoly is detrimental to customers it can be prohibited by legislation.

When it is important not to destroy the advantages of a monopoly, the problem may best be solved by the state's taking it over completely. The public then appears to be effectively protected.

The state could reduce the period for which licenses are granted or make their renewal more difficult. Alternatively the state could outlaw attempts to eliminate competition, whether by unfair practices, the formation of cartels or restrictive agreements.

## Do you know these words?

<b>to regulate</b>	[ˈreɡjuleɪt]	регулировать
<b>circumstances</b>	[ˈsɜ:kəmstənsɪz]	условия
<b>therefore</b>		поэтому
<i>syn. so</i>		
<b>legislation</b>	[ˌledʒɪˈsleɪʃn]	законодательство
<b>unfair</b>	[ʌnˈfeə]	несправедливый
<b>to define</b>		определять
<b>rigid</b>		жесткий
<b>legal</b>	[ˈli:ɡəl]	юридический
<b>detrimental</b>	[ˌdetrɪˈmentəl]	вредный, приносящий убытки
<b>to destroy</b>		разрушать
<b>to solve a problem</b>		разрешать проблему
<b>complete</b>		полный
<b>the public</b>	[ˈpʌblɪk]	общественность
<b>to appear</b>		казаться, производить впечатление
<b>to protect</b>		защищать

to grant		предоставлять, выдавать
renewal	[ri'njuəl]	возобновление
alternatively	[ɔ:l'tə:nətɪvli]	в противном случае
to outlaw		объявлять вне закона
restrictive	[ris'triktɪv]	ограничительный
agreement		соглашение, согласие

## Increase your vocabulary!

### 12 Form nouns from the following verbs:

to form _____	to compete _____
to define _____	to decide _____
to regulate _____	to prohibit _____
to propose _____	to destroy _____

### 13 Say how the following nouns are formed:

refusal _____	proposal _____
withdrawal _____	renewal _____
denial _____	removal _____

### 14 Say how the following compounds are formed:

pre-tax (profit)	franchise-holder
anti-social (monopoly)	week-day
multi-channel (system)	pie-chart
cable-TV (operator)	cost-cutting
Anglo-European	self-interest
full-time	seat-back
two-part	arm-rest

### 15 Form opposite adjectives with the help of the prefix *un-*, like this:

*un- + fair = unfair*

stable _____	satisfactory _____
productive _____	desirable _____
equal _____	necessary _____
suitable _____	usual _____

**16 Form adjectives and adverbs from the following verbs, like this:**

*to effect — effective — effectively*

to restrict _____	to object _____
to subject _____	to collect _____
to inform _____	to possess _____
to prevent _____	to produce _____
to describe _____	to compete _____

**17 Give words having opposite meaning:**

useful _____	to prohibit _____
important _____	to destroy _____
advantage _____	rigid _____
effective _____	to eliminate _____

**Study the sentence patterns!**

*something has to be done*

**18a Change the sentences by using the modal verb *have* to make the sentences shorter and more emphatic, like this:**

*It is necessary to define the term. → The term has to be defined.*

It is necessary to solve the problem.  
It is necessary to protect the public.  
It is necessary to quote the price.  
It is obligatory to learn the rule.  
It is imperative to make the changes.  
It is imperative to change the routine.

**b Translate into English:**

Необходимо дать точное определение этого термина.  
Очень трудно описать этот график словами.

Необходимо было срочно внести изменения в бизнес-план.

Было важно рассмотреть это предложение в согласованные ими сроки.

## Revise Grammar!

### 19a Insert the correct prepositions:

English monopolies are regulated ... the state.

Very much depends ... the circumstances.

The decision varies ... one period ... another.

The term has to be closely defined ... rigid legal terms.

If the monopoly is detrimental ... customers it can be prohibited ... legislation.

### b Translate the sentences paying attention to the Infinitives in the negative form:

It is important not to destroy the advantages of a monopoly.

It is desirable not to reduce the period for which patents are granted.

They introduced the changes not to suffer losses.

We have to reduce the rates not to lose customers.

They had to form a cartel not to let the competition spread.

They introduced the bill not to let unemployment grow.

### c Translate into English:

Они разработали специальную программу, чтобы сократить затраты и снизить стоимость продукта.

Компания приняла ряд мер, чтобы информация не попала в прессу раньше времени.

Банк предоставил ряд кредитов, чтобы защитить наших инвесторов.

Во многих странах существует антимонопольное законодательство.

## Have another look at the text and...

**20a** Make all the complex and compound sentences simple ones. Translate the original sentence which was the most difficult to transform.

**b** Answer these questions:

- 1) Does the state regulate monopolies in the UK?
- 2) When can monopolies be prohibited?
- 3) Can the state take over a monopoly?
- 4) Why are patents mentioned?
- 5) What is the policy of the state in respect of competition?

**c** Sum up what the text said about:

- 1) monopolies in the UK
- 2) unfair competition

**d** Translate into English:

регулировать деятельность  
монополий

предлагать законы

строгие юридические опреде-  
ления

разрешать проблемы

защищать интересы населения

выдавать разрешения

объявить незаконным

выдерживать конкуренцию

жесткие условия

приносить убытки

**e** Agree or disagree:

- 1) Competition is always unfair.
- 2) Competition is fierce in every country having a mixed economy.

## Annotation of the book: **Market Structure and Competition Policy**

Edited by George Norman  
Tufts University, Massachusetts

*Market Structure and Competition Policy* applies modern advances in game theory to the analysis of competition policy and develops some of the theoretical and policy concerns associated with the pioneering work of Louis Philips. Containing contributions by leading scholars from Europe and North America, this book observes a common theme in the relationship between the regulatory regime and market structure. Since the inception of the new industrial organisation, economists have developed a better understanding of how real world markets operate. These results have particular relevance to the design and application of antitrust policy. Analyses indicate that picking the most competitive framework in the short run may be detrimental to competition and welfare in the long run, concentrating the attention of policy makers on the impact on the long-run market structure. This book provides essential reading for graduate students of industrial and managerial economics as well as researchers and policy makers.

### **Do you know these words?**

<b>to observe</b>	[əb'zə:v]	наблюдать; соблюдать
<b>inception</b>	[ɪn'sepʃn]	начало
<b>particular</b>	[pə'tɪkjʊlə]	особый, индивидуальный, частный
<b>anti-trust</b>		антимонопольный
<b>to pick</b>		выбирать; собирать
<b>in the short run</b>		краткосрочно
<b>welfare</b>	['welfeə]	благополучие
<b>impact</b>	['ɪmpækt]	влияние; удар
<b>essential</b>	[ɪ'senʃl]	существенный; необходи- мый

## Work on the words!

### 21a Read and translate these words:

regime	managerial
organisation	detrimental
organization ( <i>Am</i> )	revolutionary
detriment	contemporary

### b Translate these words and write those from which they are formed:

scholar	policy maker	spokesman
manager	image maker	speaker
researcher	statesman	chairman
scientist	sportsman	lecturer

### c Match adjectives and nouns, translate the word combinations:

regulatory	economics
relevant	regime
irrelevant	measure
competitive	part
essential	clause
detrimental	price
managerial	instruction
serious	agreement
detailed	word
	responsibility
	entity

### d Underline the basic nouns and translate these word combinations:

market structure	competition policy	game theory
cost structure	allocation policy	demand theory

distribution structure	credit policy	graph theory
goods structure	employment policy	inflation theory
managerial economics	The World Trade Or- ganisation	the European Union

**e Translate into English:**

современные достижения	лучше понять
развивать понятия	иметь отношение к
сделать вклад	в конечном итоге
ведущие ученые	сосредоточить внимание
мировой рынок	взаимосвязь между

**f Complete these sentences in your own way:**

In the short run ...

In the long run ...

It may be detrimental to ...

They have developed a better understanding of how ...

**Have another look at the annotation and ...**

**22a Answer these questions:**

- 1) Is the name of Louis Phlips familiar to you?
- 2) What do you know about him?
- 3) Have you read any articles of English economists on market structure or competition policy?
- 4) Would you read or look through this book?

**b Translate the annotation.**

**c Read and translate the following annotation without referring to a dictionary:**

**Annotation of the book: Dynamic Competition**

*Technology, Innovation, and Antitrust Issues*

Edited by Jerry Ellig

George Mason University, Virginia

During the 1990s, US antitrust policy began to take greater account of economic theories that emphasize the critical role of innovation and change in the competitive process. Several high-profile antitrust cases have focused on dynamic innovation issues as much as or more than static economic efficiency. But does dynamic competition furnish a new rationale for activist antitrust, or a new reason for government to leave markets alone? In this volume, more than a dozen leading scholars with extensive antitrust experience explore this question in the context of the Microsoft case, merger policy, and the intellectual property law.

**d Compare the two annotations.**

**e Translate into English:**

антимонопольная политика

сосредоточиться на

процесс конкуренции

экономическая эффективность

принимать во внимание

большой опыт

**f Read the text and guess who the economist is:**

\_\_\_\_\_ (1801—1877) is a French economist who explored the problems of price in conditions of competition and monopoly in his book *The Mathematical Principles of the Theory of Wealth* (1838).

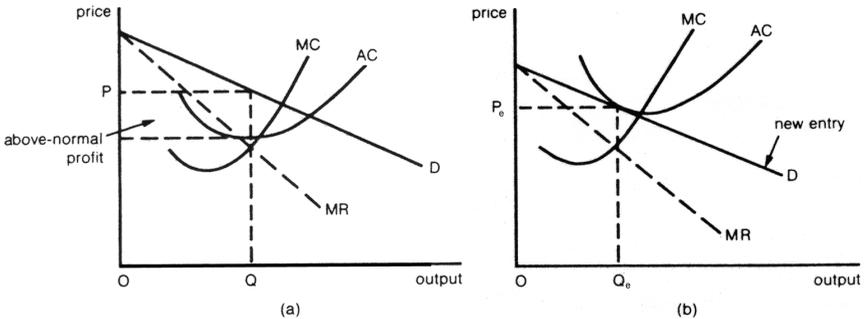
The French economist concentrated attention on the exchange values of products rather than their utilities; and he used mathematics to explore the relationship between the sale price of products and their costs, developing the idea of a monopoly price. He is also known for his work on duopoly, his analysis showing that two firms would react to one another's output changes until they eventually reached a stable output position from which neither would wish to depart.

## Text: Monopolistic competition

*Monopolistic competition* or *imperfect competition* or *imperfect market* is one that is characterized by:

- (a) many firms and buyers, that is, the market is comprised of a large number of independently-acting firms and buyers;
- (b) differentiated products, that is, the products offered by competing firms are differentiated from each other in one or more respects. These differences may be of a physical nature, involving functional features, or may be purely ‘imaginary’ in the sense that artificial differences are created through advertising and sales promotion;
- (c) free market entry and exit, that there are no barriers to entry preventing new firms entering the market or obstacles in the way of existing firms leaving the market.

Here are two figures showing the short-run equilibrium position of the firm (Fig. a) and long-run equilibrium position of the firm (Fig. b) where  $D$  is demand curve,  $MC$  — marginal cost,  $MR$  — marginal revenue,  $AC$  — average cost.



The firm being a profit maximizer will aim to produce at that price ( $OP$ ) — output ( $OQ$ ) combination, shown in Fig.a, which equates marginal cost ( $MC$ ) and marginal revenue ( $MR$ ). In the short run this may result in firms securing *above-normal* profits.

Fig. b shows that the firm continues to maximize its profits at a price ( $OP_e$ ) — output ( $OQ_e$ ) combination where marginal cost equals marginal revenue, but now secures only a *normal* profit return.

## Words and Grammar

**23a** Translate these words referring to a dictionary if necessary:

artificial _____	revenue _____
to equate _____	entry _____
marginal _____	exit _____
to secure _____	average _____

**b** Match the synonyms and antonyms:

barrier	seller	entry	long
vendor	produce	large	imperfect
firm	character	short	competing
product	return	perfect	independent
nature	obstacle	dependent	exit
revenue	company	monopolistic	small

**24** Make short sentences using the following:

- 1) to equal smb/smith — *to be equal to* smb/smith
- 2) to aim *to do* smth — *to aim at doing* smth

**25a** State what part of speech the word *average* is in each case and translate the sentences:

AC in this graph signifies *average* cost.

The rainfall *averaged* 36 inches a year.

What is the *average* temperature here in August?

The average of 4, 5 and 9 is 6.

His work at school was above the *average*.

On the *average* there are twenty people present at the lecture every day.

The *average* age of the students is twenty.

**b Translate into English using the word *average*:**

Средняя зарплата российского рабочего на заводе составляла 8000 руб.

Сумма в среднем составила 135 евро.

Их доходы были ниже среднего прожиточного уровня.

Рассчитайте среднее арифметическое.

Сколько часов в среднем они работают ежедневно?

**26a Match the English and Russian equivalents:**

marginal cost	предельный доход
marginal revenue	сверхприбыль
average cost	обычная прибыль
profit maximizer	предельные издержки
normal profit	средняя стоимость
above-normal profit	дающий максимальную прибыль

**b Guess the terms:**

- 1) providing information about the characteristics and availability of a product to enable purchasers to make a better-informed choice from a wide range alternatives \_\_\_\_\_
- 2) measures to increase sales: advertising, competitions, coupons offering temporary price reductions, etc. \_\_\_\_\_

**Have another look at the text and ...**

**27a Translate it into Russian.**

**b How would you present the graphs? These words might be of help:**

Let me introduce ...

In the upper/lower part ...

I would like to ...

To the left/right you can see ...

As far as I know ...

The idea is ...

## Newspaper item: **World Cup gives Adidas a kick start**

Adidas Solomon yesterday reported a higher-than-expected backlog in demand for its branded sportswear, with its progress in the US market outshining Nike, its larger rival.

The German company reported a 4 per cent rise in net profits to €25m (\$24.3m) for the quarter to June 30 as the world's second largest sportswear and equipment maker benefited from a World Cup football-related boost to sales.

The first Asia-based World Cup saw sales in that region soar by 29 per cent to €279m.

Adidas had invested heavily in World Cup marketing, sponsoring 10 of the 32 competing teams.

'For the quarter, sales and earnings continued to develop positively, with North America and Asia leading the way,' said Herbert Hainer, chief executive.

'With the majority of our expenses now behind us, we expect business to accelerate in the second half of the year, particularly our earnings growth.'

The company repeated its full-year target of lifting sales by 5 per cent and profits by 5–10 per cent for the full year.

The forecast comes in spite of the €100m invested in the first half from the expansion of its network of own-brand shops and the buy-out of its Adidas Italy joint venture.

The €40m invested in World Cup-related activities helped to fuel an 11 per cent rise for the quarter in its other backlog — an important indicator of future sales — the largest rise for 15 quarters.

### **Do you know these words?**

**kick**

удар, удар ногой, толчок

**backlog**

задолженность,  
невыполненные заказы,  
резервы

**to outshine**

затмить

**rival**

[raɪvəl]

соперник, конкурент

to soar	[so:]	подниматься, повышаться
target	['tɑ:ɡɪt]	цель, мишень, плановая цифра
to buy-out		выкупать
to fuel	[fjuəl]	снабжать топливом

## Grammar and Words

### 28a Underline the basic nouns and translate these word combinations:

a higher-than expected backlog	World Cup related activities
the world's second largest sports-wear maker	the first Asia-based World Cup
a World Cup football related boost	a full-year target
a World Cup match	own-brand shops
	Adidas Italy joint venture

### b State what the constructions in italics are and translate the sentences:

Adidas reported a higher demand, *with its progress outshining Nike*.

Sales developed positively, *with North America leading the way*.

*With the majority of our expenses behind us*, we expect some rapid progress.

The World Cup saw *sales soar* by 29 per cent.

They expected *business to accelerate* in the second half of the year.

The circumstances *made the company lift* the prices dramatically.

### c State what parts of speech the words in italics are and translate the sentences:

Adidas *reported* a higher demand for its *branded* sportswear.

The sportswear maker *benefited* from a World Cup football-related boost to sales.

Adidas invested heavily in World Cup marketing *sponsoring* 10 teams.

They expected their *earnings* growth.

The company repeated its full-year target of *lifting* sales by 5 per cent.

The forecast comes in spite of the amount *invested* previously.

The €40m *invested* in World Cup-related activities *helped* to raise sales.

**d Underline the nouns to which the articles refer and translate the following:**

a 4 per cent rise

the two rivals

the 32 competing teams

a 5 per cent fall

the €100m invested in the

a €10m contract

first half

a 5 room house

**29 Match these nouns and adjectives, translate the word combinations and make short sentences using them:**

kick

competition

larger

sales

soaring

teams

boosting

network

fierce

executives

heavy

business

competing

prices

profitable

rivals

chief

start

expanding

expenses

**b Translate into English:**

рост доходов

увеличение продаж

спрос на спортивную

большая часть расходов

одежду известной фирмы

расширение сети

большой, чем все

плановая цифра

остальные конкурент

важный показатель

чистая прибыль

еще один показатель

## Have another look at the newspaper item and ...

### 30a Answer these questions:

- 1) Is the expression '*to give a kick start*' associated with sports?
- 2) What World Cups did the newspaper item mention?
- 3) How did the famous sportswear makers benefit from these events?
- 4) What were their expectations?
- 5) In what connection was Italy mentioned?

### b Sum up all the information about Adidas.

### c Write out all the economic terms from the text.

### d Explain the meaning of these terms:

net profit

own-brand shops

full-year target

buy-out

joint venture

brand

### Newspaper item: **Israel diamond market counts cost of conflict**

The Israel Diamond Exchange still buzzes with activity, its hundreds of dealers huddled over long rows of trading tables.

However, this industry, which accounts for about half the value of the world's polished diamonds has seen dramatic changes over the past two years.

'Look out there: there isn't a buyer from overseas in sight,' laments David Arabov, a veteran Israeli seller, as he surveys the trading floor in Ramat Gan near Tel Aviv, which reopened this week after the summer recess.

'Over the past two years we have moved a critical mass of the industry to the US. If you don't market outside Israel these days, you cannot survive,' he says.

Since the Israeli-Palestinian peace process collapsed in late 2000 and a wave of violence swept through the region, the Israeli diamond industry has struggled to overcome the reluctance of buyers to visit the country.

For a sector that depends on personal meetings and up-close merchandise inspections, the dearth of buyers was potentially catastrophic.

Still, recent industry figures suggest Israel has maintained the international status despite a dramatic decline in the number of visiting buyers and last year's global contraction, which led to a 16 per cent drop in Israeli polished diamond exports to \$4.5bn in 2001.

According to the diamond controller at Israel's ministry of industry and trade, polished exports rose nearly 15 per cent in the first seven months of 2002 to \$3.18bn from \$2.77bn in the same period of 2001.

Rough diamond imports were up more than 13 per cent over the same period to \$2.4bn.

The US remains Israel's biggest market, accounting for 69 per cent of this year's exports, followed by Hong Kong with 11 per cent and Belgium with 8 per cent.

The Israeli industry handles much of the world's middle to high-priced polished stock, with Bombay processing cheaper stones, Antwerp dealing in rough diamonds and New York specialising in large stones.

This year's Israeli rebound has been fuelled by an upturn in the US market and a more favourable pricing policy by De Beers, the rough diamond cartel, which sells about 25 per cent of its gem quality rough to Israel.

But the Israeli Diamond Exchange reports that the flow of incoming buyers has plunged about 40 per cent from approximately 7,500 a year before the Palestinian intifada erupted in September 2000 to about 4,500.

## Do you know these words?

<b>to survey</b>	[ˈsɜːveɪ]	обозревать, делать обзор
<b>recess</b>	[rɪˈses]	перерыв в заседаниях
<b>wave</b>		волна
<b>violence</b>	[ˈvaɪələns]	насилие
<b>to sweep (swept, swept)</b>		сметать, уничтожать

<b>reluctance</b>	[rɪ'lʌktəns]	нежелание
<b>merchandise</b>	['mɜ:tʃəndaɪz]	товары
<b>dearth</b>	[dɜ:θ]	нехватка, недостаток
<b>to handle</b>	[hændl]	обрабатывать, брать руками; управлять
<b>rebound</b>	[rɪ'baʊnd]	реакция, подавленность

### 31a Translate into English:

последние данные по этой отрасли	большие изменения за последние два года
сохранять международный статус	резкий спад
экспорт увеличился до ...	спад на ...%
импорт увеличился более чем на ...%	подъем
импорт сократился вдвое	благоприятный

### b Sort these nouns into three groups of synonyms:

decline goods growth rise fall climb decrease upturn  
 drop commodities lifting uplift downturn merchandise  
 slope wares collapse stock reduction articles increase  
 items going up going down slow-down

### c Translate and define the term of *global contraction*.

### d Make sentences of your own using these word combinations:

to buzz with activity	to overcome the reluctance of buyers
to see dramatic changes	to account for smth
to depend on smth	

## Have another look at the newspaper item and ...

### 32a Write a plan of the item.

### b Retell the item following your plan.

**C** Write an essay on one of the topics:

- 1) *World diamond market*
- 2) *Competition on the sportswear and equipment market*
- 3) *Competition stimulates market development*
- 4) *Are monopolies detrimental to economic development?*

**33** Agree or disagree with these statements:

- 1) It is often difficult to translate headlines in newspapers.
- 2) One should first read the item and only then can he translate the title.
- 3) Some words are often left out in headlines and titles.
- 4) There is such a notion as '*Headline English*'.

**34 a** Write out the titles of all the newspaper items from the previous lessons and translate them into literary Russian.

**b** Write all these titles as full sentences.

**c** Underline the words which are missing in the titles.

# Newspapers, profits and prosperity

Texts:	<b>Newspaper headlines</b> <b>Profit</b>
Radio report:	<b>From the spot</b>
Newspaper items:	<b>Volvo earnings rise</b> <b>Hair cosmetics help increase Henkel profits</b> <b>Profit maximisation</b>
Grammar:	<b>The Complex Subject</b> <b>Modals and Perfect Infinitives</b>

## Text: **Newspaper headlines**

Headline writers try to catch the reader's eye by using as few words as possible. The language headlines use is, consequently, unusual in a number of ways.

- Grammar words like articles or auxiliary verbs are often left out, e.g. **EARLY CUT FORECAST IN PRODUCTION**
- A simple form of the verb is used, e. g. **QUEEN OPENS HOSPITAL TODAY**
- The infinitive is used to express the fact that something is going to happen in the future, e. g. **PRESIDENT TO VISIT MINE**

Newspaper headlines use a lot of distinctive vocabulary. They prefer words that are usually shorter and generally sound more dra-

matic than ordinary English words. The words marked \* can be used either as nouns or verbs:

<i>newspaper word</i>	<i>meaning</i>	<i>newspaper word</i>	<i>meaning</i>
aid*	help	key	essential, vital
axe*	cut, remove	link*	connection
back	support	move*	step towards a desired end
bar*	exclude, forbid	ordeal	painful experience
bid*	attempt	oust	push out
blast*	explosion	plea	request
blaze*	fire	pledge*	promise
boost*	encourage, incentive	ploy	clever activity
boss*	manager, director	poll*	election/public opinion survey
head*		probe	investigation
clash*	dispute	quit	leave, resign
curb*	limit, restraint	riddle	mystery
cut*	reduction	strife	conflict
drama	tense situation	talks	discussions
drive*	campaign, effort	threat	danger
gems	jewels	vow*	promise
go-ahead	approval	wed	marry
hit	affect badly		

Newspaper headlines use abbreviations, e.g. PM for Prime Minister, MP for Member of Parliament, etc.

Some newspapers also enjoy making jokes of their headlines. They do this by playing with words or punning, e.g. a wet open air concert in London by the opera singer Luciano Pavarotti was described as:

#### **TORRENTIAL RAIN IN MOST ARIAS**

An announcement that a woman working at the Mars chocolate company had got an interesting new job was:

#### **WOMAN FROM MARS TO BE FIRST BRITON IN SPACE**

Note that the word 'Briton' is almost exclusively found in newspapers.

## Work on the words!

### 1 Read and translate the words:

headline	e. g.	painful
consequently	etc.	public opinion survey
auxiliary	dispute	abbreviation
distinctive	to dispute	punning
vocabulary	approval	torrential

### 2 Match the headlines with the appropriate news topic:

PM BACKS PEACE PLAN	marriage of famous actress
MP SPY DRAMA	royal jewels are stolen
SPACE PROBE FAILS	person who saw crime is in danger
QUEEN'S GEMS RIDDLE	proposal to end war
STAR WEDS	satellite is not launched
KEY WITNESS DEATH THREAT	politician sells secrets to enemy

### 3 Explain what these headlines mean in ordinary English:

SHOP BLAZE 5 DEAD — *Five people died in a fire in a shop.*

MOVE TO CREATE MORE JOBS \_\_\_\_\_

GO-AHEAD FOR WATER CURBS \_\_\_\_\_

WOMAN QUILTS AFTER JOB ORDEAL \_\_\_\_\_

POLL PROBES SPENDING HABITS \_\_\_\_\_

BID TO OUST PM \_\_\_\_\_

PRINCE VOWS TO BACK FAMILY \_\_\_\_\_

### 4a Explain what the underlined verbs mean (you may need to use more than one word):

PM TO CURB SPENDING — *limit*

BOOK LINKS M15 WITH KGB — \_\_\_\_\_

CHANCELLOR CUTS INTEREST RATES — \_\_\_\_\_

BOMB BLASTS CENTRAL LONDON — \_\_\_\_\_  
PM PLEDGES BACKING FOR EUROPE — \_\_\_\_\_  
PRESIDENT HEADS PEACE MOVES — \_\_\_\_\_

**b** Look through some English language newspapers and find some examples of amusing headlines.

**5** Translate these headlines:

GAZPROM BUYS INTO BUILDING GROUP  
BYKOV TO OFFLOAD KRAZ HOLDING  
RUSSIA-BELARUS PLAN TO MERGE GATHERS PACE  
ANTI-CORRUPTION DECREE HERALDS RUSSIAN CIVIL SERVICE REFORM  
JOBS AND PRICES DATA CHEER US \$30bn  
AID TO BRAZIL PROVIDES BOOST

**6** Would you be interested in the stories under the following headlines? Why (not)?

**Mortgages cut as bank rates fall again**

**New tennis clash**

**Price curbs boost exports**

**Teenage £4m fraud riddle**

**Women barred from jobs**

**Royal family quits**

**7** Match these headlines to the newspaper items and translate into Russian:

SINOPEC INTERIM PROFIT DOWN 45%  
HK CREDIT CARD PROBLEMS SURGE  
GERMAN JOBS PLAN ENDORSE

**a** Credit card write-offs in Hong Kong surged to a record annualised rate of 13.63 in the second quarter of this year reflecting the slowdown in the local economy and a rise in personal bankruptcies.

Personal bankruptcies have soared to 12,407 in the seven months to the end of July, up from a total of 9,151 in all of 2002.

**b** China's second-largest oil company, said yesterday its first-half profit fell 45 per cent year-on-year to Rmb5.4bn (\$652m), below analysts' forecast.

The company posted a Rmb9,9 net profit a year earlier.

It said revenue for the year ended June 30 fell 11.8 per cent to Rmb146.2 from the year-ago period.

**c** German Chancellor Gerhard Schroder Social Democratic Party yesterday endorsed a plan to halve the country's unemployment to 2m by 2005. The party called for the first measures from the Hartz Commission report on labour market reform to be implemented in January.

## **8 Translate into English:**

промежуточные данные о прибыли	замедление развития	экономического
чистая прибыль	подниматься, расти	
прибыль первого полугодия	подтверждать, одобрять	
доход(ы)	английские газеты	
газетные заголовки	газеты на русском языке	

## **Radio report: From the spot**

Hello. I'm inside the Shopping Centre at Telford new Town. In spite of the unemployment rate here above the nation average, there's an atmosphere of prosperity in the town. I was expecting this to be a bit of a concrete jungle, like some other new towns I've visited. But the mixture of housing, good roads, parks, and clean modern industry make this quite a pleasant place. Right here next to the indoor shopping centre is the Town Park and just up the road is some of the best scenery in England.

Telford has the biggest concentration of Japanese companies in the UK: Seiko, NEC, Hitachi, Ricoh and others. Seiko Epson's invested £11mn in a new plant manufacturing computer printers. NEC's just opened a £3.7mn plant manufacturing videos and TVs, which will employ nearly 900 people. Hitachi Maxell have their

European HQ here and make video cassettes and floppy discs. Ricoh manufactures photocopiers for sale throughout Europe.

Also here are Tatung from Taiwan with 1000 workers making TVs, the French company Peaudouce making babies' nappies, and German Unimation making robots.

## Do you know these words?

<b>prosperity</b>	[prə'sperɪtɪ]	процветание
<b>from the spot</b>		с места событий
<b>concrete</b>	['kɒnkri:t]	бетон
<b>jungle</b>	[dʒʌŋɡl]	джунгли
<b>indoor</b>		крытый, находящийся
<i>ant.</i> <b>outdoor</b>		внутри (помещения)
<b>scenery</b>	['si:nəri]	пейзаж

## Increase your vocabulary!

### 9 Say from what words these ones are formed:

prosperity	reliability
reality	morality
difficulty	credibility
celebrity	unity
poverty	speciality
principality	simplicity
mentality	fidelity

### 10 Read these words paying attention to the combination of the letters *ph*:

phrase	phase
phone	telephone
phenomenon	philosophy
phenomena	phosphate
atmosphere	photographer
photo	physical

**11 Read and translate these words:**

shopping centre

manufacturing plant

reading room

dining room

housing development

building society

**12 Match the words having opposite meaning:**

unemployment

prosperity

to invest

new

clean

modern

pleasant

best

biggest

to open

poverty

to withdraw

old

dirty

employment

unpleasant

obsolete

smallest

to close

worst

**13 Make sentences paying attention to the words *rate* and *average*:**

the unemployment

the inflation

*rate is*

above the *average*

below the *average*

on the *average*

**14 Complete these sentences paying attention to the construction *in spite of*:**

In spite of the unemployment rate there is an atmosphere of...

In spite of the high inflation rate...

In spite of a 3% fall in production...

In spite of a 5% increase of freight rates...

In spite of a decline in foreign trade...

In spite of the growing operating expenses...

## Revise Grammar!

### 15 Translate, as in the example, paying attention to the use of Participles I:

завод, производящий компьютеры → *a plant manufacturing computers*

диаграмма, показывающая рост прибыли  
фабрика, выпускающая текстиль  
компания, работающая над новым поколением роботов  
супермаркет, продающий эти продукты  
газета, опубликовавшая эту информацию  
ресторан, обслуживающий эту делегацию  
компания, рекламирующая товары Адидас  
радиокомпания, ежедневно вещающая на русском языке

### 16 Translate these sentences into Russian. Pay attention to the use of the Complex Objects:

I was expecting *this to be* quite different.  
Nobody expected *it to be* a prosperous town.  
The company did not expect *the exports to increase* that year.  
We expect *them to come* tomorrow.  
I did not expect *her to make* so many mistakes.  
I do not expect *him to speak* without any mistakes.  
I expect *you to help* me in my studies.

### 17 Translate these sentences into Russian as in the example. Pay attention to the use of the *Absolute Participial Constructions*:

They increase sales *with 1000 workers making TVs*. → Они увеличили продажи, *причем в производстве телевизоров была занята 1 тысяча рабочих*.

Also here are Tatung from Taiwan with 1000 workers making TVs.  
The dollar dropped with the Leu falling to £....  
The dollar slipped with the Zlotu going back to £....  
The industry is growing in size with specialist firms being established.

Such commercial economies represent real gain with prices being reduced through better use of resources.

They raised money at lower cost, shares being readily sold on the stock exchange.

The company denied the allegations, the damaged goods being sold on the retail markets.

## Have another look at the text and...

### 18a Read the following paying attention to the sound [h]:

hello	here
housing	to have
houses	headquarters

to have their headquarters      their European Headquarters  
here above the average      here below the nation average  
here on the average

### b Read the sentences paying attention to the intonation:

The mixture of <sup>ˈ</sup>housing, { good <sup>ˈ</sup>roads, { <sup>ˈ</sup>parks } and clean modern <sup>ˈ</sup>industry } make this quite a pleasant <sup>ˈ</sup>place.

It is the biggest concentration of Japanese companies in the <sup>ˈ</sup>UK: <sup>ˈ</sup>Seiko, { NE<sup>ˈ</sup>C, { Hi<sup>ˈ</sup>tachi, { <sup>ˈ</sup>Ricoh } and <sup>ˈ</sup>others.

Also here are Ta<sup>ˈ</sup>tung, { the French company Peau<sup>ˈ</sup>douce } and German Uni<sup>ˈ</sup>mation.

### c Read the report outloud.

### d Sum up what you have learned about Telford.

### e Answer these questions:

- 1) Who do you think made this report?
- 2) Why had he/she expected the town to be different?

- 3) Why do you think Japanese and other companies invested heavily there?
- 4) Do you think it can be called an ideal town?
- 5) What town can be called ideal, to your mind?

**f** Imagine you are a reporter making a television report from Telford or another similar town. Make the report as impressive as possible.

### Newspaper item: **Volvo earnings rise**

Volvo, the Swedish automobile, energy and food group, increased its profits by ten point nine per cent in the first quarter of this year despite a fall of five per cent in group turnover.

Profits after financial items rose to two point four five billion Swedish kronor (three hundred and forty-five million dollars) compared with two point two one billion Swedish kronor in the first quarter of last year.

The group was helped by a two hundred and fifteen million Swedish kronor foreign-exchange gain on loans, as well as by interest earnings of a hundred and nine million Swedish kronor.

Operating profits were virtually unchanged at two point one three billion Swedish kronor compared with two point one billion Swedish kronor in the first quarter of last year.

Volvo is expected to make a productivity gain this year of at least five per cent.

### Do you know these words?

**after financial items**

после всех необходимых  
вычетов/ удержаний

**interest**

процент(ы)

**to earn interest**

[ə:n]

давать проценты

**interest earnings**

доход(ы) по процентам

**virtually**

[ˈvɜ:tʃuəli]

фактически, в сущности

**productivity gain**

увеличение  
производительности

## Grammar: **The Complex Subject** или **The Nominative with the Infinitive** (Сложное подлежащее)

**Сложное подлежащее** — это существительное или местоимение в роли подлежащего + инфинитив

*Volvo* is expected **to make** a productivity gain.

Сложное подлежащее употребляется со следующими типами сказуемых:

- 1) сказуемыми, выраженными глаголами *to expect, to report, to say, to know, to think, to consider* в страдательном залоге

**The prices** are reported **to rise** next year.

(Сообщается, что цены в следующем году вырастут.)

- 2) составными сказуемыми *to be likely, to be unlikely, to be sure, to be certain*

**The prices** are likely **to rise**. (Скорее всего цены вырастут.)

- 3) сказуемыми, выраженными глаголами *to seem, to appear, to prove, to happen* в активном залоге

**The prices** seem **to rise**. (Кажется, цены вырастут.)

В сложном подлежащем может употребляться простой, пассивный, продолженный и перфектный инфинитив.

**The prices** are reported **to be discussed** next week. (Сообщается, что цены будут обсуждаться на следующей неделе.)

**The prices** are reported **to be rising**. (Сообщается, что цены растут.)

**The prices** are reported **to have risen**. (Сообщается, что цены возросли.)

**19a Make sentence and translate into Russian:**

operating profits	are expected	to rise
operating expenses	have been expected	to be rising
	were expected	to have risen

**b Use the Infinitives in the right form and translate the sentences:**

The company is reported (*to increase*) their profits.

He is said (*to propose*) another agreement with this company.

The team is known (*to train*) not far from Moscow.

The scientist is considered (*to be*) the first to speak about this notion.

The city was considered (*to win*) the competition to host EXPO-2010.

The country was thought (*to win*) the competition to host next Olympic games.

When are they expected (*to arrive*)?

**c Translate into Russian:**

The unemployment rate seems to slow down.

The profits seemed to have dropped drastically.

Exports appear to have grown to a certain extent.

The construction proved to have taken much more time than planned.

They happened to have read this issue of the journal last week only.

The group is known to be based in Saudi Arabia.

**d Translate into English using Complex Subjects:**

Очевидно, в этом месяце цены не изменятся.

Налоги, скорее всего, будут изменены.

Сообщается, что темпы роста значительно возросли.

Известно, что процентные ставки возросли на 2%.

Кажется, что доходы не увеличились.

## Revise Grammar!

### 20 Make sentences as in the example, paying attention to the Passive Voice. Translate these sentences:

interest earnings — *They were helped by interest earnings.*  
Им помогли полученные проценты.

gain on loans

high operating profits

a productivity gain

falling prices for raw materials

new markets in Western Hemisphere

markets emerging in the former Soviet Union

### 21 Say which construction (the Complex Object or the Complex Subject ) is used in each of these sentences, underline them and translate the sentences:

Volvo is expected to make a productivity gain.

The industrial circles expected Volvo to make a productivity gain.

Volvo was expected to make a productivity gain.

The Swedish kronor was expected to grow.

The company is expected the kronor to grow.

The company expected to take advantage of the rise.

I expect this programme to be televised tomorrow.

This programme is expected to be televised tomorrow.

They expect to have a wide newspaper coverage.

## Increase your vocabulary!

### 22 Match the words having the same meaning:

despite something

to increase something

to rise

gain

virtually

unchanged

the same

in spite of something

to raise something

to go up

earnings

practically

**23 Say what parts of speech the words in italics are and translate the sentences:**

Volvo earnings *rise*.

The *rise* is above 3%.

The *fall of* production accounts for a third of losses.

Nothing can stop the *fall*.

Prices virtually *fall* at the beginning of every year.

They expect to make a productivity *gain*.

The foreign exchange they *gain* on loans is then invested in new technologies.

Nothing venture nothing *gain*.

**Have another look at the newspaper item and...**

**24a Write out all the sentences where some figures are given, using the words for figures.**

**b Translate one of the sentences to your liking, into Russian.**

**c Make notes on the following:**

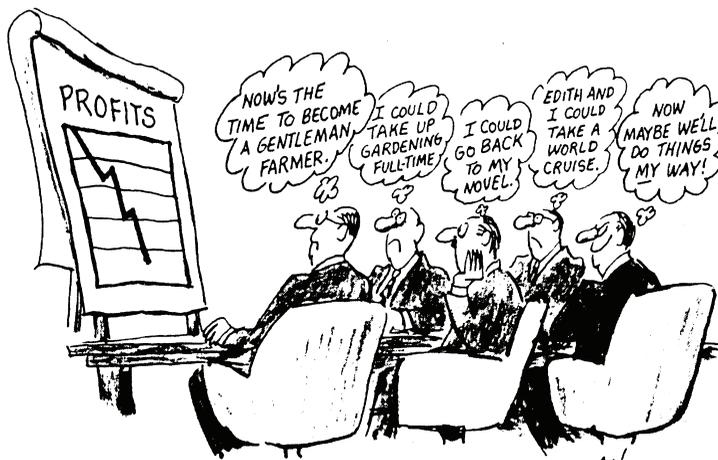
- 1) the diversification of Volvo
- 2) their total profits in the first quarter of that year
- 3) their profits after financial items
- 4) their operating profits
- 5) the sources of earnings
- 6) the forecast for the year

**d Write a summary of the item.**

**e Agree or disagree:**

- 1) The net profit is the profit after financial items.
- 2) The net profit is more important than the total profit.
- 3) Profit as such is the main concern of every company.

- f Have a look at this funny picture and read what each gentleman thought looking at the graph:



- g Answer these questions:

- 1) What does the graph show?
- 2) What kind of company is it, to your mind?
- 3) Who are these gentlemen?
- 4) Why are their thoughts so different?
- 5) Do you think the company did well in the past?
- 6) Are the present profit figures unexpected for them?
- 7) What would you think if you were among these gentlemen?
- 8) What do you think each of them says looking at the graph?

- h Improvise the discussion between these gentlemen.

### Text: Profit

It is essential to distinguish a few different concepts of 'profit'.

'Profit' in everyday life means advantage or good obtained from something. Besides it can mean money gained in business.

'Profit' for an accountant means simply the difference between total receipts and total costs.

For an economist 'profit' has a much wider meaning. It is the revenue derived from the use of resources minus the opportunity cost of using those resources. The economist attaches a cost to the use of retained earnings, since they could have yielded revenues if used outside the business.

Besides the economist would value the time of owner-managers in accordance with what they could have earned outside the business.

## Do you know these words?

<b>to distinguish</b>	[dɪs'tɪŋɡwɪʃ]	разделять, выделять, отличать
<b>accountant</b>	[ə'kaʊntənt]	бухгалтер
<b>receipt</b>	[rɪ'si:t]	денежные поступления, выручка, приход, доход(ы)
<b>opportunity cost</b>		оптимальные издержки/ затраты
<b>to attach</b>		прилагать, относить
<b>to attach some- thing to ...</b>		прилагать что-либо к ...
<b>to attach great importance to something</b>		придавать чему-либо боль- шое значение
<b>to retain</b>		удерживать
<b>retained earnings</b>		нераспределенная прибыль
<b>in accordance with something</b>		в соответствии с чем-либо

## Grammar: Modals and Perfect Infinitives

<b>can</b>	<i>He can't have said that.</i>	Не может быть, что- бы он это сказал.
	<i>Can he have said that?</i>	Неужели он это сказал?
<b>may</b>	<i>He may have said it yesterday.</i>	Возможно, он сказал это вчера.
<b>must</b>	<i>He must have said that yesterday.</i>	Должно быть, он сказал это вчера.
<b>should</b>	<i>He should have said that.</i>	Он должен был бы это сказать.
<b>was (to)</b>	<i>He was to have spoken at the conference but he did not arrive.</i>	Он должен был вы- ступить на конферен- ции, но он не прие- хал.

## 25a Translate into Russian:

It was he who must have distinguished the concept.

He can't have meant that.

Could he have spoken Italian or French?

Could he have gained that much?

You should have told me the truth, shouldn't you?

He may have seen these unidentified flying objects with his own eyes.

She was to have delivered the lecture last week but she had fallen ill.

## b Translate into English:

Конференция должна была проходить в начале мая, но она была перенесена на июнь.

Президент должен был прибыть 1 сентября, но визит был отложен на конец года.

He может быть, чтобы он уехал. Как вы думаете?

Возможно, он уже уехал.

## Revise Grammar!

### 26 Say what Participles are used in the following fragments of sentences:

advantages obtained from the situation

money gained in business

revenue derived from securities

cost of deriving the revenue

cost of using the resources

retained earnings

operating expenses

### 27 Translate these sentences as in the example paying attention to the use of the Conditionals:

The economist *would value* the time of the owner. →  
Экономист *оценил бы* время, затрачиваемое владельцем.

The owner would value the time of the manager.

No country would agree to that.

No company would join the agreement.

No producer would cut the price so drastically.

The engineer would not ask you that question.

I would never study Chinese.

## Study sentence patterns!

<i>It is</i>	}	<i>essential</i> <i>necessary</i> <i>important</i> <i>possible</i> <i>impossible</i> <i>difficult</i> ... .	for smb	to do something
--------------	---	---	---------	-----------------

### 28 Make sentences with these verbs following the above pattern:

to distinguish four concepts  
to describe the difference  
to define the term  
to remember the figures

to remember the quoted prices  
to remember the exchange rates  
to avoid mistakes

## Increase your vocabulary!

### 29 Read these words and make a few sentences of your own:

*to earn — earner — earnings*

export earnings  
total earnings  
interest earnings  
retained earnings

the money earned a 7% interest  
to earn a living  
earner

*profit — profitable*

to earn a profit  
to make a profit  
to sell something at a profit  
to do something for profit

profit margin  
profit and loss account  
a non-profit organization  
profitable

*total — to total*

total sum  
total amount  
total earnings

total receipts  
total costs  
total expenses

## Have another look at the text and...

### 30a Repeat what the profit means for:

- 1) an economist
- 2) an accountant
- 3) a non-professional

### b Translate the following definition of the term and guess the term:

\_\_\_\_\_ is often regarded as the difference between the total expenses involved in making or buying something and the total revenue accruing from its sale. This difference could be interpreted as a return on capital and measured in various ways.

### c Compare the above definition with the one given in the text. Say which of them seems better to you and why.

## Newspaper item: **Hair cosmetics help increase Henkel profits**

Henkel, maker of household products including Persil washing powder, Loctite glue and Schwarzkopf hair colourants, said yesterday it was on track to boost full-year profits by at least 10 per cent despite sluggish consumer spending.

Henkel, which has pledged to focus on personal care after getting out of speciality chemicals last year, said strong sales growth, particularly in eastern Europe and the Middle East, and hair cosmetics helped drive a sharp increase in second-quarter profits.

Henkel confirmed it expected full-year sales to grow to 'almost' €10bn (\$9.8bn), up from €9.4bn in 2001. Its second-quarter operating profit rose 11.5 per cent to €168m on sales of €2.49bn, up 2.7 per cent on a year earlier.

'We take the figures as an encouraging sign,' WestLB Panmure said in a research note. Henkel's results bettered those of Beierdorf, its German rival, which posted a 19 per cent fall in first-half operating profits.

Despite higher profits, Henkel said it suffered from low demand in the USA electronics industry, which hampered industrial adhesives

sales, and the weak Latin American and Japanese economies. Henkel still has a long way to go if it wants to catch industry giants such as Unilever and Procter and Gamble. With acquisition targets thin on the ground and limited organic growth potential, analysts are slightly worried about Henkel's next step.

'If Henkel feels pressured to act, there is a real danger that it may overpay,' said Michael Otto at Helaba Trust.

Following the sale of chemicals, Henkel has pledged to grow its remaining divisions, particularly cosmetics and toiletries, where it lacks critical mass globally and has a widely dispersed portfolio.

With about €7bn available to spend, Henkel has said it wants to break into the top five from its current number 19 position in cosmetics.

Regardless of the dangers, industry experts say Henkel has chosen the right time to grow its personal care division. 'It makes a lot of sense to profit from the baby boomers' coming of age.' Mr Otto said. 'They are going to need more and more anti-aging products.'

## Do you know these words?

to pledge		заверять, ручаться, давать слово
to drive (drove, driven)		1) ехать 2) преследовать 3) совершать, вести
sign	[saɪn]	знак
to suffer	['sʌfə]	страдать
to hamper		препятствовать, мешать
to lack		испытывать
regardless of	[rɪ'gɑ:dləs]	недостаток, не хватать независимо от

## Revise Grammar!

### 31a State what constructions the words in italics are and translate the sentences:

The company expected *sales to grow* to almost €10bn.

*With acquisition targets thin on the ground*, analysts are slightly worried.

*With about €7bn available to spend*, the company has said it wants to break into the top five.

**b Underline the Participles and translate the sentences:**

Henkel is the maker of household products including Persil washing powder, Loctite glue and Schwarzkopf hair colourants.

The company pledged to focus on personal care after getting out of speciality chemicals last year.

Following the sale of chemicals, Henkel has pledged to grow its remaining divisions.

**c Translate into English paying attention to the Rules of the Sequence of Tenses:**

Экономисты рассчитали, что прибыль за год превысит 10%.

Он подтвердил, что увеличение продаж способствует этому росту.

Он добавил, что в прошлом году цифры были выше.

Компания знала, что на этом рынке многие отрасли сталкиваются с низким спросом на свою продукцию.

**d Use articles where necessary:**

- |                                 |                                 |
|---------------------------------|---------------------------------|
| ... Middle East                 | ... Henkel                      |
| .. Eastern Europe               | ... Helaba Trust                |
| ... US electronic industry      | ... Beierdorf                   |
| ... Latin America               | ... Persil washing powder       |
| ... Latin American economy      | ... Schwarkopf hair colourant   |
| ... weak Latin American economy | ... Procter and Gamble products |

**e Write the words instead of which the pronoun *those* is used and translate the sentences:**

Henkel's results bettered those of Beierdorf.

Their profits were higher than those of their rivals.

These colourants are much better than those produced here.

**f Say if the conjunction *which* refers to the noun or to the sentence and translate the sentences:**

Henkel's results bettered those of its German rival which posted a 19 per cent fall in first-half operating profits.

The company suffered from low demand which hampered industrial adhesive sales.

**g Underline the basic nouns and translate these word combinations:**

economics help

cosmetics help

speciality chemicals

research note

strong sales growth

second-quarter profits

full-year sales

first-half operating profits

**Work on the words!**

**32a Match adjectives and nouns, make sentences using the word combinations you will get:**

sharp

dramatic

fierce

sluggish

slow

fast

quick

rampant

increase

changes

competition

progress

rates

speed

decrease

sales

**b Make sentences using these verbs and nouns:**

to better

to encourage

{ results/situation/conditions  
economic growth

**c Make sentences using these expressions:**

at least

at most

as an encouraging sign

on the average

above the average

below the average

**d Translate into English:**

способствовать росту прибыли

значительное увеличение объема продаж

резко увеличить уровень прибыли

прибыль от производственной деятельности

продажи всего года  
продажи за первое и второе полугодия  
низкий уровень расходов потребителей на покупки  
снижение расходов на покупки

## Have another look at the newspaper item and ...

**33a** Write a short summary of the item.

**b** How would you describe the meaning of these word combinations:

to have a long way to go	the top five
to catch industry giants	current number 19 position
to feel pressured to act	thin targets
to lack critical mass globally	anti-aging products

**c** Translate the following newspaper item without resorting to a dictionary:

### Latin America dents Wella

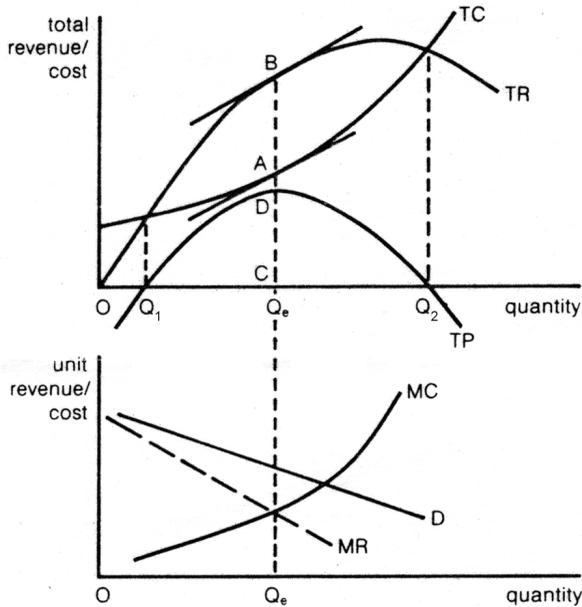
Wella felt the fall-out from Latin America's economic woes and weak demand in Germany in its first half as it reported a 24.9 per cent fall in the pre-tax profits.

The German cosmetics and fragrances company said exchange rate losses had 'disproportionately' worsened the financial result while 'consumer restraint' in Germany had weighed heavily on sales. Pre-tax profit in the six months to June 30 fell from €84.6m to €63.5m.

Turnover edged slightly higher from €1.52bn to €1.6bn, slightly below analysts' expectations. The company said softness in Germany, its biggest market, 'had a significant impact on business development'.

## Text: Profit maximisation

*Profit maximization* is the objective of the firm in the traditional theory of the firm and the theory of markets. Firms seek to establish that price-output combination which yields the maximum amount of profit. The achievement of profit maximization can be depicted in two ways:



Firstly, where total revenue (TR) exceeds total cost (TC) by the greatest amount. In the figure, this occurs at the output level where the slope of the two curves is identical, and tangents to each curve are consequently parallel as at  $Q_e$ . At any output level below  $Q_e$  the relevant tangents would be diverging — the TR and TC curves would still be moving further apart and profits would still be rising. At any output level beyond  $Q_e$ , on the other hand, the relevant tangents would be converging and the profit surplus of TR and TC would be falling. Thus,  $Q_e$  is the optimum point, for here the distance between the total revenue and total cost curves is maximized (equal to AB). The difference between the two curves shows up in the total profit curve which becomes positive at output  $OQ_1$ , reaches a maximum at output  $OQ_2$  (where profit  $CD=AB$ ) and becomes negative beyond output  $OQ_2$ .

Secondly, profit maximization can be shown to occur where marginal revenue (MR) equals marginal cost (MC) — at output  $OQ_e$  in the figure. At all output rates above  $OQ_e$  additional units add more to cost than revenue so that total profits are reduced. At all output rates less than  $OQ_e$  additional units add more to revenue than cost, thereby expanding total profits. Only where  $MR=MC$  are profits maximized.

## Do you know these words?

<b>tangent</b>	['tændʒənt]	касательная
<b>relevant</b>	['reləvənt]	уместный, относящийся к данному делу/вопросу
<b>to diverge on the other hand</b>	[daɪ'vɜ:dʒ]	отклоняться, расходиться с другой стороны
<b>surplus</b>	['sə:pləs]	излишек, превышение
<b>thereby</b>		тем самым

### 34a Translate the text into Russian.

#### b Translate into English:

цель	на диаграмме
традиционная теория	на уровне
давать максимум прибыли	снижение
достигать максимального уровня	каждая кривая
общий уровень дохода	касательная
общий уровень расходов	оптимальная точка
превышение прибыли	увеличивать(ся)
предельные доходы	сокращать(ся)

#### c Make sentences using the following expressions:

on the one hand	firstly
on the other hand	secondly

#### d Complete the sentences paying attention to the inverted word order:

- Only where marginal revenue equals marginal cost *are profits ...*  
Only then *did he realise ...*  
Only at the lessons *can we ...*  
Only now *does she understand ...*  
Only yesterday *could he ...*  
Only tomorrow *shall I be able ...*  
Only next year *will they ...*

### 35a Guess which term is determined below:

a pay system whereby employees receive a proportion of their pay in the form of profit-related payments. Advocates of such schemes suggest that they can help to reduce unemployment by making wages more variable. They hold that unemployment occurs because the price of labour is stuck at too high a level and argue that profit-related income schemes can build some flexibility into labour markets. Specifically, they argue that because of the automatic profit-related cushion, employers will be slower to lay off workers during a recession and quicker to hire workers when conditions are good. In addition, it is held that profit-sharing workers are better motivated than wage earners to improve productivity within their companies, since they share in any additional profits created.

profit-related pay  
profit margin  
profit sharing  
profit motive

### b Write an essay on one of these topics:

- 1) *Can profits be measured in various ways?*
- 2) *Is profit regarded as a source of income in economic theory?*
- 3) *One can easily find information about companies' profitability.*

### c Translate this description of non-for-profit firms into English.

Некоммерческая организация — это частная организация, устав которой запрещает собственникам любые виды доходов в виде процентов.

Text:	<b>The terms</b>
Dialogue:	<b>A syndicated loan</b>
Business letter:	<b>Request for a loan without security</b>
Annotation:	<b>The political Economy of Capital Controls</b>
Newspaper items:	<b>Ford succeeds in defusing credit unit time bomb</b> <b>China's regulators announce rules to tackle capital flight</b>
Use of English:	<b>The press and media</b>

**Text: The terms**

In order to employ factors of production, a firm has to have finance.

This is usually divided into *working capital* and *fixed capital*. Working capital is for purchasing single-use factors or 'variable factors'. They are labour, raw materials, petrol, stationery, fertilizers, etc. Finance for working capital can be obtained from a variety of sources: banks, trade, credit, finance companies, factor houses, tax reserves, inter-company finance, advance deposits from customers and the government. For example, a company may secure some funds through the Enterprise Allowance Scheme which on conditions provides an allowance of £40 per week for a year when starting a new business.

Fixed capital covers factors which are used many times—factories, machines, land, lorries, etc. Some finance for fixed capital is therefore required initially for advance payments on factory buildings, machinery and so on before the firm is earning revenue, though it is possible to convert fixed capital into working capital by renting buildings, hiring plant and vehicles or by leasing or buying on deferred payments through a finance company.

Thus many companies, especially new ones, raise capital, both working and fixed, by borrowing, by selling their shares.

## Do you know these words?

<b>finance</b>	[faɪ'næns]	финансы, доходы
<b>working capital</b>		рабочий капитал
<b>fixed capital</b>		фиксированный, основной капитал
<b>stationery</b>	['steɪʃənəri]	канцелярские принадлежности
<b>fertilizers</b>	['fɜːtɪlaɪzəz]	удобрения
<b>factor house</b>		факторинговая компания (компания финансирующая торговлю, приобретающая требования на должника с определенной скидкой и сама взыскивающая долг с должника)
<b>funds</b>	[fʌndz]	фонды, средства
<b>allowance</b>	[ə'laʊəns]	выплата, пособие, скидка
<b>land</b>		земля
<b>lorry</b>		грузовик
<b>initially</b>	[ɪ'niʃəlɪ]	первоначально
<b>to defer</b>	[dɪ'fɜː]	отсрочить
<i>syn. to postpone</i>		
<b>deferred payment</b>		отсроченный платеж
<b>to raise capital</b>		собирать (изыскивать) капитал/средства

## Increase your vocabulary!

### 1 Say how these nouns are formed:

producer	creditor	employee
worker	earner	payer
financier	renter	payee
purchaser	hirer	franchise-holder
user	borrower	leaseholder
trader	buyer	payment
owner	employer	allowance

**2 Find the terms in the text which correspond to these definitions:**

- 1) capital which includes buildings, plant and machinery
- 2) capital which includes components and work in progress as well as stocks of raw materials

**Revise Grammar!**

**3 Translate these word combinations:**

trade company	tax reserves
finance company	inter-company finance
credit company	advance deposit
factor house	enterprise allowance scheme
discount house	factory buildings

**4 Make and translate sentences paying attention to the equivalent of the modal verb *must*:**

firm	has	to borrow some funds
firms	have	to raise a big sum of money
they	had	to sell shares
	will have	to issue new shares
		to rent their building

**5 Complete these sentences paying attention to the Infinitives used to express the purpose of actions:**

(*In order*) to employ factors of production...

(*In order*) to increase production...

(*In order*) to finance this project...

(*In order*) to economize finance...

(*In order*) to incorporate a new company...

(*In order*) to increase vocabulary...

(*In order*) to refresh some Grammar rules...

## 6 Make and translate sentences paying attention to the use of the *-ing* forms:

working capital is for purchasing	{ equipment labour raw materials petrol stationery
it is possible to raise some money by	{ renting buildings borrowing getting a few loans selling franchises buying on deferred payments
when starting a new business he	{ had an allowance of £40 a week paid lower taxes for a year rented a small office employed only a few people economized every penny

## 7 Use *one/ones* and translate the sentences:

Many companies, especially new ..., raise capital by borrowing.

The organisations, especially Moscow-based ..., started new businesses.

They discussed a few variable factors. The last ... was the most important.

He mentioned a few sources. I didn't agree with the first ....

Three foreign banks and two Russian ... participated in the conference.

All the old lorries can't be used any longer. A few new ... are to be bought.

They are going to buy this machine and a few new ... exhibited at the recent show.

## 8 Translate into English:

Они купили этот прибор, а также тот, который мы видели вчера на выставке.

Начиная свой бизнес, они арендовали небольшой офис. Деньги можно было собрать, благодаря нескольким кредиторам. Он использовал кредиты для покупки оборудования. Для того чтобы увидеть эти станки в действии, он поехал на завод.

## Have another look at the text and...

### 9 Make notes on the following:

- 1) the definition of the term 'working capital'
- 2) sources of finance of working capital
- 3) the term 'fixed capital'
- 4) sources of its finance

### 10 Answer these questions:

- 1) What is the idea of the Enterprise Allowance Scheme in the UK?
- 2) Why do you think the government has provided this scheme?
- 3) Is there a similar scheme in our country, as far as you know?
- 4) Are such schemes beneficial for businessmen?
- 5) If you were going to start a business what would you do?

## Dialogue: A syndicated loan

Two businessmen are discussing a possibility of structuring a syndicated loan to finance a project.

*Ken:* Ken Bailey speaking.

*Paul:* Hello, Ken. This is Paul Black.

*Ken:* Hello, Paul. How are you?

*Paul:* Fine. And you?

*Ken:* Fine, thanks. What can I do for you?

*Paul:* Well, it looks as if we're going to be raising a large sum of money for the project that we talked about last time. We were wondering if you'd be interested in managing it for us.

- Ken:* This is the extension of the electricity transmission system that we're talking about, isn't it?
- Paul:* That's right. For the State Power Board.
- Ken:* Ah. I've forgotten now exactly how much money you said would be involved.
- Paul:* We need to raise about two hundred and fifty million dollars.
- Ken:* OK.
- Paul:* Well, that includes everything. I mean supply of the equipment, civil engineering work — the lot. The contract's going to a British-Swedish joint venture, on a turnkey basis. And we feel that now would be a good time to do it.
- Ken:* Sure. Your economic indicators are good at the moment, aren't they?
- Paul:* Yes, that's right. As you probably know, our third quarter GNP rose by four per cent compared to the previous quarter and the trade balance has moved back into the black.
- Ken:* Yes, I know. Well, it sounds very interesting, Paul, and I'm pleased you're giving us the opportunity to assist you. Can you tell me when you need to start it all?
- Paul:* Yes, we were thinking about the end of February, actually.
- Ken:* End of February. I see. That doesn't leave us with a great deal of time. What I'll do, Paul, if I may, is to get back to you tomorrow after I've had a word with one or two colleagues. If we're going to underwrite it for you, which is the normal underwriting sense that if we can't find participants then we, as the lead manager, would take up what's left. We'd like to push it out to some good names, names that you know good names in the market, banks around the world.
- Paul:* Yes.
- Ken:* Once we've established that we're going to do it, it's going to be important to meet as soon as possible, to discuss terms, period, rates, documentation and so on. I suggest next week.
- Paul:* Yes, next week is fine by me...

## Do you know these words?

<b>to structure a loan</b>	[ˈstrʌktʃə]	структурировать кредит отсрочить выплату кредита
<b>syndicated loan</b>	[ˈsɪndɪkeɪtɪd]	синдицированный кредит (кредит, представленный членами консорциума)
<b>to manage money</b>		управлять средствами
<b>extension</b>		расширение, предоставление
<b>power</b>		энергия
<b>civil engineering</b>		гражданское строительство
<b>the lot</b>		эд. все это, данное количество
<b>on a turnkey basis</b>	[ˈtɜːnkiː ˈbeɪsɪs]	под ключ
<b>trade balance</b>		торговый баланс
<b>to move into the black</b>		изменить положение и получить положительное сальдо
<i>ant.</i> <b>to move into the red</b>		
<b>to underwrite (underwrote, underwritten)</b>	[ˈʌndəraɪt]	гарантировать, гарантировать размещение ценных бумаг, страховать
<b>participant</b>		участник
<b>lead manager</b>	[li:d]	основной гарант (банк, являющийся главным организатором и гарантом займа)
<b>to push it out to smb</b>		передать кому-либо
<b>terms</b>		условия

# Work on the words!

## 10 Make sentences using the following:

- |  |   |   |
|--|---|---|
| 1) a lot of money<br>big sums of money<br>a lot of people<br>a few banks<br>a few companies<br>a few countries | } | <i>was involved</i><br><i>were involved</i>   |
| 2) they discussed a <i>possibility of</i>  | } | <i>structuring</i> a syndicated loan<br><i>financing</i> a joint venture<br><i>financing</i> a turnkey project  |
| 3) Will you be <i>interested in managing ...?</i>  | } | the funds for us<br>the loan<br>the syndicated loan<br>the debts<br>the overdue sums<br>this business<br>the portfolio<br>these securities<br>these stocks and shares |
| 4) Can you tell me when you <i>need ...?</i>   | } | this money<br>to raise the money<br>this paper<br>to have this paper<br>to see this document<br>to leave  |

**11a** Make sentences using these synonymous terms:

<b><i>loan</i></b> ссуда, кредит (сумма денег, предоставленная на срок за определенную плату)	<b><i>credit</i></b> кредит, сделка ссуды (кредитор предоставляет заемщику на срок наличную сумму или соглашается на отсрочку платежа за товар за вознаграждение в форме процента)
<b><i>loan account</i></b> ссудный счет (счет, с которого банк кредитует клиента)	—
<b><i>loan agreement</i></b> кредитное соглашение (соглашение между кредитором и заемщиком)	<b><i>credit agreement</i></b> кредитное соглашение (соглашение между банком и клиентом о предоставлении кредита или кредитной линии)
<b><i>loan capital</i></b> заемный капитал банка / компании (состоит в основном из долгосрочных облигационных займов)	—

**b** Match the English and Russian equivalents:

bank loan	государственный заем
business loans	ссуда частному лицу
commercial loan	ссуда на покупку дома
consumer loan	банковская ссуда
external loan	ссуды деловым предприятиям
internal loan	коммерческая (подтоварная) ссуда
gold loan	потребительская ссуда
housing loan	денежная ссуда
money loan	мелкая ссуда
personal loan	золотой заем
small loan	внутренний заем
state loan	иностраннный заем

**C Translate into Russian:**

bank credit	agricultural credit	open credit
commercial credit	farm credit	public credit
consumer credit	industrial credit	starting credit
external credit	investment credit	sterling credit
personal credit	cash credit	capital market credit

**d Give the English terms (You may find the prompts below):**

гарантированный синдицированный кредит \_\_\_\_\_

гарант размещения ценных бумаг  
(на определенную часть займа) \_\_\_\_\_

гарантирование займа \_\_\_\_\_

гарантийное соглашение: соглашение между корпорацией-эмитентом и  
представителем гарантийного синдиката \_\_\_\_\_

группа инвестиционных банков, договорившихся покупать новые цен-  
ные бумаги у эмитента для перепродажи инвесторам \_\_\_\_\_

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underwriter	underwritten credit
underwriting	underwriting agreement
underwriting group (syndicate)	

**e Translate into English:**

- собрать определенную сумму
- предоставить синдицированный кредит
- участник синдицированного кредита
- основной гарант синдицированного кредита

**Revise Grammar!**

**12 Read these sentences, underline tag-questions, say how these tag-questions are formed:**

- This is a transmission system, isn't it?
- Your economic indicators are good, aren't they?
- You can help me, can't you?

You speak English, don't you?  
You are a student, aren't you?  
You have seen this film, haven't you?  
You haven't read this book, have you?  
There were many people, weren't there?

**13 Say in what tenses the verbs are used in these sentences:**

We are going to be raising a large sum of money.

We were wondering if you would be interested in managing it for us.

This is the extension of the electricity transmission system that we are talking about, isn't it?

I have forgotten now exactly how much money you said would be involved.

The contract is going to a British-Swedish joint venture.

I am pleased you are giving us the opportunity to assist you.

We are thinking about the end of February, actually.

If we are going to underwrite it for you then we would take up what is left.

Once we have established that we are going to do that, it's going to be important to meet.

**Have another look at the dialogue and...**

**14a Find the terms in the dialogue which correspond to these definitions:**

- \_\_\_\_\_ — the advance of a specified sum of money to a person or business by other persons or businesses, or more particularly by a specialist financial institution (the lender) which makes its profits from the interest charged.
- \_\_\_\_\_ — a very large loan made to one borrower by a group of banks headed by one lead bank, which usually takes only a small percentage of the loan itself, syndicating the rest to other banks and financial institutions.

**b Change these sentences to make them simpler:**

It looks as if we're going to be raising a large sum of money for the project that we talked about last time.

We were wondering if you'd be interested in managing it for us.

This is the extension of the electricity extension system that we're talking about, isn't it?

What I'll do, if I may, is to get back to you tomorrow after I've had a word with one or two colleagues.

If we are going to underwrite it for you, which is the normal underwriting sense that if we can't find participants, then we as the lead manager would take up what is left.

**c Make notes on the following:**

- 1) the loan Paul needed
- 2) the economic indicators of the borrower
- 3) Ken's plan of actions

**d Read the sentences paying attention to the sound [ð]:**

This is Paul.

That's right.

This is the extension of  
the transmission system.

That includes everything.

That doesn't leave us much time.

**e Read the sentences paying attention to the intonation:**

We were <sup>ˈ</sup>wondering | if you would be <sup>ˋ</sup>interested.

I was <sup>ˈ</sup>wondering | if you'd be <sup>ˋ</sup>interested.

I was <sup>ˈ</sup>wondering | if you <sup>ˋ</sup>like it.

I was <sup>ˈ</sup>wondering | when you'd <sup>ˋ</sup>come.

I don't <sup>ˈ</sup>know | when he will <sup>ˋ</sup>come.

**f Enact the dialogue. You may change some sentences without changing the sense.**

## Business letter: **Request for a loan without security**

Dear Sir,

In April 2002, you were good enough to grant me a credit of £5,000, which was repaid within the agreed period. I now require a further loan to enable me to proceed with work under a contract with the Waterfoot Borough Council for building an extension to their King's Road School.

I need the loan to purchase building materials at a cost of about £6,000. The contract price is £20,000 payable immediately upon satisfactory completion of the work on or before 30 September next.

I should be glad if you could grant me a loan of £5,000 for a period of 9 months.

I enclose a copy of my latest audited balance sheet and shall be glad to call at the bank at your convenience to discuss the matter.

Yours faithfully,

...

### **Work on the words!**

#### **15a** Translate the words referring to a dictionary if necessary:

security _____	to audit _____
to repay _____	balance sheet _____
to require _____	to call at a place _____
to proceed _____	at your convenience _____
borough _____	faithfully _____

#### **b** Mark the meaning in which these words are used in the above letter:

credit	кредит	security	гарантия обеспечения
	доверие		безопасность
	правая сторона счета		поручитель
	аккредитив		
	льгота		

to repay	отдавать долг возмещать	to call	звать, окликать называть, давать имя вызывать, призывать будить заходить считать
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**C Make sentences with these words:**

to copy — a copy	to need — need
to grant — a grant	to work — work
to contract — a contract	to purchase — purchase

**d Translate into English and make sentences with these word combinations:**

давать кредит	просить кредит
сумма, возвращаемая в сентябре	период в шесть месяцев
кредит, возвращаемый в следующем году	баланс, проверенный аудиторам
ссуда, возвращаемая заемщиком	баланс, подписанный бухгалтером

**16 Imagine you are writing a business letter. Complete the sentences in your own way:**

- I should be glad if you could ...
- Please, call me at your convenience to discuss ...
- As you remember the loan was repaid ...
- I need a further loan to ...
- This loan will enable us to proceed with ...

**Have another look at the letter and ...**

**17a Answer these questions:**

- 1) Who do you think wrote the letter?
- 2) To whom was it addressed, to your mind?
- 3) Do you think the loan in question was granted in the end?
- 4) Why no security was offered?
- 5) What are the most common types of security?
- 6) Are they shares, life policies, mortgages of land, guarantees?

**b Translate the letter.**

**c Write a reply. The following may be of help:**

*Thank you for your recent letter requesting ...*

*We are prepared to consider ...*

*Please call ...*

## **Newspaper item: Ford succeeds in defusing credit unit time bomb**

It is not often a chief executive admits he fears a major part of his business is 'a time bomb waiting to explode'.

But that is how Bill Ford, chief executive of Ford Motor Company, described how he felt towards Ford Credit, the group's financing arm, back in January.

Ford Credit is the world's largest automotive financing group with 20 per cent of the US market for vehicle financing. It provides loans to car buyers and owns vehicles which it leases to retail consumers and fleet operators.

At the start of the year, the business was reeling from rising credit losses, the result of an ill-fated attempt by Mr Ford's predecessor, Jac Nasser, to transform Ford Credit into a global finance group offering anything from residential mortgages to loans for second-hand vehicles.

Such was the damage that Ford Credit stopped paying a dividend to its parent and reported a loss in the fourth quarter of 2001 — the first in its 42-year history.

But eight months on, Ford Credit appears to be on the road to recovery, reporting a net profit of \$330m in the second quarter. Mr Ford now says the business is 'one of the great stress relievers in my life'. Risky lending has been curbed and tighter standards are in force on new business. Losses as a percentage of receivables — the principal and interest associated with a vehicle loan — have been reduced to 1.4 per cent from a historic high of 1.76 per cent in the fourth quarter of last year.

Ford Credit has also reduced the losses the company had been suffering on the sale of residuals, or vehicles returned once lease agreements expire. The losses were incurred as Ford Credit misjudged the extent to which second-hand car values were falling.

Greg Smith, chief operating officer and a 29-year veteran of Ford, said he intended to maintain the current total loan portfolio at \$214bn, having dropped previous management target of growing the loan book to \$245bn by 2006.

## Do you know these words?

<b>to succeed</b>	[sək'sɪ:d]	1) следовать за 2) наследовать 3) преуспевать
<b>to defuse</b>	[dɪ'fju:z]	обезвредить
<b>to explode</b>		взрываться
<b>to lease</b>	[li:z]	сдавать в наем/аренду; брать в наем/аренду
<b>to reel</b>		кружиться, чувствовать головокружение
<b>loss</b>		потеря, убыток
<b>fate</b>		судьба
<b>predecessor</b>	['pri:disəsə]	предшественник
<b>mortgage</b>	['mɔ:ɡɪdʒ]	1) заклад, ипотека 2) закладная
<b>damage</b>	['dæmɪdʒ]	1) вред, повреждение 2) убыток, ущерб
<b>damages</b>		убытки, компенсация за убытки
<b>to lend</b>		давать займы, ссужать
<b>to curb</b>		сдерживать, обуздывать
<b>tight</b>		плотный, сжатый; труд- ный; скудный
<b>to be in a tight place/ corner money is tight</b>		быть в затруднительном положении мало денег
<b>receivables</b>	[rɪ'si:vəblz]	дебиторская задолжен- ность, счета дебиторов
<b>principal</b>	['prɪnsəpl]	основная сумма долга (на которую начисляется процент)
<b>residual</b>	[rɪ'zɪdʒjuəl]	остаток
<b>to expire</b>	[ɪk'spaɪə]	истекать, кончаться
<b>to judge</b>	[dʒʌdʒ]	судить; оценивать; считать

## Revise Grammar!

### 18a State what parts of speech the words in italics are and translate the sentences:

He succeeded in *defusing* the time bomb, so to say.

Mr Ford's predecessor tried to transform Form Credit *offering* various mortgages and loans.

Ford Credit stopped *paying* a dividend to its parent.

He intended to maintain the portfolio *having dropped* the previous management target.

He meant the target of *growing* the loan book to \$245bn.

Losses *associated* with the loans have been reduced.

They reduced the losses on the sale of vehicles *returned*.

### b Underline the Complex Subjects and translate the sentences:

Ford Credit appears to be on the road to recovery.

They are expected to reduce losses.

The company seemed to be curbing risky lending.

He is likely to incur heavy losses.

### 19 Explain the use of articles:

a historic high of 1.76 per cent

an estimated 10 per cent discount

a 29-year veteran of Ford

a three people group

the 42-year history of the company

a 10 day period

a 5 percent discount

### d Underline the basic nouns and translate the word combinations:

credit unit time bomb

residential mortgage

stress reliever

chief executive

fleet operator

chief operating officer

loan portfolio/book

retail consumer

rising credit losses

ill-fated attempt

## Work on the words!

### 20 Translate into English:

дивиденды	основная сумма кредита
чистая прибыль	проценты, начисленные на основную сумму кредита
ипотека	
соглашение по лизингу	предоставление кредитов с высокой степенью риска
дебиторская задолженность	
закладная	давать займы

### 21 Make sentences of your own using these word combinations:

to curb risky lending	to suffer losses
to reduce losses	to report a net profit
to incur expenses	to provide loans
to maintain a loan book	to offer mortgages

### 22 Match the equivalents:

lease	лизинг, долгосрочная аренда машин / оборудования
lease for life	владение на основе аренды/лизинга
farm lease	соглашение об аренде/лизинге
master lease	арендатор, съемщик
lease agreement	аренда, сдача в аренду, наем в аренду
leasehold	пожизненная аренда
leaseholder	сельскохозяйственная аренда
leasing	главный договор аренды

## Have another look at the newspaper item and ...

### 23 Find the answers in the text of the item:

- 1) What is Ford Credit?
- 2) Who is Bill Ford?
- 3) What was the policy of Bill Ford's predecessor?

- 4) Who is Greg Smith?
- 5) What 'bomb' was Bill Ford afraid of?
- 6) What was the financial position of Ford Credit at the start of the year?
- 7) Did the situation change then?

**24a Write a plan of the newspaper item.**

**b Retell the item in accordance with your plan.**

**c Translate the title of the item. Is it very emphatic?**

**d Write an essay on one of the topics:**

- 1) *Global finance groups*
- 2) *Mortgages and loans*
- 3) *Loans and credits*
- 4) *Leasing*

Annotation of the book: **The Political Economy  
of Capital Controls**

Gunther G. Schulze

University Konstanz, Germany

Restrictions on international capital movement remain the norm in international finance. In 1996 144 out of 186 countries maintained capital controls (IMF). In this, the first comprehensive study of capital controls, Gunther Schulze assesses the existing literature and presents original research based on a public choice model.

‘Gunther Schilze covers a wide range of theories on the motivation for capital controls and why they might fail. His eclectic work encompasses models of taxation drawn from real trade theory as well as from international money and finance. Always, the political-economic motivations of government restricting capital flows, and the likely welfare consequences, get centre stage. A welcome consolidation and analytical elaboration of hitherto diffused in a most important area of international development.’

Professor Ronald McKinnon,  
Stanford University

## Words and Grammar

### 25a Translate the words referring to a dictionary if necessary:

restriction	to diffuse	research
to assess	taxation	to encompass
elaboration	eclectic	welfare

### b Match the equivalents and make sentences using them:

to restrict	устанавливать контроль за
to control	оценивать, определять
to assess	тщательно разрабатывать
to elaborate	сохранять, поддерживать
to maintain	ограничивать

### 26 Translate into English:

контроль движения капитала	внимательное изучение
международные финансовые операции	большое количество теорий
международные фонды	модель налогообложения
бороться с утечкой капиталов	модель, созданная на основе ...
влияние на благосостояние	попадать в центр внимания
страны	аналитическая разработка
	важная область

### 27 Match the words and make sentences using the word combinations you will get:

comprehensive	efforts
restrictive	study
political	research
international	analysis
existing	difficulties
motivated	problems
consolidating	matters
	discussions
	measures
	steps
	policy

**28 Insert correct prepositions where necessary and make short sentences:**

to restrict ... capital movement  
restrictions ... capital movement

to maintain ... capital control  
maintenance ... equipment

to present ... results of the research

to cover ... a few theories  
cover ... a book

to assess ... the situation  
assessment ... damages

presentation ... a product

**Have another look at the annotation and ...**

**29a Translate it into Russian.**

**b Try to describe these terms in English:**

capital control \_\_\_\_\_

capital flow \_\_\_\_\_

public choice model \_\_\_\_\_

welfare \_\_\_\_\_

**Newspaper item: China's regulators announce rules to tackle capital flight**

China launched a renewed crackdown on the growing problem of capital flight yesterday, ordering mainland companies that sell shares or other assets overseas to repatriate the proceeds within 30 days of the sale.

The new rule was one of several announced in a circular from the China Securities Regulatory Commission, the stock market regulator, and the State Administration of Foreign Exchange, guardian of China's closed, but increasingly porous, capital account.

Until the new rules take effect on September 1, Chinese companies are required to repatriate only the proceeds of initial public offerings overseas. This left a loophole that allowed listed companies to sell down their existing stakes, or other assets, and keep the proceeds in bank accounts or other investments offshore.

This and other loopholes have provided the legal cover for capital flight, which official sources said grew at an alarming rate in 2000 and 2001. A study by Beijing University put the outflow at \$36.4bn in 1997, \$38.6bn in 1998 and \$23.8bn in 1999.

Capital flight has taken several forms. At its most basic, it is characterised by corrupt officials packing suitcases with dollar bills received from the illegal sale of state assets and then using a fake passport to flee abroad. Significant amounts of such funds end up at gambling tables in Las Vegas, official sources said.

Some 4,000 such people are thought to be abroad now, having absconded with more than Rmb5bn (\$600m, €620m, £390m) the official media said this week.

A more sophisticated method of capital flight has been through 'window companies' operated by government organisations or state companies in Hong Kong or other places abroad. Usually the parent organisation arranges for the illegal conversion of renminbi, China's currency, into US dollars and then sends it to the window company.

## Do you know these words?

<b>assets</b>	['æsəts]	активы, капитал, фонды, средства, имущество
<b>proceeds</b>	[prou'sri:dz]	выручка, доход(ы), средства, поступления
<b>stock</b>		капитал, фонды; запасы
<b>stake</b>		доля, часть, участие; ставка

## 30a Translate these words referring to a dictionary if necessary:

crackdown	mainland	suitcase
loophole	stock market	outflow
alarming	account	renminbi
sophisticated	capital flight	to abscond
significant	fake	illegal

**b Match the equivalents:**

to tackle a problem	быстро уезжать за границу
to launch a campaign	заниматься проблемой
to flee abroad	играть в азартные игры
to gamble	скрываться от суда (часто с чужими деньгами)
to abscond	начинать проводить кампанию

**31a Translate into English:**

компании, находящиеся на материковой части страны  
компании, акции которых котируются на фондовой бирже  
государственные компании  
головные компании  
дочерние компании  
коррупцированные чиновники  
поддельные паспорта  
незаконная продажа

**b Write sentences of your own using these words:**

to regulate smth	rules
to introduce regulations	measures
economic/government/state regulation	restrictions
contrary to regulations	laws

**32a Answer the questions:**

- 1) Is China the only country facing the capital outflow problem?
- 2) What is the idea of repatriating proceeds?
- 3) What is the meaning of the word 'guardian'?
- 4) Are there companies similar to 'window companies' in other countries?

**b Retell the newspaper item.**

**c Write its short summary (in 3-5 sentences).**

### d Translate into English:

Газета сообщила, что очень скоро новые правила вступят в силу.

Компании знали, что пока у них есть своего рода лазейка.

Официальные источники сообщали, что утечка капитала составляет огромную сумму.

Считают, что около 4000 лиц, причастных к этому, находятся уже за границей.

### e Write a short report and read it aloud: *Capital flight is a problem many countries are facing now.*

## Use of English: The press and media

The term *the mass media* in English refers basically to TV, radio and newspapers. It signifies means of communication which reach very large numbers of people. Here are some useful words for talking about the mass media and about publishing in general.

*Parts of the newspaper:* headlines, news reports, the editorial business news, feature articles (e.g. about fashion or social trends), sport reports, the letter page, scandal, horoscope, cartoons, crossword, small ads.

*A colour supplement* is a magazine which comes out once a week (often on Sundays) as an addition to a newspaper.

*A journal* is the name usually given to an academic magazine.

### 33a Write definitions explaining what jobs each of these people involved in the media does:

a foreign correspondent

an editor

a sub-editor

a columnist

correspondent

a critic

photographer

a manager

**b Choose any newspaper and complete the following sentences:**

The main story today is about ...

The editorial is about ...

The most interesting business story is about ...

An article about ... on page ... made me feel ...

There are readers' letters on page ... and they deal with the following topics ...

The largest sports article is about ...

There is some scandal on page ..., a crossword on page ..., a cartoon on page ... and some small ads on page ...

There are advertisements for ... and ...

**34 Translate the following headlines and mark those on economic matters:**

BLAIR WARNED OVER OUSTING SADDAM

BRUSSELS WARNED ON AIR INSURANCE

BRITON FEARED KIDNAPPED IN ECUADOR

PAN-EUROPEAN REGULATION OF BANKS

EUROPEAN 'BID TO PREVENT TAX DEAL'

**35 Write a summary of one of the latest issues of a Russian language newspaper.**

Dialogue:	<b>Negotiating an investment</b>
Business letter:	<b>Personal investment</b>
Text:	<b>Investment</b>
Newspaper items:	<b>Mobius extends his influence in Moscow</b> <b>Investors still drawn to India</b> <b>Global investment bank seeking banking licence</b>
Use of English:	<b>US English</b>

### Dialogue: **Negotiating an investment**

An American company producing and selling machinery in continental Europe, South America and Australia has found a prospective partner to start manufacture and sales in Great Britain.

Here is a part of the talk between the American businessman (*A*) and the English businessman (*E*):

- E*: Now that we have tested your samples and studied your sales reports let us discuss the financial matters. As far as I understand you offer to sell us your licence.
- A*: That's true. The down payment for the licence would be about £150,000.
- E*: That's not little. Besides we shall have to purchase some new equipment. We shall also have to spend a big sum to extend our marketing set-up. Oh, we should think twice before we make a decision about the investment.
- A*: It's quite natural. We both should make all the necessary calculations and see what our profit will be, let's say, for the first three years. I have prepared some figures for you. Will you have a look at them?
- E*: Thank you.... It's very interesting... On the basis of this forecast we can expect a return of about 40% on our investment.

- A:* I assure you that it is a very realistic forecast, based on present market conditions.
- E:* And will you give us a full technological support — tell us everything you know about the product?
- A:* Oh, naturally. You will receive all the design manufacturing drawings and detailed specifications.
- E:* We'll need start-up assistance too, and maybe some help with the training of our production people.
- A:* Yes — yes, of course. We can send a senior engineer to help you to start production and we shall be happy to train your personnel.
- E:* Fine.
- A:* Can we talk now about accounting procedures? Are your accounts fully computerised?
- E:* Yes, we have a complete ledger system package... accounts receivable, accounts payable, asset management... all computerised.
- A:* Good. Thank you. When I return to Denver I shall make a full report to my Director, and he will write to you.
- E:* Oh sure, we'll be in touch.

## Do you know these words?

<b>sample</b>	[sæmpl]	образец
<b>licence, license (Am.)</b>	['laɪsəns]	лицензия
<b>down payment</b>		первоначальный платеж
<b>support</b>	[sə'pɔ:t]	поддержка
<b>detailed</b>		детализированный, подробный
<b>start-up</b>		запуск
<b>senior</b>	['si:njə]	старший
<i>ant.</i> <b>junior</b>	['dʒu:njə]	
<b>procedure</b>	[prə'si:dʒə]	процедура
<b>accounting procedures</b>	[ə'kauntɪŋ]	оформление бухгалтерских документов
<b>ledger</b>	['ledʒə]	бухгалтерский журнал

<b>accounts receivable</b>	[ə'kaunts rɪ'si:vəbl]	ожидаемые поступления (в бух. балансе)
<b>accounts payable</b>	[ə'kaunts 'peɪəbl]	плановые платежи (в бух. балансе)
<b>asset management</b>		управление активами
<b>to be in touch with somebody</b>	[tʌtʃ]	связываться с кем-либо

## Increase your vocabulary!

### 1 Make a few sentences with the word *account*, its derivatives and word combinations:

accounts receivable	to credit an account
accounts payable	to debit an account
to keep accounts	to enter a sum to a person's account
to agree accounts	to overdraw an account
to balance an account	for one's own account
to open an account with a bank	on somebody's account
to have an account with a bank	to somebody's account
to close an account	

### 2 Say from what verbs these words are formed:

calculation	equipment	drawings	licence
specification	investment	manufacturing	finance
preparation	management	training	support
decision	payment	accounting	forecast
production	apartment	marketing	returns
condition	entitlement	negotiating	test

### 3 Write what words in the text have the same meaning as:

to manufacture	question
complete	to buy
the advance payment	to contact
help	staff

#### 4 Write what words in the text have the opposite meaning to:

to stop	an island in Europe
old	to ignore
purchase	unrealistic
to limit	accounts receivable
partial	overall
junior	manual

#### 5 Translate these sentences using this example:

Это понижение было предсказано. →  
*This fall has been forecast.*

Это повышение прогнозировалось.

Изменение цен на продукцию отрасли было спланировано.

Изменение курса этих акций было предсказано.

Я думаю, что падение производства было заранее предсказано.

Темпы инфляции легко было предсказать.

Они прогнозировали падение курса доллара и повышение курса евро.

Ведущие экономисты страны предсказывали значительное снижение темпов экономического роста.

### Revise Grammar!

#### 6 Insert the correct articles:

They found ... prospective partner to start manufacture and sales in Great Britain.

The down payment for ... licence was about £150,000.

They decided to make all ... necessary calculations first.

The English company expected ... return of about 40% on their investment.

They also expected ... full technological support of the licensor. ... American licensor offered to send ... senior engineer for assistance.

The English would not have to make extra spendings on computers since they have ... complete ledger system package.

**7 Translate these word combinations using the -ing forms as in the example:**

фирма, занимающаяся продажей машинного оборудования  
→ *company producing machinery*

фирма, занимающаяся консалтингом и связями с общественностью

завод, изготавливающий это оборудование

лаборатория, проводящая испытания

бизнесмены, ведущие переговоры

заказчики, покупающие эти товары

**8 Translate these word combinations using Participles II as in the example:**

прогноз, основанный на конъюнктуре сегодняшнего рынка  
→ *forecast based on the present market conditions*

прогноз, сделанный в начале года

образцы, испытанные в нашей лаборатории

оборудование, приобретенное 20 лет назад

машины, изготовленные на этом заводе

цифры, приведенные в его отчете

счета, открытые в Швейцарии и в оффшорных зонах

золото, помещенное в швейцарские банки

золотой запас страны, пополненный в этом году

**9 Read the sentences, explain the use of the Modal Verbs and their equivalents in these sentences and translate them into Russian:**

We can expect a return of 40%.

We shall have to purchase some new equipment.

We shall have to extend our marketing set-up.

We should think twice before we make a decision.

I suppose the businessmen had to meet a few more times.

They might have come to terms.

**10 Translate each sentence in two variants using the Past Indefinite and the Present Perfect Tenses. Explain the difference in the English sentences.**

Мы нашли потенциального спонсора.  
Заказчик провел испытания наших образцов.  
Мы обсудили все необходимые вопросы.  
В связи с инфляцией цены увеличились на 5%.  
Мы перевели нужную сумму на ваш счет.  
Они открыли счет в этом банке.

**Have another look at the dialogue and...**

**11a Answer these questions:**

- 1) Who are the businessmen?
- 2) What transaction are they discussing?
- 3) What details do they cover?
- 4) What plan of actions do they envisage?

**b Write a summary of this business talk.**

**c Read the following paying attention to the sound [v]:**

every	have tested	to invest
everything	have prepared	investment
everywhere	have purchased	every investment
everyone	have spent	prospective investment

**d Read the sentences paying attention to the intonation:**

Will you give us a full technological sup<sup>↑</sup>port?  
Will you have a <sup>↑</sup>look at them?  
Will you tell us everything you <sup>↑</sup>know?  
Can you talk about accounting pro<sup>↑</sup>cedures?  
Are your accounts fully com<sup>↑</sup>puterised?

**e Repeat all the sentences that the English businessman said.**

**f Insert the words that the American used and read the sentences:**

The ... payment for the licence would be about £150,000.  
We should make all the ... and see what ... will be.  
I assure you it's a very realistic ... based on ...

You will` receive ... specifications.  
We can send ... production ... personnel.  
Are ... fully computerised?  
When I return to Denver ... write to you.

- g Enact the dialogue. You may change some sentences keeping the sense.**
- h Improvise a business talk. Imagine the English businessman meets the Director of the American company.**

## A letter: **Personal investment**

One day a bank customer sent a letter to his banker asking for advice if he should invest £10 thousand in a purchase of a timeshare apartment in Tenerife, Spain. For this purpose the customer planned to withdraw £8 thousand from his bank account and to request the bank for a loan of £2 thousand. Here is the letter of the banker he sent in reply:

Dear Sir,

At present many of us have requests from customers for loans to finance timeshare purchases, at varying prices.

Although there are some benefits which appeal to people, the investments must be questionable.

While holidaying some time ago in Spain, I was shown some apartments in one of the prestigious resorts. The cost of a two week entitlement in one of the apartments was £12 thousand, which made the total revenue for the seller about £280 thousand for a year. But an outright purchase of an identical apartment would be no more than £80 thousand.

Based on these figures, the timeshare company is making an enormous margin and the investment should therefore be carefully considered. I would suggest that purchase of a timeshare, mainly for investment purposes, should be advised against. A forced sale within a short period of time may result in substantial losses.

If you are interested in an alternative investment I might recommend you one. Please contact me any time at your convenience.

Yours faithfully,

.....

Customer Services Manager

## Do you know these words?

entitlement	[ɪn'taɪtlmənt]	право собственности
outright		прямой, полный
purpose	['pʊ:pəs]	цель, намерение
to advise somebody against something		советовать кому-либо не делать чего-либо
forced		вынужденный
losses		убытки
to suffer losses		
sustain losses		нести убытки
incur losses		
alternative	[ɔl'tə:nətɪv]	альтернатива, вариант

Note: Tenerife — самый крупный из Канарских островов, принадлежащих Испании.

## Increase your vocabulary!

### 12 Make sentences with the word *to invest*, its derivatives and word combinations:

*to invest — investor — investment*

to invest collectively	capital investment
to invest money at interest	financial investment
investment fund	financial investment represent-
to make an investment	ing a means of saving
foreign investment	private investment

### 13 Say from what nouns these adjectives are formed:

faithful	careful
respectful	interesting
questionable	forced
satisfactory	substantial
convenient	identical
marginal	total
alternative	personal

## Revise Grammar!

### 14 Translate these word combinations using the *-ing forms*:

письмо, в котором испрашивался совет  
фирма, которая занимается рекламным бизнесом  
клиент, который хотел бы купить квартиру на этих условиях  
инвестор, желающий получить совет банкира  
агенты, оказывающие риэлторские (*realtor*) услуги

### 15 Translate these word combinations using the *Infinitives*:

кредит для финансирования покупки  
кредит для финансирования проекта  
совет по принятию решения  
услуги по продаже квартир  
бизнес с целью получения прибыли  
совет, как избежать ошибки

### 16 Make and translate the sentences, as in the example, paying attention to the *-ing forms*:

*to holiday in Spain / to see* → *While holidaying in Spain he saw...*

to holiday in Cyprus / to visit

to holiday in Turkey / to spend

to read the newspaper / to pay attention to

to stay in London / to visit the Lloyd's underwriters

to stay in New York / to visit the Stock Exchange

to visit Milan / to contact the manufacturers

### 17 Translate these sentence paying attention to the conjunction *which*:

The cost is £12 thousand a fortnight *which* makes £280 thousand a year.

The price is 50 dollars a piece *which* makes the purchase 300 dollars worth.

He paid a 100 pounds installment that month *which* amounted to 1000 dollars paid.

They bought 20 shares *which* accounted for 20% of their spending.

He offered a very high price *which* didn't certainly appeal to anybody.

It is a question *which* should be discussed later.

These are the houses *which* were reconstructed last year.

**18 Make and translate the sentences, as in the example, paying attention to the use of the construction used after the verb *to suggest*:**

*the customer / not to do this* → ***He suggested that the customer should not do this.***

the customer / not to make this purchase

the client / to think twice

the businessman / to reconsider the price

the student / to read books in the original

the post-graduate / to study...

the lecturer / to draw the students' attention to ...

## **Have another look at the letter and...**

**19a Insert the correct prepositions:**

... present many of us have requests from customers ... loans.

There are some benefits which appeal ... people.

The cost ... a two week entitlement in one ... the apartments was £12 thousand.

It made the total revenue ... the seller about £280 thousand a year.

Based ... these figures, the timeshare company is making an enormous margin.

I would suggest that the purchase should be advised ...

A forced sale ... a short period ... time may result ... substantial losses.

**b Make notes on the following:**

- 1) the amount of the loan the customer wanted to have from the bank
- 2) his plan to invest the money
- 3) his banker's recommendation

**C Answer these questions:**

- 1) What do you think the banker would have answered if he had not been to Spain and had not made the calculations?
- 2) Do you think it is very easy to have a loan from a bank?
- 3) Is the decision of the bank related to the income and earnings of the customer?
- 4) With what other factors is it connected, as far as you know?

**d Describe the situation in which the letter was written.**

**e Improvise the talk the customer had with the banker a few days after he had received the reply.**

Newspaper article: **Mobius extends his influence in Moscow**

It is late in the working day in Moscow, but Mark Mobius, the peripatetic international fund manager, is juggling a still full diary.

The man who runs the \$7bn Templeton Emerging Markets Fund is having to spend an increasing amount of time thinking about Russia after an intriguing switch in policy.

Mr Mobius's fund invests actively, with Russia accounting for about 2 per cent of the money under his management, which he believes is about the right proportion.

But for the past few weeks, Mr Mobius has also begun work as a non-executive director of two Moscow-based companies.

The first is Wimm-Bill-Dann, the fruit juice and milk product group, which launched an initial public offering on the New York Stock Exchange at the start of this year. The second is Lukoil, the country's largest oil group by reserves.

Some tell Mr Mobius he should be focusing simply on managing directly his fund's money rather than diverting his attention with the boardrooms.

'We are only doing it for one reason: hopefully it will enhance the value of investments by providing better corporate governance credibility,' he says.

And he adds that Russians now repatriate offshore money to the country, driven by a desire to invest locally and beat the lower returns available in Europe and the US.

However, he says there are continued concerns about property rights and the fair functioning of the courts.

Above all, he argues that Russia needs to draw from the Chinese example, where the authorities are more sensitive to the importance of the capital markets because tens of millions of Chinese citizens invest alongside foreign institutions.

'Russia is not going to make any progress until the man in the street really trusts the market.'

#### How Russia compares

S&P/IFC Investables indices (rebased)



Source: Thomson Datastream

## Do you know these words?

to extend	[ɪk'stend]	простира́ть, оказы- вать
to emerge	[ɪ'mɛ:dʒ]	появля́ться, возни- кать
emerging markets		новые рынки
index (pl. indices)		индекс
composite	['kɒmpəzɪt]	сводный индекс
to divert	[daɪ'vɜ:t]	отвлека́ть, откло- нять
court	[ko:t]	суд

## Working on the text

### 20a Underline the basic nouns and translate the word combinations:

international fund manager	better corporate governance credibility
non-executive director	property rights
Moscow-based companies	capital market
fruit juice and milk product group	Templeton Fund
country's largest oil group	Thomson Datastream
	present market conditions

### b Read the sentences, underline the predicates and state in what forms the verbs are used; translate the sentences:

He is having to spend much time thinking about Russia after the recent changes.

He has also begun work as a non-executive director of two companies.

Some say he should be focusing on managing his fund's money.

The group launched an initial public offering on the NYSE.

Hopefully it will enhance the value of investments.

He adds that Russians now repatriate offshore money to the country.

Russia needs to draw from the Chinese example.

Russia is not going to make any progress until the man in the street really trusts the market.

### c Write out the sentence with the Absolute Participial Construction and translate it.

### d Translate into English:

делать большие инвестиции	фондовый рынок
увеличивать суммы инвестиций	руководить фондом
возвращать средства из оффшорных зон	под его руководством
инвестирование внутри страны	выпустить акции на биржу
инвестировать параллельно с иностранными инвесторами	корпоративная стратегия
	подорвать доверие
	правоохранительная система

## **e Answer these questions:**

- 1) Who is Mark Mobius?
- 2) What is his opinion about investments activities and prospects in Russia?
- 3) When do you think this article was written?
- 4) Do you think it was written on the basis of the interview?
- 5) What does the diagram show?
- 6) What is the current situation in respect of investments in Russia?

## **Words and practice**

### **21a Translate into Russian:**

Emerging Markets Fund	International Monetary
European Fund for Monetary Cooperation	Fund
European Development Fund	National Loan Fund
International Fund for Agricultural Development	money market mutual fund
Fund for Special Operations	to invest funds

### **b Match the equivalents:**

fund manager	директор-распорядитель
general manager	управление; дирекция; администрация
management	руководитель/управляющий фонда
risk management	руководство фирмы
contract management	руководство корпорации/акционерного общества
corporate management	управление финансовой деятельностью
company management	контроль исполнения контракта
financial management	управление рисками
managing director	

### **c Make sentences using these word combinations:**

- to run a fund/company/shop/business/hotel
- to invest actively/locally
- to provide better credibility
- to enhance the value/price/attraction

## d Translate into English:

десятки фальшивых инвестиций

сотни игроков на бирже

сотни простых акций

миллионы долларов инвестиций

тысячи долларов чистой прибыли

сотни инвестиций в эту отрасль

экономики

### Text: **Investment**

*Investment* as a term has two meanings:

1. Expenditure on the purchase of financial securities such as stocks and shares. It is also called *financial investment*. Portfolio investment is undertaken by persons, firms and financial institutions in the expectation of earning a return in the form of interest or dividends, or an appreciation in the capital value of the securities.

2. Capital expenditure on the purchase of physical assets such as plant, machinery and equipment (fixed investment) and stocks (inventory investment), i.e. *physical or real investment*.

In economic analysis, the term 'investment' relates specifically to physical investment. Physical investment creates new assets thereby adding to the country's productive capacity, whereas financial investment only transfers the ownership of existing assets from one person or institution to another.

The long-term significance of investment lies in the contribution it makes to economic prosperity. Building new factories, adding new machinery and equipment, and investing in new techniques and products enables industry to supply a greater quantity of more sophisticated products and services to the consuming public, while similar investments in the provision of social capital (schools, health, etc.) contribute vitally to the up-grading of general living standards.

## Working on the words

**22a** Translate these words referring to a dictionary if necessary:

to undertake (undertook, undertaken)	to up-grade
appreciation	living standard
securities	prosperity
whereas	portfolio
ownership	vitality
	factory

**b** Match the terms and their definitions:

<i>securities</i>	<i>stock</i>
<i>share</i>	<i>interest</i>
<i>dividend</i>	<i>asset</i>

- 1) ценные бумаги, реально переходящие из рук в руки — сертификаты акций и облигаций; акционерный капитал корпорации (обыкновенные и привилегированные акции) \_\_\_\_\_  
\_\_\_\_\_
- 2) ценные бумаги (любые денежные документы, титулы собственности, которые можно использовать как залог, обеспечение) \_\_\_\_\_  
\_\_\_\_\_
- 3) процент (сумма, уплачиваемая должником кредитору за пользование деньгами; участие в капитале, капиталовложение) \_\_\_\_\_  
\_\_\_\_\_
- 4) часть прибыли компании, распределяемая среди акционеров \_\_\_\_\_  
\_\_\_\_\_
- 5) актив (собственность юридического или физического лица); активы могут быть финансовые (кредиты, ценные бумаги), капитальные (недвижимость, машины и оборудование), нематериальные (репутация, патенты) \_\_\_\_\_  
\_\_\_\_\_
- 6) акция, участие в капитале компании (ценная бумага, дающая право на долю в акционерном капитале компании) \_\_\_\_\_  
\_\_\_\_\_

**C Complete the sentences:**

The first meaning of the term *investment* is ...

It is also called financial ...

The second meaning of the term *investment* is ...

Physical assets mean ...

Stocks mean ...

In economic analysis, the term *investment* usually relates to ...

**d Make sentences with these word combinations paying attention to the prepositions:**

to invest in new technologies  
to make contributions to smth  
to spend ... on smth  
expenditure on smth

to have a loan from a bank  
to know about the product  
to undertake an investment  
to undertake the premiership

to earn dividends/returns/an interest

**e Translate into English:**

инвестиции в ценные бумаги  
портфельные инвестиции  
проценты, процентный доход  
инвестиции в основной капитал  
инвестиции в товарно-матери-  
альные запасы  
два значения этого термина

кредитная линия  
покупка ценных бумаг  
заниматься инвестированием  
повышение стоимости актива  
переход права собственности  
процветание  
нематериальные активы  
залог

**f Translate the text.**

**g Guess what the term is (it is used in the text):**

the collection of financial securities such as shares and bonds held by an investor. Typically an investor would want to hold a number of different financial securities to spread his risk, and would seek a mixture of financial securities, some offering high short-term dividend payments with others offering long-term capital appreciation as their market prices rise significantly. \_\_\_\_\_

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## Newspaper item: **Global investment bank seeks banking licence**

Goldman Sachs, the global investment bank, is considered obtaining a state licence that would allow it to offer a wider array of banking products.

Goldman is fending off competition from companies with commercial banking arms that are using their lending powers to bid for investment banking work.

It is understood that Goldman's intention in seeking its first such banking licence is limited to providing bank accounts and related services to wealthy individuals.

However, having the banking licence would give Goldman greater flexibility in attracting deposits and making loans.

Goldman is interested in obtaining a licence for a Utah industrial loan corporation, a kind of bank that is regulated by the state and the Federal Deposit Insurance Corporation.

Morgan Stanley and Merrill Lynch both have such a licence, which allows them to offer commercial banking products without being supervised by the two main federal banking regulators: the Federal Reserve and the Treasury Department's Office of the Comptroller of the Currency.

Investment banks have gravitated to Utah to set up banking arms because they tend to view federal banking regulators with suspicion, seeing them as slow to embrace innovation.

### **23a Find the sentences in the text where these expressions are used and translate the sentences:**

to be interested in obtaining smth	to fend off competition
to consider obtaining smth	to seek a licence
to be limited to providing smth	to obtain a licence

### **b Explain the meaning of these words:**

banking arms	banking licence	banking regulators
banking products	banking work	banking
commercial banking product	a kind of bank innovation	investment bank federal banking regulators

**c Write out all the information concerning Goldman Sachs.**

**d Say what you know about:**

- 1) Morgan Stanley
- 2) Merrill Lynch
- 3) the Federal Reserve System (FRS) of the US

**e Read this description of the state of Utah in full sentences:**

\_\_\_\_\_ state of W US. Area: 84,916 sq. mi.; cap. Salt Lake City. Arid Great Basin in W, Great Salt L. in N.; scenic Wasatch Range runs N-S. Limited agric. (livestock, wheat); rich copper, gold mines. Settled by Mormons 1847; ceded to US after Mexican War (1848). Admitted to Union 1896. Pop. 1,059,000.

**f Write an essay on one of the topics:**

- 1) *Global investments banks*
- 2) *Emerging markets*
- 3) *Various investments*

## Use of English: US English

English in the USA differs considerably from British English. Pronunciation is the most striking difference but there are also a number of differences in vocabulary and spelling as well as slight differences in Grammar. On the whole, British people are exposed to a lot of American English on TV, in films and so on, and so they will usually understand most American vocabulary.

American spelling is usually simpler. For example, British English words ending in **-our** and **-re**, end in **-or** and **-er** in American English, e.g. colour/color, centre/center. Many verbs ending in **-ise** in British English (apologise/specialise) are spelt with **-ize** in American English. There are some other differences, e. g. *cheque* in British English is spelt as *check* in American English. The American spelling usually tries to correspond more closely to pronunciation.

**Here are some common British and American equivalents in business and economics:**

<i>British</i>	<i>American</i>
company	corporation
limited liability company	incorporated company
Managing Director	Executive Vice-President
head office staff	executive staff
estate agent	realtor
property	real estate
monopoly legislation	antitrust legislation
authorised share capital	authorized capital stock
ordinary (equity) shares	common stock
preference shares	preferred stock
gilts <i>or</i> gilt-edged stock	Treasury bonds
merchant bank	investment bank
share	stock
shareholder	stockholder
shareholders' equity	stockholders' equity
stock	inventory
base rate	prime rate
bridging loan	bridge loan
creditors	accounts payable
debtors	accounts receivable
current account	checking account
profit and lost account	income statement
unit trusts	mutual funds
visible trade	merchandise trade
depreciation	amortization
retail price index (RPI)	consumer price index (CPI)
rise	raise
billion is 1,000,000,000,000	billion is 1,000,000,000
bill (=banknote, note, cheque)	bill (=check)

**There are some differences in Grammar:**

British	American
<p><i>will/shall</i>  <i>need not/do not need</i>  <i>to demand/insist... that smb <b>should</b> do smth</i></p>	<p><i>will</i>  <i>do not need</i>  <i>to demand/insist that smb <b>do</b> smth</i></p>
<p><i>to burn, burned/burnt, burned/burnt</i>  <i>to spoil, spoiled/spoilt, spoiled/spoilt</i>            ...            can be <b>regular</b> or <b>irregular</b></p>	<p><i>to burn, burned, burned</i>  <i>to spoil, spoiled, spoiled</i>            ...            are normally <b>regular</b></p>
<p><i>government/company/team/family can have a <b>singular or plural</b> verb</i>  <i>The government <b>is/are</b> in favour of this agreement.</i>  <i>The company <b>was/were</b> incorporated last year.</i></p>	<p>normally take a <b>singular</b> verb  <i>The government <b>is</b> in favour of this agreement.</i>  <i>The company <b>was</b> incorporated last year.</i></p>
<p><i>to/in hospital</i></p>	<p><i>to/in <b>the</b> hospital</i></p>
<p><i><b>at</b> the weekend</i>  <i><b>in</b> a street</i>  <i>different <b>from/to</b></i>  <i>to write <b>to</b> smb</i></p>	<p><i><b>on</b> the weekend</i>  <i><b>on</b> a street</i>  <i>different <b>from/than</b></i>  <i>to write (<b>to</b>) smb</i></p>

## Stock market

Texts:	<b>UK markets in securities</b> <b>Share price indices</b>
Radio report:	<b>On the stock markets</b>
Newspaper items:	<b>Nikkei drops below 9,500 after S&amp;P's credit warning</b> <b>Sell-off leaves Footsie in red</b> <b>Swiss peaks need reconquering</b>
Use of English:	<b>Abbreviations</b>

**Text: UK markets in securities**

The markets on which securities are dealt in are:

- the Stock Exchange, the main market
- the Unlisted Securities Market (USM), a market for smaller companies seeking moderate sums of outside finance
- the over-the-counter market (OTC) which is independent.

The first two are part of the *Stock Exchange*. At the same time the Stock Exchange is developing a Third Market which will eventually take over present OTC business.

The Stock Exchange, as a self regulating organization, issues guidelines to members and ensures that these rules are adhered to. Businessmen still refer to the Stock Exchange although dealing is no longer on the floor of the House.

Instead there is the Stock Exchange Automated Quotation system (SEAQ) which is the electronic market-place of the London stock market. Information from the sixty-four market-makers on prices and deals made is fed into SEAQ and displayed on screens. This enables the market-maker to quote a selling price and a lower buying price.

The difference will be larger when the shares are only dealt in infrequently or where the sale of comparatively few shares can lead to a large fall in price.

## Do you know these words?

<b>unlisted</b>		не котируемый на бирже
<b>to seek after something</b>		добиваться чего-либо
<b>moderate</b>		умеренный
<b>outside finance</b>		другие источники финансирования
<b>over-the-counter market</b>		внебиржевой рынок ценных бумаг (акций, которые не котируются на бирже, а также облигаций всех типов; сделки заключаются по телефону или факсу)
<b>eventually</b>		в конце концов
<i>syn. in the end</i>		
<b>guidelines</b>	[ˈɡaɪdlaɪnz]	основные направления
<b>rule</b>		правило
<b>to adhere to something</b>	[ədˈhɪə]	придерживаться чего-либо
<b>dealing</b>		совершение сделок с валютой и другими финансовыми инструментами
<b>on the floor</b>		на бирже, в торговом зале биржи
<b>to feed (fed, fed)</b>		питать, передавать
<b>to display</b>		показывать на экране
<b>infrequently</b>	[ɪnˈfrɪːkwəntli]	редко, изредка
<i>syn. seldom, sometimes, occasionally, from time to time</i>		

## Increase your vocabulary!

### 1 Make verbs from these words with the help of the prefix *en-* and translate them into Russian:

sure \_\_\_\_\_ title \_\_\_\_\_ trust \_\_\_\_\_  
danger \_\_\_\_\_ force \_\_\_\_\_ large \_\_\_\_\_  
able \_\_\_\_\_ courage \_\_\_\_\_ list \_\_\_\_\_  
circle \_\_\_\_\_ close \_\_\_\_\_ act \_\_\_\_\_

### 2 Make these words negative with the help of the prefix *non-* and translate them into Russian:

member \_\_\_\_\_ smoker \_\_\_\_\_  
alliance \_\_\_\_\_ interference \_\_\_\_\_  
existence \_\_\_\_\_ stop \_\_\_\_\_  
resident \_\_\_\_\_ sense \_\_\_\_\_  
profit \_\_\_\_\_ interest \_\_\_\_\_

### 3 Write words having the opposite meaning of:

small \_\_\_\_\_ frequent \_\_\_\_\_  
main \_\_\_\_\_ to fall \_\_\_\_\_  
moderate \_\_\_\_\_ outside \_\_\_\_\_  
independent \_\_\_\_\_ indoor \_\_\_\_\_

### 4 Make letter names from these group names:

the Unlisted Securities Market \_\_\_\_\_  
the over-the-counter market \_\_\_\_\_  
Stock Exchange Automated Quotation System \_\_\_\_\_  
The European Economic Community \_\_\_\_\_  
The International Monetary Fund \_\_\_\_\_  
British European Airways \_\_\_\_\_  
British Petrol \_\_\_\_\_  
Imperial Chemical Industries \_\_\_\_\_  
the United States of America \_\_\_\_\_  
the United Kingdom of Great Britain  
and Northern Ireland \_\_\_\_\_  
public relations \_\_\_\_\_

**5 Make sentences paying attention to the words in italics:**

the Stock Exchange	<i>ensures</i> that	these rules	is/are...
the Metal Exchange		this code of conduct	
the company		these regulations	
the union		this instruction	
the organization			

<i>this enabled</i>	the employers	to quote a better price
	the manufacturers	to reduce the price
	the company	to increase wages
		to increase salaries
		to launch an advertising campaign
		to agree to the changes

**Revise Grammar!**

**6 Translate these word combinations:**

- the Stock Exchange building
- the Stock Exchange board
- the Stock Exchange governor
- the Unlisted Securities Market
- the over-the-counter market
- the Stock Exchange Automated Quotation System

**7 Insert the correct articles:**

- ... Stock Exchange is ... main market in securities in ... UK.
- It is ... self regulating organization.
- Dealing is no longer on ... floor.
- Instead there is ... SEAQ which is ... electronic market-place of ... London stock market.
- This enables ... market-maker to quote ... selling price and ... lower buying price.
- ... difference will be larger when ... shares are only dealt in infrequently.
- ... difference will be larger when ... sale of comparatively few shares can lead to ... large fall in prices.

## 8 Choose the correct voice form:

We may say there are three markets on which securities (*deal, are dealt*) in.

The information (*feeds, is fed*) into the system.

The information (*displays, is displayed*) on the screen.

Some unfamiliar signs (*displayed, were displayed*) on the screen.

These businessmen (*deal, are dealt*) in various products.

The 2002 targets (*attained, were attained*).

The prices were (*to reconsider, to be reconsidered*).

The problem can easily (*settle, be settled*).

## 9 Change, as in the example, paying attention to the use of the *-ing* forms:

*companies which seek moderate sums* →  
*companies seeking moderate sums*

banks which seek high profits

countries which seek immediate aid

factories which produce foodstuffs

installations which refine oil

lines which transport oil

## Have another look at the text and...

### 10a Write out all the sentences relating to the Stock Exchange in the UK.

### b Say what new facts you have learned from the text about UK markets in securities. You may start like this:

*I didn't know that...*

*This text mentioned... which was new to me.*

*I knew... in general but...*

## Radio report: **On the stock markets**

On the London stock market yesterday, shares remained close to last week's record highs. Financial and discount houses were a firm sector, with United Alverson advancing twenty pence to seven pounds sixty-eight. Banks too made further gains, and Key Commerce rose twelve to six seventy-six.

Among the other features, Ainscough and Lee were up nine at four thirty-seven on bid hopes, and Sheldon jumped thirty to two forty-five on their Monday sale of their Quinton stake. Hale and Owen stuck at two oh four, despite reporting treble interim profits which in fact conceal a setback.

On Wall Street on Tuesday, leading stocks were moderately firmer, though the market was mixed. Falling stocks outnumbered rising ones by seven hundred and ninety-eight to seven hundred and twenty-eight, on a moderate volume of one hundred and one million shares. Bonds were strong.

In Tokyo today there were heavy falls for many shares, especially among the market leaders.

Hong Kong shares slipped back a little.

In Australia, shares fell sharply across the board although trading was subdued.

## Do you know these words?

<b>discount house</b>	[ˈdɪskaʊnt]	учетный (дисконтный) дом (по операциям на денежном рынке, в том числе по учету векселей)
<b>firm</b>		твердый
<b>treble</b>		тройной
<b>interim</b>	[ˈɪntərɪm]	временный
<b>in fact</b>		фактически
<i>syn. actually</i>		
<b>to conceal</b>	[kənˈsi:l]	скрывать
<b>setback</b>	[ˈsetbæk]	задержка

<b>to outnumber</b>		превосходить по количеству
<b>across the board</b>		эд. по всей бирже
<b>to subdue</b>	[səb'dju:]	снижать, подчинять, покорять

## Increase your vocabulary!

### 11 Find the terms in the text which correspond to these definitions:

a financial security issued by a joint-stock company as a means of raising long-term capital — \_\_\_\_\_

a financial institution which specialises in the buying and selling of short-dated commercial bills of exchange and government treasury bills in the discount market — \_\_\_\_\_

### 12 Translate these words and word combinations:

motor shares	to issue shares
oil shares	to subscribe for shares
an ordinary share	to hold shares in a company
a preference share	shares have fallen sharply
leading shares	there were heavy falls for many shares
falling shares	
rising shares	shares have gone up
a shareholder	the ... shares have gone up five points
a shareholders' meeting	

### 13 Make adverbs from these adjectives:

sharp	_____	close	_____
heavy	_____	firm	_____
moderate	_____	strong	_____
especial	_____	good	_____

**14 Write what words in the text have the same meaning as:**

soft _____	to exceed _____
in spite of _____	in particular _____
actually _____	to be brought _____
slightly _____	under control _____

**15 Write what words in the text have the opposite meaning to:**

far from _____	to retreat _____
to be down _____	value _____
record lows _____	losses _____
purchase _____	to fall _____

**Revise Grammar!**

**16 Translate these word combinations:**

last month highs	last week records
the UK gold market leaders	bid hopes
the world rough diamond market leader	take-over bid

**17 Translate these sentences paying attention to the Passive Voice:**

Trading was subdued.  
Further gains were made.  
A setback was concealed.  
A special mention of the fact was made.  
New preference shares have been issued.  
The targets set are hardly possible to be obtained.

**18 Read the sentences, underline the Absolute Participial Constructions and translate these sentences into Russian:**

Financial houses were firm with United Alverson company advancing 20p a share.

Discount houses were firm too with a few companies advancing a little.

The prices changed with oil prices increasing 2%.

The dollar was stable with markets having adopted a strange view.

The market closed with the changes not having been made.

The conference opened yesterday with the heavy investments having been made off-shore.

The lower interest rate helped the market with lower German rates having helped the dollar significantly.

**19 Say instead of what words the pronouns *one* and *those* are used in these sentences:**

Leading stocks were firmer than the other *ones*.

Falling stocks outnumbered rising *ones*.

Ordinary shares are naturally different from preference *ones*.

The prices were different from *those* quoted previously.

The Wall Street figures are in no way different from *those* published by the *Financial Times*.

**20 Use the articles if necessary:**

... term 'securities' is sometimes used as ... synonym for 'stocks and shares'.

Dictionaries define... securities as ... financial assets that can be traded.

Describing ... securities ... dictionaries name stocks and shares, bills of exchange, life assurance policies.

... stocks are defined as fixed interest securities.

... nominal capital of a company is divided into ... number of shares of equal value.

... bonds may be issued by central or local government, companies, banks or other institutions.

Bonds are issued by ... borrower to a lender.

In ... USA 'stocks' has the same meaning as 'shares' in ... UK.

**Have another look at the report and...**

**21a Make notes on the changes in the following markets:**

- 1) the London stock market
- 2) the New York stock market
- 3) the stock market in Tokyo
- 4) Hong Kong
- 5) Australia

**b** Translate the part of the report describing the developments on the London stock market.

**c** Read the report aloud.

### Text: **Share price indices**

The *share price index* is an index number of the average prices of a sample of company shares which is used as an indicator of general share price movements.

In the United Kingdom the *Financial Times All-Share Index* records day-to-day movements in the average price of all company shares listed on the London Stock Exchange, while the *Financial Times' 30 Share Index* and *100 Share Index* show movements in the share prices of the major companies.

In the United States share price movements are monitored by the *Dow-Jones Index* and in Japan by the *Nikkei Index*.

Share price indices reflect the corporate sector's underlying profit and growth record and also act like a barometer of investor confidence in the state of industry and the economy.

### Do you know these words?

**the Dow-Jones Index =  
the Dow-Jones Industrial  
Average = the Dow**

индекс Доу-Джонса  
(фондовый индекс, рас-  
считываемый для про-  
мышленных и транс-  
портных акций на Нью-  
Йоркской фондовой  
бирже с 1897 г.; включает  
акции 30 ведущих моно-  
полий с базовым годом  
1928)

**the Nikkei Index =  
the Nikkei Average =the  
Nikkei  
underlying**

фондовый индекс Ник-  
кей на Фондовой бирже  
Токио  
основной, лежащий в  
основе

**confidence**

[ˈkɒnfɪdəns]

уверенность

## Increase your vocabulary!

### 22a Match the terms and the definitions:

FT-SE 100 Share Index  
FT-SE A All Share Index  
the Dow-Jones Average  
the Nikkei Average

- 1) a share price index used in Japan
- 2) a share price index in the UK which records day-to-day movements in the average price of all company shares listed on the London Stock Exchange
- 3) a share price index in the UK showing movements in the share prices of the major companies
- 4) a share price index used in the USA

### b Form nouns from these verbs:

to differ	to improve	to profit	to earn	to signify
to experience	to grow	to pay	to push	to range
to stimulate	to help	to increase	to invest	to use

### c Insert the appropriate word (*like* or *as*) and translate the following:

It is used ... an indicator of price changes.

It acts ... a barometer of investor confidence.

The plan worked ... a dream, and the problem was soon solved.

Criticising the company in his presence is ... a red rag to a bull.

She knew the answer as quick ... a flash.

He never says a thing; he is as quiet ... a mouse.

## Revise Grammar!

### 23a Translate these word combinations:

share price index	all company shares
general share price movements	the corporate sector's record



among wireless providers and subsequently chip away at potential revenues.

Japan's exporters also declined. Sony closed down 0.6 per cent at Y5,120, Hitachi was 2.4 per cent lower at Y653. Car-makers also fell, with Toyota down 2.8 per cent at Y2,825, Honda off 1.7 per cent at Y4,780 and Mitsubishi 4.3 per cent lower at Y290.

**Asian indices**

Nikkei 225

9,599.10      -189.03

Hang Seng

10,246.96      -18.08

S&P/ASX 200

3,148.2      +14.9

**Close**

## Working on the words

**25a** Translate these words referring to a dictionary if necessary:

thin market

to chip away

sovereign

thin session

car-makers

discount

subsequently

psychologically

to decline

**b** Translate these word combinations and make short sentences using them:

speculative selling

speculator

speculative buying

speculation

speculative margin

to speculate on/at the exchange

**c** Translate into English:

на момент закрытия биржи цена акций упала до ...

цена акций поднялась до ...

цена в течение дня осталась неизменной

используется как индикатор

**d** Mark the meaning in which the word *discount* was used in the text:

- \_\_\_ дисконт, скидка (разница между ценой эмиссии ценной бумаги и ее текущей рыночной ценой)
- \_\_\_ учет векселей (операция купли-продажи векселей по номиналу минус вознаграждение за оставшийся до погашения срок)
- \_\_\_ скидка с цены товара
- \_\_\_ учет информации об определенном событии в движении цен, ставок

**Have another look at the newspaper item and ...**

**26a** Write out the sentence with the Absolute Participial Construction and translate it.

**b** Translate one of the paragraphs of the item.

**c** Read these two items outloud and translate them:

*Bangkok* snapped a four-session winning streak as investors cashed in profits in the energy and property sectors. The SET index fell 0.8 per cent to 370.21, amid light turnover of Bt4.9bn.

*Honk Kong* was weak as investors braced themselves for jobless data that was expected to hit a fresh high. The Hang Seng index eased 0.2 per cent to 10,246.96 in thin turnover of HK\$4.5bn.

**d** Write these abbreviations in full words:

S&P	Bt	Astr\$	FT-SE
SET	HK\$	Can\$	BP
the SET index	USM	US\$	WS



FBI		the United Nations Educational, Scientific and Cultural Organisation
CD		Bachelor of Science
PIN		The Federal Reserve System
UNESCO		the Federal Bureau of Investigation
FRS		compact disc

**b Complete the corresponding full words:**

phone — te...  
 fax — te ...

fridge — re ...  
 bike — bic...

**c Read and translate these abbreviation:**

etc. \_\_\_\_\_  
 i.e. \_\_\_\_\_  
 e.g. \_\_\_\_\_

**d Do the crossword:**

*Across*

- 3 Flying saucer
- 6 N,S,E or W
- 8 Royal Navy
- 9 Rest in Peace
- 10 Short for biological
- 11 Type of record
- 12 &
- 13 Means 'especially'
- 15 British car-plate
- 17 American
- 19 Famous film alien
- 20 Short name for London Underground

*Down*

- 1 %
- 2 Same as 13 across
- 4 Refrigerators
- 5 Means 'or nearest offer'
- 7 Serious illness
- 10 'Please note' backwards
- 14 Place for a short drink
- 16 British Telecom
- 18 South East

1		2		3	4	5
6	7				8	
9				10		
11			12			
13		14			15	16
		17	18		19	
20						

# Commodity markets

Radio report:	<b>On the commodity market</b>
Text:	<b>Spot market and quotations</b>
Newspaper items:	<b>Gold imports to Japan show sharp increase</b> <b>Comments from OPEC help lift futures prices</b>
Use of English:	<b>Idioms and fixed expressions — general</b>

## Radio report: On the commodity market

In the London bullion market yesterday, the price of gold was steady. New York gold prices were fractionally stronger. In Hong Kong today, gold opened fifteen cents above last night's close.

Silver in London yesterday slipped slightly. New York silver futures were little changed.

On the London metal exchange yesterday, base metals drifted lower in reaction to stronger sterling.

Among the softs, cocoa bounced after its recent fall, and coffee was strong.

The London daily price for raw sugar fell to one hundred and thirty dollars a ton. Sugar futures were steady, but then suffered a late slide, with all contracts giving up around ten dollars a ton.

In New York, cotton was easier. In Chicago, grain futures were mainly moderately lower.

## Do you know these words ?

**commodity market**

товарный рынок

**bullion**

['buljən]

слиток золота или серебра

<b>steady</b>	['stedɪ]	постоянный
<b>fractional</b>	['frækʃənl]	дробный, частичный
<b>close</b>		момент закрытия биржи
<b>silver</b>	['sɪlvə]	серебро
<b>futures (contract)</b>	['fju:tʃəz]	фьючерсный контракт (обязательство купить или продать по цене, согласованной в биржевом торге, на срок от недели до нескольких месяцев, например, будущий урожай пшеницы)
<b>metal exchange</b>		биржа металлов
<b>at the metal exchange</b>		на бирже металлов
<b>the ring</b>		торговый зал на бирже металлов (в форме круга)
<b>to drift</b>		отклониться, относиться
<b>to bounce</b>	[baʊns]	скакать вверх и вниз
<b>slide</b>		понижение
<b>mainly</b>	['meɪnlɪ]	главным образом

## Increase your vocabulary!

### 1 Make sentences from these components and translate the sentences into Russian:

the price  
the dollar  
the sugar futures

was/were steady, stable, strong  
was/were fractionally stronger  
was/were low, lower, moderately lower  
slipped slightly, suffered a late slide  
changed a little, drifted lower, fell to...  
changed/fell dramatically, drastically, significantly  
rose to..., rose (by) 2%  
rose sharply, bounced after a recent fall

**2 Write what words in the text have the opposite meaning to:**

weak \_\_\_\_\_ to rise \_\_\_\_\_  
significantly \_\_\_\_\_ to open \_\_\_\_\_  
changeable \_\_\_\_\_ below \_\_\_\_\_

**3 Write what words in the text have the same meaning as:**

stable \_\_\_\_\_ to go further \_\_\_\_\_  
slightly \_\_\_\_\_ down \_\_\_\_\_

**4 Find the terms in the text which correspond to these definitions:**

- 1) market dealing in gold and silver in bulk or bars, before manufacture — \_\_\_\_\_
- 2) orders for goods and stocks bought at prices agreed upon at the time of purchase, but to be paid for and delivered later— \_\_\_\_\_
- 3) a central market for non-ferrous metals (copper, lead, zinc, aluminium, tin and nickel) in London — \_\_\_\_\_

**5 Form adverbs from these adjectives:**

strong	steady	slight
easy	new	slow
quick	recent	late
continuous	fractional	moderate
paradoxical	technical	technological
scientific	close	logical

**Revise Grammar!**

**6 Underline the Absolute Participial Constructions and translate these sentences into Russian:**

Sugar futures suffered a late slide with all contracts giving up around 10 dollars a ton.

The dollar was stable with markets having adopted a strange view.

The market closed with the changes not having been made.

With the bullion market steady at the moment dramatic changes are expected.

With the prices changing slightly on the metal exchange they are suffering heavy losses.

Beans bounced after their recent fall with grain going down.

**7 Give two Degrees of Comparison of these adjectives:**

strong _____	weak _____
high _____	low _____
little _____	late _____
easy _____	difficult _____
impressive _____	valuable _____
challenging _____	expensive _____
independent _____	developed _____

**8 Translate these word combinations:**

the London bullion market  
New York gold prices  
New York silver futures  
sugar futures  
grain futures  
the London metal exchange

**Have another look at the text of the radio report and ...**

**9a Insert the correct prepositions:**

... the London bullion market the price ... gold was steady.  
Gold opened fifteen cents ... last night's close.  
... the London metal exchange base metals drifted lower ... reaction ... stronger sterling.  
Cocoa bounces ... its recent fall.  
The London daily price ... raw sugar fell ... \$130 a ton.

**b Make notes on the following:**

- 1) the price of gold
- 2) the spot and future silver prices
- 3) non-ferrous metals prices

- 4) cocoa prices
- 5) coffee prices
- 6) sugar prices
- 7) prices for cotton
- 8) grain forward prices

### **C Make a summary of the report.**

#### **Text: Spot market and quotations**

*Spot market* is a market for the purchase and sale of commodities and financial instruments for immediate delivery (usually, within two working days).

Spot prices for commodities and financial instruments transacted at different locations are harmonised by *arbitrage*.

Arbitrage means the buying or selling of commodities and financial instruments between two or more markets in order to take profitable advantage of any differences in the prices quoted in these markets. By simultaneously buying in a low-price market and selling in the high-price market a dealer can make a profit from any disparity in prices between them, though in the process of buying and selling the dealer will add to demand in the low-price market and add to supply in the high-price market and so narrow or eliminate the price disparity.

#### **Do you know these words?**

<b>to transact</b>	[træn'zækt]	заключать сделку
<b>arbitrage</b>	[,a:bi'tra:ʒ]	арбитраж (одновременная купля и продажа на разных рынках)
<i>Comp.</i> <b>arbitration</b>	[,a:bi'treiʃn]	арбитраж (способ разрешения споров, при котором стороны обращаются к арбитрам)
<b>simultaneously</b>	[,siməl'teɪnjəsli]	одновременно
<b>disparity</b>		неравенство, несоответствие

## Working on the words

### 10a Translate into English:

рынок спот	гармонизировать
цены спот	для получения прибыли
котировки	на рынках
покупка и продажа	рынок с низкими ценами
товары и финансовые инстру-	рынок с высокими ценами
менты	спрос и предложение
с немедленной поставкой	устранять неравенство

## Have another look at the text and ...

### 11a Translate it.

### b Write an essay on one of the topics:

- 1) *Commodity markets*
- 2) *Commodity exchanges*

### Newspaper item: **Gold imports to Japan show sharp increase**

Japan's gold imports more than doubled to 7 tonnes in July compared with the year before, according to preliminary Ministry of Finance data. This was well above June's 4.6 tonnes but a far cry from the massive 20 tonnes imported in February as consumers fretted about the safety of their bank deposits.

London spot gold fixed at \$306.45 a troy ounce yesterday afternoon, a few cents below Wednesday's afternoon fix. Trade was thin, with a firmer dollar and rising share prices keeping a lid on the yellow metal.

London spot silver dropped to a six-month low of \$4.37 an ounce. The metal, widely used in the electronics and photographic industries, is suffering from a combination of brisk supply and doubts about the pace of economic recovery.



about an imminent attack. September Brent reached a high of \$25.20 a barrel. By the close in London it was trading 16 cents up on the previous close at \$25.11 a barrel.

OPEC meets on September 19 in Japan to decide output for the rest of the year, when demand usually increases with the approach of the winter season.

Mr Silva described his meeting with Russian energy minister Igor Yusufov as 'encouraging'. Russia, the world's second-biggest crude oil exporter after Saudi Arabia, is a key issue for the Organisation of the Petroleum Exporting Countries. In the past, Moscow has joined forces with OPEC in supply cuts to raise prices. OPEC is concerned that Russia is biting into the cartel's market share.

## Do you know these words?

to lift

barrel

tension

to predict

crude oil

imminent

to caution

cartel

to bite into smth

## Increase your vocabulary!

**13a** Make sentences of your own paying attention to the different translations of the verb *to lift*:

to lift prices (повышать цены)

to lift taxes (отменять налоги)

to lift restrictions (снимать ограничения)

### **b** Translate into English:

получать поддержку

делать твердый прогноз

увеличивать производство

уменьшить напряженность

повышать цены

цитировать официальное сообщение

министр энергетики

спрос возрастет

### **C Complete the sentences:**

The first biggest crude oil exporter is ...

The second ...

Alvaro Silva is ...

Igor Yusufov ...

### **d Translate the item.**

### **e Write an essay on one of the topics:**

1) *Current position of OPEC*

2) *Petroleum markets*

## Use of English: **Idioms and fixed expressions** — **general**

Idioms are fixed expressions with meanings that are usually not clear or obvious. The individual words often give you no help in deciding the meaning. The expression *to be barking up the wrong tree*, which means *to be mistaken* is a typical idiom. The words do not tell us what it means, but the context usually helps.

Think of idioms as being just like single words; always record the whole phrase in your notebook, along with information of grammar and collocation, e.g.:

*This house has seen better days.*

(It is rather old and broken down; usually of things; always perfect tense form)

Idioms are usually rather informal and include an element of personal comment on the situation. They are sometimes humorous or ironic. As with any informal 'commenting' single word, be careful how you use them. Never use them just to sound 'fluent' or 'good at English'. In a formal situation with a person you do not know, don't say:

*How do you do, Mr Watson. Do take the weight off your feet.*

Instead say: *Do sit down. or Have a seat.*

Idioms can be grouped in a variety of ways. Use whichever way you find most useful to help you remember them. Here are some possible types of grouping:

<b>Grammatical</b>	
<p><i>to get the wrong end of the stick</i> (to misunderstand)</p> <p><i>to pull a fast one</i> (to deceive smb)</p> <p><i>to poke your nose into smth</i> (to interfere)</p> <p><i>to bite off more than one can chew</i> (to attempt too much)</p> <p><i>to hit the nail on the head</i> (to say or do exactly the right thing)</p> <p><i>to be over the moon</i> (to be extremely happy)</p> <p><i>to feel down in the dumps</i> (to be depressed)</p> <p><i>to be in the red</i> (to have a negative bank balance)</p>	<p>} verb+object</p> <p>} verb+prepositional phrase</p>
<b>By meaning</b>	
<p><i>He's a pain in the neck.</i> (a difficult person)</p> <p><i>She takes the biscuit.</i> (the worst of all)</p> <p><i>He's as daft as a brush.</i> (very stupid)</p> <p><i>It was a thin session.</i> (not full, short; poor, inadequate)</p> <p><i>It was a fard nut to crack.</i> (a problem difficult to solve)</p> <p><i>It was a far cry from our expectations.</i> (very different from)</p>	<p>} describing people</p> <p>} describing things</p>
<b>By verb or key word</b>	
<p><i>Why did he have <b>to make</b> a meal out of everything?</i> (to exaggerate the importance of everything)</p> <p><i>They should <b>make</b> a move.</i> (go)</p> <p><i>Most politicians are on the <b>make</b>.</i> (they want money/power for themselves)</p>	<p>} make</p>

# Foreign exchange markets and currencies

Text:	<b>Market and rates</b>
Radio report:	<b>From the currency markets</b>
Newspaper item:	<b>The stronger euro today</b>
Annotation:	<b>Monetary Policy in the Euro Area</b>
Use of English:	<b>Idioms connected with problematic situations</b>

## Text: **Market and rates**

The *foreign exchange market* is the market in which the currencies of different countries are exchanged for one another. The foreign exchange market is made up of thousands of people all over the world — importers and exporters, banks and specialists in the buying and selling of foreign exchange called *foreign exchange brokers*.

The foreign exchange market opens on Monday morning in Tokyo, when it is still midnight on Sunday in London. As the day advances, the foreign exchange market also opens in Zurich, Frankfurt, London, New York and finally in Vancouver and Los Angeles.

Before these last two markets have closed, Tokyo is open again for the next day of business.

The price at which one currency exchanges for another is called a *foreign exchange rate*.

In the UK there are three possible foreign exchange rate regimes.

They are:

- Fixed exchange rate
- Flexible (or floating) exchange rate
- Managed exchange rate

Under a fixed exchange rate regime, the value of the pound would be pegged by the Bank of England. Under a flexible exchange rate regime, the value of the pound would be determined by market forces with no intervention by the Bank of England. Under a managed exchange rate regime, the Bank of England would intervene in the foreign exchange market to smooth out fluctuations in the value of the pound but it would not seek to maintain the pound at an absolutely constant value for a long period of time.

## Do you know these words?

foreign exchange rates		обменный курс валюты
fixed rate		фиксированный курс
flexible rate	[ˈfleksɪbl]	гибкий курс
managed rate		управляемый курс
to peg		поддерживать
intervention	[,ɪntəˈvenʃn]	интервенция (купля-продажа центральным банком валюты с целью воздействия на курс национальной валюты)
to intervene	[,ɪntəˈvi:n]	осуществлять интервенцию
to smooth out fluctuations	[,flʌktʃuˈeɪʃn]	устранить колебания
constant	[ˈkɒnstənt]	постоянный
<i>syn.</i> permanent		

## Increase your vocabulary!

### 1 Find the terms in the text which correspond to these definitions:

- 1) a person who buys and sells stocks and shares, bonds etc. for others \_\_\_\_\_
- 2) a market engaged in the selling and buying of currencies \_\_\_\_\_
- 3) the price of one currency expressed in terms of some other currency \_\_\_\_\_
- 4) an exchange rate regime when a central bank may buy or sell currencies to fix them at particular rates \_\_\_\_\_
- 5) an exchange rate system when the foreign exchange market is unregulated by governments with the rates determined by the free interplay of the forces of demand and supply \_\_\_\_\_
- 6) an exchange rate mechanism when rates are managed by the central bank buying and selling currencies, as appropriate, in the foreign exchange market \_\_\_\_\_

## 2 Give words having the opposite meaning to:

to buy	demand	fixed
to export	volume	theoretical
to open	minimum	private
exports	constant	simple
international	manageable	present

## 3 Form adjectives and nouns from these verbs:

to change	to market	to improve
to manage	to rely	to intervene
to flex	to depend	to import
to value	to advance	to export

## 4 Make sentences with these components and translate the sentences into Russian:

to maintain	{	prices
		exchange rates
		the gold standards
		the value
		friendly relations
		law and order

## Revise Grammar!

### 5 Translate these sentences into Russian paying attention to the Passive Voice:

Здесь происходит обмен различных валют.

На бирже фьючерсов заключаются различные контракты.

Эти специалисты называются брокерами.

Курс контролируется центральным банком.

Курс определяется спросом и предложением.

Цены сохраняются на прежнем уровне.

Эти товары экспортируются во многие страны мира.

Центральный банк произвел интервенцию во вторник.

## 6 Complete these sentences:

The foreign exchange market is the market where one currency *can be...*

The foreign exchange market *is made up of...*

The price at which one currency exchanges for another *is called...*

Under a fixed exchange rate regime, the value of the pound *would be pegged...*

Under a flexible exchange rate regime, the value of the pound *would be determined...*

A very big sum of... *was sold...*

A very important issue *was raised...*

## 7 Translate these word combinations into English using the *-ing forms*:

специалист

по покупке-продаже валюты  
по покупке-продаже акций  
по заключению фьючерсных контрактов  
по продаже компьютеров  
по переводу с английского на русский  
по составлению докладов и рецензий  
по составлению графиков и диаграмм

## Have another look at the text and...

### 8a Make notes on the following definitions:

- 1) the foreign exchange market
- 2) a foreign exchange rate
- 3) a fixed exchange rate
- 4) a flexible (or floating) exchange rate
- 5) a managed exchange rate

### b Answer these questions:

- 1) What institutions and people are involved in the foreign exchange market operations?
- 2) What are the centres of this market in the world?
- 3) Are all of them open at the same time?
- 4) Is Moscow one of these centres?
- 5) What is the policy of the government of Russia in respect of the foreign exchange rates, as far as you know?

## Radio report: **From the currency markets**

In the European foreign exchanges the dollar closed yesterday little changed, after recovering from early weakness. Trading was thin, with dealers waiting for US economic indicators due on Friday, when US consumer prices and durable goods orders will be released.

In Tokyo today the dollar slipped back a little, ending at two hundred and fifteen point eight five yen, against a previous close of two hundred and sixteen point two. Some selling by the Bank of Japan was noted.

The pound yesterday was stronger against most currencies, aided by firmer spot oil prices.

In the latest currency prices in London this morning, the pound is at one dollar forty-four point five cents.

The Japanese Yen is unchanged to the dollar.

So now we know about the currency exchange rates for today.

### Do you know these words?

<b>weakness</b>	[ˈwi:knəs]	понижение, слабость
<b>durable goods</b>	[ˈdju:rəbl]	товары длительного пользования
<b>to release</b>	[rɪˈli:s]	опубликовать, выпускать, освобождать
<b>to release news/ figures</b>		публиковать новости/ цифры
<b>a press release</b>		пресс-релиз
<b>to note</b>		принимать во внимание
<i>Please note the difference.</i>		<i>Пожалуйста, обратите внимание на эту разницу.</i>

### Increase your vocabulary!

**9** Make these words negative with the help of the prefixes *un-*, *im-*, *ir-* or *il-*:

changed

practical

stability

stable

mobile

probability

possible	regular	mobility
proper	responsible	regularity
personal	responsive	logics
probable	logical	security
legal	secure	reality

**10 Give all synonyms and synonymous expressions of these words:**

to fall	to rise	to improve	to change
fall	rise	improvement	change

**11 Make sentences about the currencies of these countries, like this:**

*the USA / dollar / 100 cents → The standard unit of the currency of the USA is the dollar subdivided into 100 cents.*

the EU/euro/100 cents

Canada / Canadian dollar / 100 cents

the UK / pound sterling / 100 pence

the Republic of Ireland / punt (the Irish Pound) / 100 pence

Egypt / pound / 100 piastres

Lebanon / pound / 100 piastres

Cyprus / pound / 100 mils

**12a Translate into Russian paying attention to the Passive Voice:**

The dollar was aided by firmer spot oil prices.

Some selling by the Bank of Japan was noted.

Some bearish activities were noted on the exchange.

No big deals were noted.

New stocks were readily provided.

The report has been released this week.

**b Translate into English:**

Было отмечено некоторое повышение курса иены.

Замечено изменение курса большинства валют региона.

Представлены новые данные об этой сделке.

Опубликованы результаты экономического анализа Министерства экономического развития и торговли России за первое полугодие.

Увеличен золотой запас страны.

Проданы большие запасы этого сырья.

Обсуждены некоторые важные проблемы.

Разрешены все спорные вопросы.

**C Read the sentences, say what constructions are used in these sentences and translate the sentences into Russian:**

Trading was thin, with dealers waiting for US economic indicators due on Friday.

London remains the leading centre, with nearly fifty billion dollars traded here every day.

With exports to other countries being reduced, Tunisia was forced to increase its exports to the dollar area.

The analysts are optimistic with many of them citing the falling interest rates.

The lower interest rate helped the market with lower German rates having helped the dollar significantly.

The conference opened yesterday with the heavy investment having been announced on the previous day.

**Have another look at the report and...**

**13a Complete these sentences as in the report:**

In the European foreign exchanges the dollar closed... after recovering...

In Tokyo today the dollar slipped... ending...

The pound yesterday was stronger against... aided by...

The Japanese Yen is unchanged to...

**b Make notes on the position of the following currencies:**

- the dollar
- the pound
- the yen

**c Translate the report into Russian.**

**d Read the report aloud.**

## Newspaper item: **The stronger euro today**

The dollar slid lower against the euro yesterday on further evidence of the deepening woes of the US manufacturing sector. The euro initially rose slightly from \$0.9764 to \$0.9835 but soon fell back to \$0.9823.

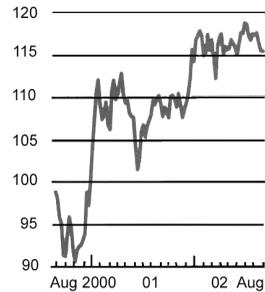
'For some time now the dollar has been moving in lock-step with the equity market but when the data is this bad even a positive trend in the equity markets does little to help the dollar,' said Monica Fan, senior currency strategist at Bank of America. 'If US data continue to be so awful it is hard to see how the dollar can avoid another leg down the euro.'

Although the dollar did respond to yesterday's weak economic data, analysts said the markets were becoming more volatile and less rational as the summer season began in earnest.

August is traditionally the most frustrating month for currency strategists. With many senior fund managers and traders on holiday, their deputies are often less willing to take aggressive bets and are more inclined to adopt low-risk strategies. Thin volumes often mean that currencies are swayed as much by orders as by economic figures or movements in other markets.

### **Euro**

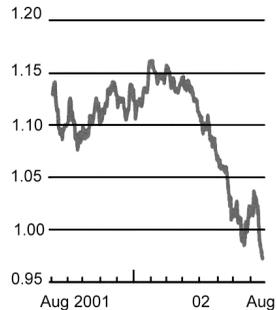
Against the yen (¥ per €)



Sources: Thomson Datastream; WM/Reuters

### **Dollar**

Against the euro (€ per \$)



Source: Thomson Datastream

**14a** Translate the above item.

**b** Write a short essay *Euro today*.

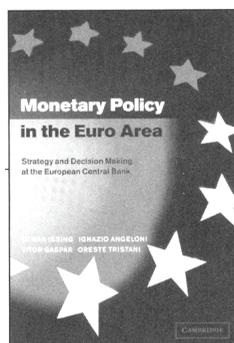
## Annotation of the book: **Monetary Policy in the Euro Area**

*Otmar Issing, Ignazio Angeloni, Oreste Tristani*  
*European Central Bank, Frankfurt*

How and for whose benefit the European Central Bank (ECB) will work is the most important issue facing Europe, and has been the subject of vast media and academic interest which has already spawned a vast literature, and 'Euro Watch' features. Much of this discussion has been of an increasingly hysterical and political nature and has served to blur rather than inform.

This book, written by a team at the ECB, including Otmar Issing, the ECB's Chief Economist, provides the first comprehensive, inside, non-technical analysis of the monetary policy strategy, institutional features and operational procedures of the Eurosystem.

The goals and the transmission mechanism of monetary policy are explored, as are the theoretical and empirical results underpinning the 'stability-oriented monetary policy strategy' adopted by the ECB. The characteristics of this strategy are also discussed in comparison with suggested alternatives.



**15a** Translate into English:

принять стратегию

стратегия, ориентированная на стабильность

обсуждать основные особенности стратегии

альтернативные решения

основные вопросы

цели

## b Match the equivalents:

monetary aggregates	целевые ориентиры темпов роста
monetary base	денежной массы в обращении
monetary policy	денежные агрегаты
monetary reform	валютный союз
monetary system	денежная/монетарная база
monetary targets	денежно-кредитная политика
monetary union	денежная/валютная система
	денежная/валютная реформа

## c Translate the annotation.

Use of English:

### Idioms connected with problematic situations

Problems and difficulties	
idiom	literal phrase
<i>to be in a fix</i>	= <i>to be in difficulty</i>
<i>to be in a tight corner</i>	= <i>to be in a situation that is hard</i>
<i>to be in a muddle</i>	= <i>to be confused</i>
Reacting in situations	
<i>to take a back seat</i> (not to do anything; let others act instead)	<i>to take the bull by the horns</i> (to act positively to face and attack the problem)
<i>to stir things up</i> (to do things that make matters worse)	<i>to pour oil on troubled waters</i> (to do things that calm the situation down)
<i>to keep one's cards close to one's chest</i> (to hold back information)	<i>to lay one's cards on the table</i> (to be very open, to state exactly what your position is)

### Idioms related to situations based on 'to get'

*We must **get our act together** before it's too late.*

(to organise ourselves to respond)

*We need a proper investigation **to get to the bottom of things**.*

(to find the true explanation for the state of affairs)

*It's quite difficult **to get people to sit up and take notice**.*

(to make people pay attention)

*They were trying **to get a grasp of** what is happening.*

(to understand)

### Changes and stages in situations

*The tide has **turned** for us.*

(better days are ahead)

*We can see the light at the end of the*

***tunnel at last**. (the stage from which further progress seems impossible)*

*I'm afraid we've just **come to a dead end** with our plans.*

(things have started improving)

*I think I've **reached a turning point** in my career. (drastic change)*

### Some idioms connected with easing the situation

*The government and the unions have **buried the hatchet** for the time being. (they stopped fighting each other)*

*All that trouble last year was just **swept under the carpet** in the end.*

(it was deliberately forgotten, without solving it)

*You should say sorry. **It would go a long way**.*

(it would help a lot)

Speech:	<b>The role of government</b>
Text:	<b>UK government budget</b>
Newspaper items:	<b>Scepticism over Bush view on US deficit Battles ahead over French budget</b>
Use of English:	<b>Proverbs</b>

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### Speech: **The role of government**

*Julian Amey:* For the past two or three decades, determining the role of the government has perhaps been the central political and economic issue in industrialized democracies. Although the number of nationalized industries, which are often also called government-owned industries, is steadily declining in most parts of the world. People with left-wing views still generally believe that the government has an essential role to play in providing the economic structure, that is public transport, telecommunications and so on. They also believe the government should play an important role in ensuring the provision of services such as education, health care, social security and perhaps housing, and regulating working conditions, health and safety standards, and so on.

People with right-wing views, on the contrary, generally argue that many, or most, or maybe all, of these activities can be left to private enterprise and the market system, and that the role of the government should perhaps be restricted to activities such as defence, the police, and the justice system. They argue that too much regulation is bad for business, and leads to inefficiency. This is an argument that is not going to go away.

**1a** Mark the intonation and read the speech outloud.

**b** Retell the speech.

**C** Write sentences of your own using these word combinations:

government-owned industries

private enterprise

right-wing views

health care

left-wing views

economic issues

to determine the role of  
government

to provide economic structure

### Text: **UK government budget**

Government budget is a financial statement of the government's planned revenues and expenditures for the fiscal year. The main sources of current revenues of the UK as shown in the figure below are taxation, principally income and expenditure taxes, and national insurance contribution. The main current outgoings of government expenditure, are the provision of goods and services (principally wage payments to health, education, police and other public service employees) and transfer payments (old-age payments, etc.)

The budget has two main uses:

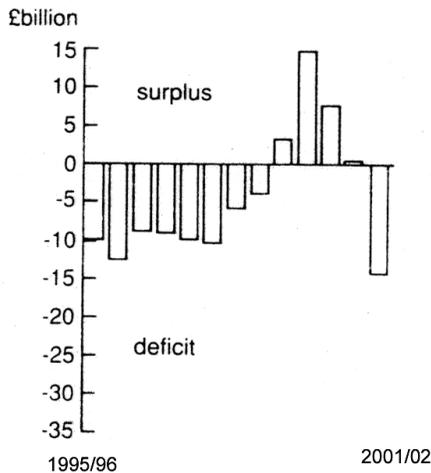
- a** it forms the basis of the government's longer-term financial planning of its own economic and social commitments;
- b** it is an instrument of fiscal policy in regulating the level (and composition) of aggregate demand in the economy.

A budget surplus (revenues greater than expenditures) reduces the level of aggregate demand. By contrast, a budget deficit (expenditure greater than revenues) increases aggregate demand. The figure shows UK budget deficits (and surpluses) over the past decade.

## BUDGET DEFICIT

	£ million	
<i>Current receipts</i>		206,584
Of which:		
Taxes on income	(75,105)	
Taxes on expenditure	(82,905)	
National insurance	(36,643)	
<i>Current expenditure</i>		208,825
Of which:		
Spending on provision of goods and services	(122,172)	
Transfer payments	( 65,015)	
Debt interest	( 16,340)	
 <i>Capital receipts</i>		 1,055
Taxes on capital, etc.		
 <i>Capital expenditure</i>		 15,299
Of which:		
Capital formation	(7,042)	
 Overall budget deficit		 <u><u>- 16,485</u></u>

(a)



**2a** Translate the text.

**b** Present the diagram.

## Newspaper item: **Scepticism over Bush view on US deficit**

The Bush administration's view that the US deficit is a two or three-year problem has been greeted with scepticism on Wall Street. 'That's a very rosy expectation,' says Alex Li, interest rate strategist at Credit Suisse First Boston, which does not expect a budget surplus to return over the next decade.

Last month, the administration said it expected the federal budget deficit to grow to \$165bn this fiscal year due to increased security-related spending and lower tax receipts. It said it did not expect a resumption of budget surpluses until the 2005 fiscal year.

But strategists say the administration has optimistic estimates of US growth and that based on current economic conditions, it is likely to be at a much slower pace than in the late 1990s. A war with Iraq could also push defence spending even higher.

To help combat the deficit — which Wall Street estimates could reach \$200bn this year — the Treasury has increased its borrowing. Total supply, including two-year, five-year and 10-year notes as well as Treasury Inflation Protected Securities, is expected to be \$449bn in the 2002 fiscal year ending September 30, according to CSFB, a 77 per cent increase from last year. In fiscal 2003, supply is expected to reach \$505bn.

**3a Write out words and word combinations you liked and make sentences of your own using them.**

**b Write a short summary of the above item.**

## Newspaper item: **Battles ahead over French budget**

Jean-Pierre Raffarin, the new centre-right French premier, has promised sharp cuts in next year's budget. But the axe is likely to fall unevenly, as overall spending will increase.

Letters setting spending limits will be sent out as early as today from the prime minister's office to the individual ministries. However,

the bargaining will not begin until September, and is likely to be acrimonious before the 2003 budget is finalised on September 19.

Mr Raffarin has to juggle with an electoral pledge to provide more money for defence and justice, while funding continuing tax cuts against the backdrop of a much weaker than expected economy generating lower Treasury receipts. It is almost impossible to combine fiscal responsibility with low growth, and still humour the many powerful interest groups in France.

The situation contrasts with that of left-wing predecessors, who are able to operate a mildly expansionary budget on the back of annual average growth of 3 per cent and burgeoning revenues. This year the economy will grow between 1 per cent and 1.4 per cent, according to the bulk of private sector economists.

Next year the government's hope of a return to 3 per cent growth has evaporated in the wake of the uncertain international outlook. The difficulty of fixing a reliable growth figure for 2003 has in turn helped delay the fixing of the ministries' spending targets, the traditional first step toward finalising the budget.

#### **4a Underline the sentences you find most important.**

#### **b Retell the item.**

### Use of English: **Proverbs**

Newspapers and speakers tend to use proverbs to comment on a situation, often at the end of a true story someone has told, or in response to some event. As with all idiomatic expressions, proverbs are useful and enjoyable to know and understand, but should be used with maximum care:

<b>proverb</b>	<b>paraphrase</b>
<i>Don't count your chicken before they are hatched.</i>	Don't anticipate the future too much.
<i>Don't put all your eggs in one basket.</i>	Don't invest all your attention in just one thing.
<i>Never judge a book by its cover.</i>	Don't judge people or things by their outward appearance.

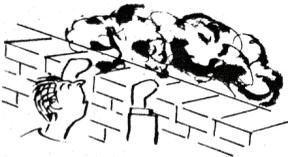
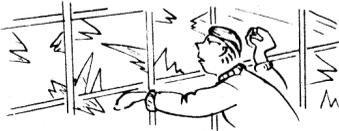
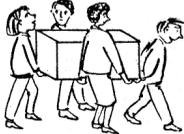
<i>Never look a gift horse in the mouth.</i>	Never refuse good fortune when it is there in front of you.
<i>Take care of the pence and the pounds will take care of themselves.</i>	Take care of small sums of money and they will become larger sums.

Proverbs can be grouped by some key elements, for example, animals or birds:

<p><i>When the cat's away, the mice will play.</i> (people will take advantage of someone else's absence)</p> <p><i>You can lead a horse to water but you can't make it drink.</i> (you can try to persuade someone, but you can't force him)</p> <p><i>One swallow does not make a summer.</i> (one positive start does not mean all will be well)</p>
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### Visualising

As with learning all vocabulary, visualising some element often helps.

 <p><b><i>There's no smoke without fire.</i></b> (rumours are usually based on some degree or truth)</p>	 <p><b><i>Too many cooks spoil the broth.</i></b> (too many people interfering is a bad way of doing things)</p>
 <p><b><i>People who live in glass houses shouldn't throw stones.</i></b> (don't criticise others' faults if you suffer from them yourself)</p>	 <p><b><i>Many hands make light work.</i></b> (a lot of people helping makes a job easier)</p>

## Ключи к отдельным упражнениям

<i>Урок</i>	<i>Упражнение</i>	<i>Ответ</i>
11		employment
12	26c	cost curve factors of production equilibrium market price
	31c	tariff
13	22	Augustin Cournot
	26	advertising sales promotion
14	34c	profit-related pay
16	22b	stock securities interest dividend asset share
	22g	portfolio

## Ответы на кроссворд

### *Across*

- 3 UFO (pron. U - F- O) (Unidentified flying object of any kind)
- 6 EAST (N = north; S = south; W = west)
- 8 RN (Common abbreviation for the Navy in Great Britain)
- 9 RIP (usually put on gravestones or in newspaper announcements of deaths)
- 10 BIO (as in 'bio-degradable plastic')
- 11 CD (compact disc)
- 12 AND
- 13 ESP (this can also mean 'English for Special Purposes) or 'extra-sensory perception', a power some people say they have to see ghosts and spirits of the dead, or to see the future)
- 15 GB (each country has an abbreviation for car-plates when travelling in another country. What's your country's abbreviation?)
- 17 US (United States)
- 19 ET (Extra-terrestrial — a loveable creature from another planet in the film called 'ET')
- 20 TUBE

### *Down*

- 1 PERCENT
- 2 See 13 across (ESP)
- 4 FRIDGES
- 5 ONO (used in advertisements: e.g. 'Bicycle for sale : £25 o.n.o.' This means £23 or £24 would be accepted if nobody else offers £25.)
- 7 AIDS
- 10 BN (Please note =NB)
- 14 PUB (**pub** is a short form of 'public house')
- 16 BT (seen on phone boxes in Britain. The abbreviated name of British Telecommunications company)
- 18 SE (NW = north-west, SW = south-west, NE = north-east)

# Russian-English vocabulary of economic terms

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<b>активы</b>	<b>assets</b>
<b>акционер</b>	<b>shareholder</b>
<b>акции</b>	<b>shares, stocks, stocks and shares, equities</b>
~ <b>обыкновенные</b>	<b>ordinary shares, common stock</b>
~ <b>привилегированные</b> (в отличие от обыкновенных дают преимущественное право на прибыль и капитал компании)	<b>preference shares</b>
~ <b>дающие право</b> на большее число голосов при голосовании	<b>voting stock</b>
<b>амортизация</b>	<b>depreciation</b>
<b>арбитраж</b>	<b>arbitrage; arbitration</b>
<b>арендная плата</b>	<b>rent</b>
<b>ассигнование</b>	<b>allocation</b>
<b>ассигновывать</b>	<b>to allocate</b>
<b>ассортимент</b>	<b>range</b>
<b>в ассортименте</b>	<b>assorted</b>
<b>ассоциация</b>	<b>association</b>
<b>база (в статистике)</b>	<b>bench-mark</b>
<b>баланс</b>	<b>balance sheet</b>
~ <b>консолидированный</b>	<b>consolidated balance sheet</b>
~ <b>торговый</b>	<b>trade balance</b>
~ <b>платежный</b>	<b>balance of payments</b>
<b>банк</b>	<b>bank</b>
<b>банкротство</b>	<b>bankruptcy</b>
<b>безработица</b>	<b>unemployment</b>
<b>безработный</b>	<b>jobless</b>

<b>бенефициар (получатель)</b>	<b>beneficiary</b>
<b>бизнесмен</b>	<b>businessman</b>
<b>биржа</b>	<b>exchange</b>
~ какао	<b>cocoa exchange</b>
~ кофе	<b>coffee exchange</b>
~ металлов	<b>metal exchange</b>
~ сахара	<b>sugar exchange</b>
~ товарная	<b>commodity exchange</b>
~ фондовая	<b>stock exchange</b>
<b>некотируемый на бирже</b>	<b>unlisted</b>
<b>богатство</b>	<b>wealth</b>
<b>брокер</b>	<b>broker</b>
~ <b>фондовый</b> (член фондовой биржи, занимающийся операциями по поручению клиентов за комиссионное вознаграждение)	<b>stockbroker</b>
<b>бухгалтер</b>	<b>accountant</b>
<b>бюджет</b>	<b>budget</b>
~ <b>государственный</b>	<b>state budget</b>
<b>валюта</b>	<b>currency, foreign exchange</b>
<b>владелец</b>	<b>owner</b>
<b>владение</b>	<b>ownership</b>
<b>власти</b>	<b>authorities</b>
<b>выручка</b>	<b>receipts, proceeds</b>
<b>выпуск (акций)</b>	<b>issue</b>
<b>гарант основной</b> (банк, являющийся главным организатором и гарантом займа)	<b>lead manager</b>
<b>гарантия</b>	<b>guarantee, security,</b>
<b>деньги</b>	<b>money</b>
<b>депозит</b>	<b>deposit</b>
<b>депрессия</b>	<b>depression</b>
<b>дефицит</b>	<b>deficit, shortage, scarcity</b>
	<b>lack, shortfall</b>
<b>диаграмма</b>	<b>graph, diagram, chart, pie-chart</b>

дилер	dealer
долг	debt
доля	share
	stake
достаточность	sufficiency
доход(ы)	income
	earnings, receipts
	revenue, yield
журнал бухгалтерский	ledger
завод	plant, works, factory
забастовка	strike
начать забастовку	to go on strike
задолженность	indebtedness, arrears, liabilities
	borrowing
заимствование	assumption
заключение	law
закон	legislation
законодательство	stocks, funds, resources
запасы	wages and salaries
заработная плата	wages
~ рабочих	salary
~ служащих	stagnation
застой (стагнация)	to be in the doldrums
находиться в застое	sluggish
застойный	costs
затраты	operating costs
~ производства	abundance
изобилие	import (s)
импорт	investment
инвестиция	investment
инвестирование	the Dow-Jones Industrial
индекс	Average = the Dow-Jones
~ Доу-Джонса (финансовый ин-	Index = the Dow
декс, рассчитываемый для про-	
мышленных и транспортных ак-	
ций на Нью-Йоркской фондовой	

бирже с 1897 г., включающий акции 30 ведущих монополий, с базовым годом 1928)	
~ <b>ФТ-СЕ 100</b> (финансовый индекс <i>Financial Times</i> и фондовой биржи Англии, основанный на курсах 100 ведущих акций)	<b>FT-SE 100 (Financial Times Stock Exchange 100 Index)</b>
~ <b>Никкей</b> (финансовый индекс на фондовой бирже Токио)	<b>the Nikkei Industrial Average = the Nikkei Index = the Nikkei</b>
~ <b>потребительских цен</b>	<b>Consumer Price Index</b>
<b>интервенция</b> (купля-продажа центральным банком валюты для воздействия на курс национальной валюты)	<b>intervention</b>
<b>инфляция</b>	<b>inflation</b>
<b>инфраструктура</b> (дороги, связь, транспорт, образование, здравоохранение)	<b>infrastructure</b>
<b>ипотека</b> (залог/заклад недвижимости)	<b>mortgage</b>
<b>исследование</b>	<b>research</b>
<b>проводить исследование</b>	<b>to carry out research</b>
<b>казначейство</b>	<b>treasury</b>
<b>карточка</b>	
~ <b>кредитная</b>	<b>credit card</b>
<b>капитал</b>	<b>capital</b>
~ <b>акционерный</b>	<b>stocks</b>
~ <b>уставный</b>	<b>authorised/ registered/ charter capital</b>
~ <b>компании</b> (разница между активами и текущими обязательствами)	<b>equity</b>
<b>качество</b>	<b>quality</b>
<b>квалификация</b>	<b>skills</b>
<b>клиент</b>	<b>customer</b>
<b>колебание</b>	<b>fluctuation</b>
<b>количество</b>	<b>quantity, number</b>
<b>комиссия</b> (комиссионное вознаграждение)	<b>commission</b>

<b>компания</b>	<b>company, firm</b>
~ <b>головная</b>	<b>parent company/group</b>
~ <b>государственная</b> (организованная по специальному правительственному постановлению)	<b>public corporation</b>
~ <b>факторинговая</b> (финансирующая торговлю, приобретающая требования на должника с определенной скидкой и сама взыскивающая долг с должника)	<b>factor house</b>
<b>конкурент</b>	<b>competitor</b>
<b>конкуренция</b>	<b>competition</b>
~ <b>острая</b>	<b>fierce competition</b>
<b>консорциум</b>	<b>consortium</b>
<b>контракт</b>	<b>contract</b>
~ <b>фьючерсный</b> (обязательство купить или продать по цене, согласованной в биржевом торге, на срок от недели до нескольких месяцев)	<b>futures (contract)</b>
<b>контроль</b>	<b>regulation, control, supervision</b>
<b>котировка</b>	<b>quotation</b>
<b>кредит</b>	<b>loan, credit</b>
~ <b>необеспеченный</b>	<b>unsecured credit</b>
~ <b>синдицированный</b> (предоставляемый членами консорциума)	<b>syndicated loan</b>
<b>кредиты</b>	<b>loans, credits, facilities</b>
<b>кредиты и их производные</b>	<b>credit derivatives</b>
<b>структурировать кредит</b> (отсрочить погашение к.)	<b>to structure a loan</b>
<b>кризис</b>	<b>crisis</b>
<b>курс</b>	<b>rate</b>
~ <b>гибкий</b>	<b>flexible rate</b>
~ <b>обменный</b>	<b>foreign exchange rate</b>
~ <b>управляемый</b>	<b>managed rate</b>
~ <b>фиксированный</b>	<b>fixed rate</b>

<b>ликвидность</b> (наличные и близкие к ним средства)	<b>liquidity</b>
<b>лицензия</b>	<b>licence, license (Am.)</b>
<b>магазин</b>	<b>shop, store (s)</b>
<b>маржа</b> (прибыль, разница между себестоимостью и продажной ценой)	<b>margin</b>
<b>макроэкономика</b>	<b>macroeconomics</b>
<b>маркетинг</b>	<b>marketing</b>
<b>машиностроение</b>	<b>engineering</b>
<b>менеджмент</b>	<b>management</b>
<b>микроэкономика</b>	<b>microeconomics</b>
<b>министр финансов</b>	<b>chancellor (of the Exchequer)</b>
<b>монета</b>	<b>coin</b>
<b>монетаризм (монетарная политика)</b>	<b>monetary policy</b>
<b>мощность (и)</b>	<b>capacity</b>
<b>мотивация</b>	<b>motivation</b>
<b>наем</b>	
1) временное пользование без дальнейшего перехода права собственности	<b>hire, hiring</b>
2) временное пользование с дальнейшим переходом права собственности	<b>lease, leasing</b>
<b>брать в наем</b>	<b>to hire, to lease</b>
<b>накладные расходы</b>	<b>overheads</b>
<b>наличные</b>	<b>cash</b>
<b>налог</b>	<b>tax</b>
~ на добавленную стоимость	<b>value added tax (VAT)</b>
до вычета налога	<b>pre-tax</b>
<b>налогоплательщик</b>	<b>taxpayer</b>
<b>нарушение</b>	<b>breach</b>
<b>население</b>	<b>population</b>
на душу населения	<b>per capita</b>
<b>неплатеж</b>	<b>default, non-payment</b>
<b>нестабильность</b>	<b>instability</b>
<b>обеспечение</b>	<b>security</b>
<b>облигация</b>	<b>bond</b>

оборудование	equipment
объем	volume
по объему	by volume
обязательство	commitment, undertaking
обязательства	liabilities
ограничение	restriction
оживление	recovery
опцион (право выбора)	option
остаток	balance
отставание	gap
отчетность (бухг.)	accounting
	accountancy
оценка	appraisal, assessment
~ предварительная	estimates
падение	fall, drop, reduction
партия (товара)	batch
патент	patent
персонал	personnel, staff
плата	
~ за услуги	charge
~ гонорар	fee
~ проезд по дорогам	toll
платеж	payment
~ отсроченный	deferred payment
~ первоначальный	down payment
платежи ожидаемые (статья баланса)	accounts receivable
платежи плановые (статья баланса)	accounts payable
повышение	boost, increase, rise
~ резкое	jump
поддержка	support
подъем	climb, surge
показатель	indicator
покупка	purchase

<b>понижение</b>	<b>slide, slip, weakness</b>
<b>портфель</b> (ценные бумаги, принадлежащие одному юридическому или физическому лицу)	<b>portfolio</b>
<b>потребитель</b>	<b>consumer</b>
<b>право собственности</b>	<b>ownership entitlement</b>
<b>предложение</b>	<b>supply</b>
~ коммерческое	<b>offer</b>
~ на бирже	<b>bid, bidding</b>
<b>предпосылка</b>	<b>prerequisite</b>
<b>предприниматель</b>	<b>entrepreneur</b>
<b>предпринимательство</b>	<b>entrepreneurship</b>
<b>предприятие</b>	<b>enterprise</b>
~ совместное	<b>joint venture</b>
<b>преимущество</b>	<b>advantage</b>
<b>председатель</b>	<b>chairman</b>
<b>препятствие</b>	<b>impediment</b>
<b>прибыль</b>	<b>profit, benefit, gain</b>
~ до уплаты налогов	<b>pre-tax profit</b>
~ после уплаты всех налогов	<b>after-tax profit</b>
<b>прибыль от производственной деятельности</b>	<b>operating profit</b>
<b>прогноз</b>	<b>forecast, prediction</b>
<b>продажа</b>	<b>sale</b>
<b>продукт</b>	<b>product</b>
~ валовой национальный	<b>Gross National Product (GNP)</b>
~ валовой внутренний	<b>Gross Domestic Product (GDP)</b>
<b>проект</b>	<b>project</b>
<b>производить</b>	<b>to produce</b>
<b>производитель</b>	<b>producer</b>
<b>производительность</b>	<b>output</b>
<b>производство</b>	<b>production, manufacturing</b>
<b>промышленность</b>	<b>industry</b>
~ добывающая	<b>mining (industry)</b>
~ обрабатывающая	<b>manufacturing (industry)</b>
<b>процент</b>	<b>per cent, interest</b>
(сумма, уплачиваемая должником кредитору за пользование деньгами последнего)	

<b>процентное содержание</b>	<b>percentage</b>
<b>пул (объединение)</b>	<b>pool</b>
<b>пункт (изменение цены на 1 долл. в торговле акциями)</b>	<b>point</b>
<b>развитие</b>	<b>development</b>
<b>расходы</b>	<b>costs, expense(s), expenditure</b>
<b>расчеты</b>	<b>settlements</b>
<b>резервы</b>	<b>reserves</b>
<b>реклама, рекламное объявление</b>	<b>advertising, ad, advertisement</b>
<b>рента</b>	<b>rent</b>
<b>ресурсы</b>	<b>resources</b>
<b>риск</b>	<b>risk</b>
<b>идти на риск</b>	<b>to take/to run a risk</b>
<b>рост</b>	<b>growth, rise, increase</b>
<b>рынок</b>	<b>market, outlet</b>
~ валютный	<b>foreign exchange market</b>
~ товарный	<b>commodity market</b>
~ труда	<b>labour market</b>
~ ценных бумаг, внебиржевой	<b>over-the-counter market</b>
~ фондовый	<b>stock market</b>
<b>сальдо (остаток, разность итоговых сумм)</b>	<b>balance</b>
~ отрицательное	<b>unfavourable balance</b>
~ положительное	<b>favourable balance</b>
~ платежного баланса	<b>balance of payments</b>
~ торгового баланса	<b>balance of trade, trade balance</b>
<b>сбережения</b>	<b>saving(s)</b>
<b>связи с общественностью</b>	<b>public relations</b>
<b>сделка</b>	<b>deal, transaction</b>
~ с валютой и другими финансовыми инструментами	<b>dealing</b>
<b>себестоимость</b>	<b>costs</b>
<b>сельское хозяйство</b>	<b>agriculture</b>
<b>сила</b>	
~ рабочая	<b>labour force</b>

скидка	allowance, discount
собственность	property
сокращение	cut, reduction
~ расходов	cost-cutting
сорт	brand
сохранность	security
спад	recession
спрос	demand
средства	funds
стабильность	stability
ставка	rate,
	stake
~ ссудного процента	lending rate
~ базовая ссудная, британских банков	base rate
стимул	stimulus
стимулирование	stimulation
стоимость	value, cost, price
строительство	construction, building
~ гражданское	civil engineering
субподрядчик	subcontractor
субсидия	subsidy
суверенитет	sovereignty
сумма	sum, amount, total
счет	bill, account
~ в банке, на котором блокированы средства на покупку товара в качестве гарантии завершения товарообменной операции	escrow account
сырье	raw materials
таможня	customs
темп	rate
тенденция	trend
~ повышательная	upward trend
~ понижательная	downward trend
товар	goods, commodity, items, produce
товарищество	partnership
товарооборот	turnover

торги (на бирже)	trading, bidding
торговец	seller, vendor, dealer, agent
~ оптовый	wholesaler
~ розничный	retailer
торговля	trade
~ внешняя	foreign trade
~ внутренняя	home trade
транш (часть, доля оплаты или выпуска акций)	tranche
трейдер (специалист по покупке-продаже ценных бумаг)	trader
труд	labour
убытки	losses
увеличение	increase
указ	decree
упадок	decline
находиться в упадке	to be in the doldrums
управление	management, control
управляющий	manager, statute (s) governor
уровень	level, rate
условие	condition
условия	terms, conditions
услуги	services
устав	charter
утверждение	claim
учет (векселей)	discounting
учетный дом (банк специализирующийся на операциях на денежном рынке, в том числе по учету векселей)	discount house
фабрика	factory
факторинг (финансирование торговли факторинговыми компаниями)	factoring
Федеральная резервная система США	the US Federal Reserve System
фермер	farmer
филиал	offshoot, branch

<b>финансы</b>	<b>finance</b>
<b>финансирование</b>	<b>finance, financing</b>
<b>форвард</b> (условие поставки — поставка валюты и расчет в будущем)	<b>forward</b>
<b>покупать на условиях форварда</b>	<b>to buy forward</b>
<b>франшиза</b> (право на производство продукции другой, как правило, хорошо известной компании)	<b>franchise</b>
<b>фрахт</b> (плата за грузовые перевозки)	<b>freight</b>
<b>фьючерс</b>	<b>futures</b>
<b>фьючерсный контракт</b>	<b>futures contract</b>
<b>цена</b>	<b>price, quotation</b>
~ на момент закрытия биржи	<b>closing price</b>
~ по которой заключены первые сделки после открытия биржи	<b>opening price</b>
~ спот (цена при сделке с немедленным расчетом)	<b>spot price</b>
<b>называть цену</b>	<b>to quote (the price)</b>
<b>ценность</b>	<b>value</b>
<b>ценные бумаги</b>	<b>securities</b>
~ с фиксированной процентной ставкой дохода	<b>fixed income securities</b>
<b>цифра</b>	<b>figure</b>
~ плановая	<b>target</b>
<b>экономика</b>	<b>economy (of a country); economics (as a science)</b>
<b>экспорт</b>	<b>export (s)</b>
<b>эффективность</b>	<b>efficiency</b>
<b>юридическое лицо</b>	<b>entity</b>