

В. И. Уваров

**АНГЛИЙСКИЙ ЯЗЫК
ДЛЯ ЭКОНОМИСТОВ
(A2–B2).
ENGLISH FOR BUSINESS**

**УЧЕБНИК И ПРАКТИКУМ
ДЛЯ АКАДЕМИЧЕСКОГО БАКАЛАВРИАТА**

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в качестве учебника и практикума для студентов высших учебных заведений,
обучающихся по экономическим направлениям*

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Учебник и практикум «Английский язык для экономистов (А2–В2)» содержит подробный учебный курс, охватывающий основные темы, необходимые в бизнес-английском. Пособие рассчитано на уровень владения языком В1–С1 по Общеввропейской системе оценки (Intermediate и выше). Учебник помогает выработать и усовершенствовать навыки по различным видам работы с профессиональной информацией на английском языке. Оригинальная система упражнений к аутентичным текстам предусматривает как аудиторную, так и внеаудиторную работу с материалами учебника, способствует развитию творческого и аналитического мышления и формированию собственной позиции в сфере делового общения.

Соответствует актуальным требованиям Федерального государственного образовательного стандарта высшего образования.

Учебник предназначен для студентов экономических направлений, а также для широкого круга лиц, изучающих бизнес-английский и желающих чувствовать уверенность и достигнуть успеха в мире бизнеса.

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Предисловие

В наше время умение говорить, читать и писать на английском языке уже перешло из разряда преимуществ в разряд необходимых условий успешной деятельности практически в любой сфере жизни общества. Знание же делового английского по-прежнему дает его обладателю существенные преимущества во всех сферах деловой активности, начиная с подачи заявления о трудоустройстве в иностранную компанию и заканчивая успешно проведенными переговорами и заключением многомиллионного контракта с крупными иностранными партнерами.

Учебник и практикум «Английский язык для экономистов (A2—B2)» не претендует на исчерпывающий курс программы MBA, но может стать прекрасным стартом в освоении вершин делового международного общения. Учебник охватывает самые основные темы и вопросы, необходимые для получения базовых знаний не только в бизнес-английском, но и в самой экономической науке в целом.

С точки зрения развития навыков владения английским языком оригинальный тематический материал учебника и сопутствующие ему задания построены таким образом, чтобы эффективно тренировать и развивать все четыре навыка — чтение, письмо, аудирование, говорение — в едином логичном творческом русле.

В результате освоения материала данного пособия обучаемые должны:

знать

- основные законы применения английского языка для профессиональной деятельности;
- современные социокультурные реалии англоязычного пространства, в том числе относящиеся к сфере профессиональных интересов;
- основной теоретический материал экономической направленности, изложенный в данном учебном пособии;

уметь

- понимать тексты по специальности различного уровня сложности;
- находить необходимые для профильной деятельности источники информации и извлекать из них необходимые сведения;
- вести диалог, переписку, переговоры на английском языке, в том числе в рамках профессионального общения и в соответствии с уровнем поставленных задач;
- работать с материалами средств массовой информации на английском языке, составлять обзоры прессы по заданным темам, находить,

собирать и первично обобщать фактический материал, делая обоснованные выводы;

— воспринимать на слух лекции и монологические высказывания, информационные радио- и телесообщения, следить за аргументацией;

— создавать письменное высказывание, выражать и аргументировать собственную позицию в рамках международных стандартов, предъявляемых к письменной документации;

— выполнять письменные и устные переводы материалов профессиональной направленности;

владеть

— техниками установления профессиональных контактов и развития общения, в том числе на английском языке;

— навыками работы с аудиторией, в том числе зарубежной, с использованием английского языка.

Учебник и практикум «Английский язык для экономистов (A2—B2)» состоит из взаимосвязанных функциональных модулей (всего 21 модуль), каждый из которых имеет четкую структуру и логику изложения.

Каждый модуль включает следующие разделы:

1. Starting up. Введение в тематику модуля. Цитаты заметных деятелей общественной жизни разных времен относительно темы модуля. Презентационный материал в форме, позволяющей активизировать речевую деятельность обучающихся в опоре на уже имеющиеся у них знания и опыт.

2. Key Vocabulary. Представление и отработка ключевого словаря по теме модуля.

3. Reading. Чтение текстов, содержащих преимущественно теоретическую информацию по теме модуля. Предтекстовые и послетекстовые упражнения, позволяющие максимально эффективно организовать работу с текстовым материалом.

4. Comprehension Check. Ряд упражнений, основанных на содержании прочитанных текстов.

5. Listening. Короткие аудиозаписи, связанные с темой модуля и сопровождаемые заданиями различного формата для контроля понимания и усвоения услышанного материала.

6. Grammar. Ряд упражнений для повторения и закрепления основных грамматических тем. Перед выполнением заданий обучающимся предлагается ознакомиться с теоретическим материалом по данной теме в Приложениях в разделе «Grammar Reference».

7. Vocabulary Development. Корпус упражнений на усвоение дополнительного лексического материала. В состав упражнений включены дополнительные тексты, значительно расширяющие словарный запас по теме модуля, а также содержащие практические советы и рекомендации по вопросам ведения бизнеса.

8. Skills Focus. Разнообразные формы закрепления речевых умений в ситуациях, имитирующих реальную практику бизнеса. Работа в парах и мини-группах.

9. Writing. Творческие письменные задания в формате различной бизнес-отчетности и документации. Тексты для полного и/или реферативного перевода.

10. Supplementary Reading. Список источников для дополнительного самостоятельного ознакомления.

В разделе Appendices (Приложения) предлагаются:

- Теоретический материал по основным грамматическим темам для повторения и закрепления.
- Примеры вопросов из интервью для кандидатов на ключевые позиции в бизнесе.
- Основные правила чтения и написания чисел и простейших арифметических уравнений; набор лексики для описания экономических изменений и тенденций.
- Рекомендации и примеры фраз для успешных презентаций.
- Полезные фразы и клише, относящиеся к различным ситуациям делового общения.
- Список полезных идиом для делового общения.
- Тексты аудиозаписей, которые можно использовать как для контроля понимания услышанного материала, так и в качестве дополнительных источников бизнес-лексики и примеров реального или смоделированного делового общения.
- Примеры основных форм деловой переписки и документации.
- Ключи для проверки самостоятельно выполненных заданий.

Корпус упражнений для каждого модуля предполагает:

- Чтение и анализ аутентичных текстов и выполнение соответствующих заданий.
- Структурирование письменной речи в деловой документации.
- Выполнение заданий на закрепление лексического компонента модуля.
- Выполнение заданий на повторение и закрепление основных грамматических тем.
- Выполнение практических заданий, моделирующих реальные ситуации бизнеса (представление информации, описание тенденций, участие в конференциях, деловых встречах и т. д.).
- Выполнение творческого задания, аккумулирующего информационные знания и приобретенные речевые умения и навыки. Возможны формы кратких презентаций, участие в дискуссиях и переговорах. Приоритетная роль отводится изучению конкретных деловых ситуаций (Case-study), где обучающиеся могут проявить свои творческие способности и предложить альтернативные решения рассматриваемых проблем.

Учебник и практикум «Английский язык для экономистов (A2—B2)» идеально подходит как для аудиторной, так и для самостоятельной работы. Он адресован широкому кругу лиц — как профессионалам, желающим повысить уровень владения бизнес-английским, так и людям, только начинающим свое восхождение по ступеням карьер-

ной лестницы в сфере экономики, менеджмента, международных отношений и других смежных направлений. Для оптимального усвоения материала рекомендуется уровень владения английским языком от Intermediate и выше (уровни A2–B2 по Общеввропейской системе оценки уровня владения иностранным языком).

Unit 1

ECONOMICS OVERVIEW

“Economics is the science which studies human behaviour as a relationship between ends and scarce means which have alternative uses.”

Lionel Charles Robbins, 1898-1984,
British economist

“A study of economics usually reveals that the best time to buy anything is last year.”

Marty Allen, born in 1922,
American stand-up comedian and actor

1. Starting up

- 1) What do you already know about economics? In pairs or small groups, discuss your ideas and summarize them within 5-7 sentences.
- 2) Here are some other quotations about economics. Which of them do you agree or disagree with? Work with the group mates and discuss your ideas.

“I learned that economics was not an exact science and that the most erudite men would analyse the economic ills of the world and derive a totally different conclusion.”

Edith Clara Summerskill (1901-1980), medical practitioner and politician

“In economics, hope and faith coexist with great scientific pretension and also a deep desire for respectability.”

“In economics, it is a far, far wiser thing to be right than to be consistent.”

“In economics, the majority is always wrong.”

John Kenneth Galbraith (1908-2006), Canadian-American economist

“Economics has never been a science — and it is even less now than a few years ago.”

Paul A. Samuelson (1915-2009), American economist

“Economics is a subject that does not greatly respect one’s wishes.”

Nikita Khrushchev (1894-1971), First Secretary of the Communist Party of the Soviet Union from 1953 to 1964

2. Key Vocabulary

- | | | |
|-----------------|--------------------------|-----------------|
| 1) scarce | 3) demand | 5) entrepreneur |
| 2) supply | 4) luxury | 6) numerous |
| 7) to possess | 10) economic environment | 13) failure |
| 8) machinery | 11) to assume | 14) efficiency |
| 9) prerequisite | 12) success | 15) intangible |

1) Consult a dictionary and write out the transcription and Russian equivalents of these words. Then practice reading them.

2) Use the words from the Key Vocabulary to fill in the gaps in the following sentences:

a) To be a successful _____ you need to know how to start your own business, get profits, hold negotiations, etc.

b) A simple example of _____ is when your company is doing well and making profits.

c) Services are called _____ because you can get them but not touch.

d) Each new _____ shouldn't stop you on your way to success, on the contrary — it will give you valuable experience.

e) Every applicant should not only look smart but also _____ the necessary skills and knowledge.

f) We have a limited amount of resources which means that they are _____.

g) Can we say that _____ represents the circumstances in which businesses and individuals interact?

h) There is a strong and obvious connection between _____ and _____ for a particular product or service.

i) _____ goods are not very popular among this social group because they cost too much.

j) There are _____ examples of start-ups which failed within the first year.

3) Make 3-5 sentences of your own with the words (groups of words) from the Key Vocabulary. Work in pairs or small groups and let your partner(s) translate the sentences.

3. Reading

Read the following text and write its detailed plan. Compare and discuss your plan with a partner.

Economics

Part 1

Economics is often described as a body of knowledge or study that discusses how a society tries to solve the human problems of unlimited wants

and scarce resources. As economics deals with human behaviour, it is classified as a social science. Dealing with human problems, it can't be an exact science. That's why we may find different views and descriptions of economics. In this article, we will give an overview of the elements that constitute the study of economics: wants, needs, scarcity, resources, goods and services, economic choice, and the laws of supply and demand.

Every person makes numerous economic decisions every day of his or her life. This occurs when we decide whether to cook a meal at home or go to a restaurant, to purchase some new jewelry or put the money in the bank, to rent a house or purchase it, etc.

Wants, Needs and Scarcity

One of the main problems our society faces is that people have unlimited wants while resources are scarce.

A resource is said to be scarce when there is not enough of it to satisfy human wants. At the same time, human wants are endless. Because of unlimited wants and limited resources to satisfy those wants the problem of scarcity appears and demands adequate economic decisions.

Resources

Economic resources, often called factors of production, are divided into four major categories. They are land, labour (human resources), capital, and entrepreneurship.

Land does not only mean the ground. It also includes the resources that come from the land. For example, trees that grow on the land are used to produce paper, furniture and many other products. That's why trees are also a part of land.

Labour (human resources) means the human effort that is used to produce goods and services. It includes physical labour, such as planting and growing trees, building a factory or repairing a vehicle. In addition to physical labour, there is mental labour, which includes such activities as planning the best ways to grow trees and choosing which trees to plant.

Capital is input that is often viewed in two ways. Capital might be viewed as human capital — the knowledge, skills, etc. that allow people to produce goods and services. The other type of capital is physical, which includes buildings, machinery, tools, and other items that are used to produce goods and services.

Entrepreneurial abilities (often thought of as the fourth factor of production) are needed to improve what we have, to achieve success in business, and to create new goods and services. An entrepreneur is the one who brings together all the resources of land, labour, and capital that are needed to produce a better product or service.

Many people associate entrepreneurship with creating or owning a new business. But an entrepreneur may also create a new market for something that already exists or push the use of a natural resource to new limits in order to maximise efficiency and minimise consumption.

Goods and Services

An entrepreneur needs land, labour, and capital to produce goods and services that will ultimately be used to satisfy our wants.

Goods are tangible, which means that they can be seen or touched. The production of goods requires the use of limited resources to satisfy wants.

Services are provided in numerous ways and are an intangible activity. The service is not something that we can pick up and take home to use. The possible examples of services can be teaching, nursing, haircutting, etc.

It is important to understand the idea that goods and services are also scarce because they utilise resources (materials, equipment, and workforce) that are limited. Scarcity results when the demand for a good or service is greater than its supply. Remember that society has unlimited wants but scarce resources. That's why it is scarcity that causes consumers to make economic choices. If individuals can't have everything they want, they must decide which of the goods and services are most important and which they can do without.

4. Comprehension Check

1) Use the contents of the text and answer the following questions:

- a) Why is economics classified as a social science?
- b) Which resource can be called scarce?
- c) What are the four major categories of resources?
- d) What are the two categories of labour?
- e) What are the two types of capital?
- f) Which goods are called tangible?
- g) When does scarcity happen?

2) According to the text, are these sentences true or false? If they are false, explain why.

- a) Economics is an exact science.
- b) Only economists are involved in making economic decisions.
- c) Economic wants and needs mean the same.
- d) As an economic resource, land means only ground.
- e) Human capital is about the number of workers.

3) Find the words in the text that mean the following:

- a) the accomplishment of an aim or purpose
- b) to make or become better
- c) personal ornaments, such as necklaces, rings, or bracelets, that are typically made from or contain precious metal
- d) a thing used for transporting people or goods
- e) insufficient for the demand
- f) the necessary items for a particular purpose
- g) a person who sets up a business or businesses, taking on financial risks in the hope of profit

- h) the quality of being able to do a task successfully, without wasting time or energy
- i) a large building where machines are used to make large quantities of goods

5. Listening

- 1) Listen to the first recording and say what basic questions economics asks.
- 2) Listen to the second recording about the spheres where economists work and fill in the following table.

Sphere	Economists' tasks
1.	
2.	
3.	

- 3) Listen to the third recording about positive and normative economics. What is each of them about? What questions does each of them answer?

6. Grammar

Types of Questions

Consult the Grammar Reference section in the Appendices and complete the following tasks.

- 1) Ask all possible questions to the given sentence. Follow the suggested order: all Special Questions + General, any Alternative and Disjunctive. Add the answers to the questions.

Yesterday at about 6 p.m. they were having dinner with their clients in an Italian restaurant (11 questions).

- 2) Think of your own sentence and let your partner or group mates ask as many questions as possible on its basis.

7. Vocabulary Development

- 1) Here is the second part of the article about economics.

Task 1. Read the text and fill in the gaps (marked with LETTERS) with the words from the table below.

potential recipients	improvements in technology	improve and expand
effort	labour	benefits
acquire	efficiency	division

Task 2. Some of the statements in the text are supported by examples. Fill in the gaps (marked with FIGURES) in the article with the examples which are listed below.

a) If a farmer is growing wheat to be sold for the production of bread, there is a point at which adding additional fertiliser to the soil would do no good. The way to increase the wheat production is to find different resources to make the crop better, such as irrigating the land to provide more moisture.

b) ...a studying student is asked to help someone clean a garage. If the person offers to pay the student \$50 to clean the garage and the student chooses to study, the opportunity cost is \$50.

c) Someone owns a car and their friend doesn't own a car but can drive. The friend needs transportation regularly for a week. It happens to be a time when the car owner will be away on a business trip and therefore doesn't need the car. It makes no sense for the friend to buy a car for such a short period of time, so the owner loans the friend the car for that week.

d) If the farmer wants to increase wheat production in the future, something will have to be given up now in order to increase the resources available for future production.

e) ...if someone is planning to relocate to a new city to start a new job and wants to sell a house before the move in order to be able to purchase a new house in the new location, the person may sell the house for less than the market price in order to complete the process.

f) A student is studying hard for a final examination in a difficult course because a good exam score is critical to achieve the desired grade. Friends invite the student out for the evening. The alternatives are to study or to go out. Being wise, the student selects studying instead of going out. It is difficult to measure the opportunity cost of having fun with friends.

Economics

Part 2

Economic Choice

Opportunity Cost. We have to make economic decisions because of limited resources. Alternatives must be considered. People make such decisions based on expecting greater a)_____ from one alternative than another. Such choice involves an opportunity cost which is the benefit that could be received from the alternative that is not selected.

An opportunity cost can't always be measured, because it might be satisfaction that is lost. At other times, however, it can be measured. Here are examples of each. 1)_____. In the second example, 2)_____. In both examples, opportunity cost is directly related to what was given up.

Circumstances also play a role in an opportunity cost. Sometimes people are forced into a decision because of circumstances and the results may not always be optimal. For example, 3)_____. The opportunity cost is the value of what was given up in order to be able to purchase a new home.

b)_____ is the primary element in deciding what to produce and how to go about the production process. It means producing with the least amount of expense, c)_____, and waste, but not without cost. If you take something away from a person to satisfy another person, one will be less happy and the other will be happier. If a way can be found to make one person happier without making the other person less happy, this would be efficient.

An example of economic efficiency might be the following. 4)_____. Economic efficiency has occurred in this situation. If the car owner had not loaned the car to the friend, there would have been waste because the friend would have had to buy or rent a car. It is wasteful to fail to take advantage of opportunities in which there is no loss of satisfaction to either party.

Production efficiency is a situation in which it is not possible to produce any more units of a good without giving up the opportunity to produce another good unless a change occurs in available productive resources. 5)_____.

In the above example, it was suggested that different or additional resources might be used to increase production. This is necessary only after efficiency has been achieved. Additional resources would have to come from land, d)_____, capital, or entrepreneurship. It is most common that capital will be used most often to increase production.

Capital is productive input that is increased by people. This is known as investment. Investment involves giving up what might presently be consumed in favour of producing something to consume in the future. 6)_____.

Increasing human capital is critical to increasing production. This means that the knowledge and skills of humans must be increased. This can happen because of e)_____ and new ways of satisfying wants. This involves the entrepreneurial factor that was described previously — the human element that figures out ways to f)_____ the resources that already exist.

Product Distribution. The economic system must decide how to divide the products that are produced among the g)_____. Sometimes products can be divided equally among recipients, but usually this is not so. It must then be determined how the h)_____ will take place. In a capitalistic economic system, distribution is often determined by wealth. If two people have the same wants, the person who can most afford something will be able to i)_____ it.

2) Here is the third part of the article about economics. Read the text and summarize its contents to describe the chart that goes after the text.

Economics

Part 3

The Laws of Supply and Demand

Our decisions about production and supply depend on the demand for goods and services. Why might fur coats cost less in summer? This is because

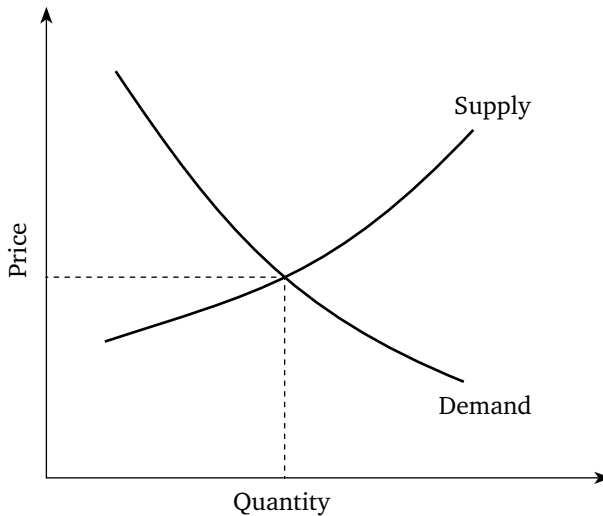
people normally do not wear fur coats when it's warm. But as soon as the cold weather comes, the prices of fur coats begin to rise rapidly.

The **law of demand** states that during a specific period of time the quantity of a product that is demanded is inversely related to its price, as long as other things remain constant. The higher the price, the lower the demand. And vice versa.

When prices are too high, the demand for a product or service may get lower if consumers find a suitable substitute. For example, if we see an item with a designer label which costs a lot, we may prefer to find and purchase a similar item that does not have a designer label and costs less.

The **law of supply** states that the greater the demand is, the more products or services will be supplied; the lower the demand is, the less produce will be supplied. The amount that will be supplied depends on capacity and willingness to supply the product at a specific price.

How does a producer know how much to produce and what price to charge for the goods and services? The demand for and supply of goods and services can be plotted on graphs. The curves of supply and demand meet in the point that is called the **equilibrium price**. In this point everything that is produced (supplied) will be demanded. If the price is below equilibrium, there is a shortage because people buy more products. If it is above equilibrium, there is a surplus because consumers are less willing to get products for such price.



8. Skills Focus

Work alone or together with one of your group mates. Your task is to role-play a 5-minute lecture on the topic: “Economics overview”. Use the material of the section “Useful Advice and Phrases for Making Successful Presentations”.

Notes:

- 1) If you work in a group, share the tasks among all the members.
- 2) Make use of the vocabulary and the information of the Unit.
- 3) Also use all other possible sources of information (Internet, newspapers, magazines, text books, etc.).
- 4) Prepare some visual demonstration, for example, a PowerPoint presentation.
- 5) Support the material of the lecture with your own examples.
- 6) Try to make the lecture not only informative, but also interesting to the audience.
- 7) Think of some questions to ask the audience in the end to check their understanding of the issue.
- 8) Deliver the lecture.

9. Writing

- 1) Write a summary covering the information of the Unit, using 100—150 words. Make use of the active vocabulary.
- 2) Render into English the following passage. In the end write one more paragraph of your own to express your ideas and/or make a conclusion.

Что такое экономика?

Экономика занимается вопросами производства, распределения, обмена и потребления товаров и услуг. Как наука, экономика изучает варианты наиболее эффективного использования имеющихся ограниченных ресурсов с учетом неограниченных потребностей.

В основе экономики — производство товаров и услуг, которые являются предметом торговли, обмена и потребления. Само производство требует инвестиций в виде капитала и других материальных и нематериальных ресурсов.

Распределение предполагает предоставление ограниченных ресурсов различным экономическим субъектам. При этом учитываются экономические возможности как производителя, так и потребителя.

Обмен — это сложная система продвижения продукции от производителя до потребителя, включающая транспортировку, кредитование, страхование, рекламу, оптовую и розничную торговлю и т.д.

Потребление — это использование товаров и услуг для удовлетворения собственных потребностей.

Так как ресурсы производства являются ограниченными, а человеческие потребности фактически безграничны, необходимо рационально использовать и распределять имеющиеся ресурсы. Эти и другие задачи определяют приоритетные направления экономической науки и практики.

10. Supplementary Reading

1) Anthony M. Criniti IV. (2014) *The Most Important Lessons in Economics and Finance: A Comprehensive Collection of Time-Tested Principles of Wealth Management*. Criniti Publishing.

2) Lawrence H. White. (2012) *The Clash of Economic Ideas*. Cambridge University Press.

3) Gregory N. Mankiw. (2014) *Principles of Economics*, 7th ed. Cengage Learning.

4) Stephen Mankiw, Kevin H. O'Rourke. (2010) *The Cambridge Economic History of Modern Europe*, 2-Volume Set. Cambridge University Press.

Unit 2

BEING AN ECONOMIST. JOB INTERVIEW

“Greedy then as the economist must be for facts, he must not be content with mere facts. Boundless as must be his gratitude to the great thinkers of the historic school, he must be suspicious of any direct light that the past is said to throw on the problems of the present.”

Alfred Marshall, 1842-1924,
English economist

1. Starting up

- 1) **Work in pairs or small groups and discuss the following questions:**
- When did you first begin to study Economics?
 - What was your first impression of the discipline?
 - Did you decide at that moment, that you would connect your future with Economics?
 - What kept you interested in the subject until you entered the university / college?
 - After graduation, do you plan to work in the economic sphere or will Economics be just a helper to you in some other areas?
- 2) **What makes a good economist to your mind? What about the best one? Make a list of the most important qualities that can help become a real specialist and achieve much in the world of Economics. Compare your ideas with the group mates.**

2. Key Vocabulary

- | | |
|----------------------|----------------------------|
| 1) assumptions | 9) unintended consequences |
| 2) degree | 10) useful |
| 3) requirement | 11) to fail |
| 4) to major | 12) valuable |
| 5) to appeal | 13) promotion |
| 6) variety | 14) impact |
| 7) to apply | 15) literate |
| 8) to make decisions | 16) society |

- 1) Consult a dictionary and write out the transcription and Russian equivalents of these words. Then practice reading them.
- 2) Use the words from the Key Vocabulary to fill in the gaps in the following sentences:
- a) Last year our company spent a lot of money on advertising and _____ to get above water.
 - b) It's _____ to know languages if you work in a multinational company.
 - c) We all made the _____ that the new company would fail. Finally, we were right.
 - d) Because of the scandal, our CEO had to _____ to headquarters for a transfer.
 - e) It's the _____ of tasks that makes my job so interesting.
 - f) This candidate does not meet the _____ that secondary school should be completed.
 - g) The last economic crisis had a dramatic _____ on our business.
 - h) We had some problems dealing with the _____ of our partners' actions.
 - i) All business people need to be financially _____ not to get in trouble.
 - j) Our business partners often _____ to comprehend the seriousness of the problem.
- 3) Make 3-5 sentences of your own with the words (groups of words) from the Key Vocabulary. Work in pairs or small groups and let your partner(s) translate the sentences.

3. Reading

Task 1. Before you read the following text, think of the reasons that made you choose to study Economics.

Task 2. Read the article, which represents the thoughts of some economist about this question, and compare your arguments with those from the text.

While reading, fill in the gaps with the words from the table below.

equity markets	good-paying job	get a promotion	impact
unintended consequences	economically literate	government policies	social programme
consumer	master	appeal	wealthy life

Task 3. Join your group mate(s) and discuss the suggested reasons together. Make a list of 3 most popular ones.

Why Economics?

Why do many people want to study Economics? Let's discuss some major reasons.

1. It's interesting and you like it!

Nobody should study the subject if they don't enjoy at least some of its aspects. You shouldn't study Economics only because you are sure it's the best way to a a)_____. In this case you're likely to dislike the course and finally fail it. Even if you stay up to the end of the programme and graduate, you may dislike the jobs your degree will offer you.

However, it's not a requirement that you adore every aspect of the discipline. For example, you may enjoy Microeconomics, Industrial Organisation, and Game Theory but dislike Econometrics. What is necessary is that the topics that you like should help you b)_____ the ones that you find difficult or simply do not like.

2. Numerous job opportunities.

Economics graduates are not always guaranteed a c)_____ but their chances to get the one are much higher. If you major Economics you can work in a wide variety of different fields, for example, finance and banking, public policy, civil service, sales and marketing, insurance, etc. You have great chances to find the job that will really d)_____ to you. You can also do further studies in Economics, Political Science, Business, or a variety of other fields.

3. Economics may be very helpful at a personal level in our everyday life.

When you study Economics you are given a lot of skills and knowledge that can be applied to various spheres of life. For example, if you know a lot about interest rates, exchange rates, numerous economic indicators and e)_____, you will definitely make better decisions about investing and getting mortgages. Economic skills also can make you more attractive and valuable to business and help f)_____ much faster.

4. Economics teaches us to analyse, make assumptions, predict, and conclude.

Economics trains us to understand and spot possible g)_____ and secondary effects. As a matter of fact, most economic issues have secondary effects which are necessary to be taken into account. A good example is taxes. When a government introduces a new tax to support some important h)_____, the secondary effect may be that many taxpayers may get disappointed and start to complain.

5. Economics will show and explain how the world actually works.

During your course of Economics, you will learn about the i)_____ that decisions have on the company, industry, and national level. You will find out more about positive and negative sides of globalisation, discover

the effects of j) _____ on the economy as a whole and its separate members. Being k) _____ will help you make more conscious decisions as both a l) _____ and producer.

4. Comprehension Check

1) According to the text, are these sentences true or false? If they are false, explain why.

- a) To enjoy Economics you should like every aspect of it.
- b) If you get an Economics degree, you are guaranteed a great job.
- c) An Economics degree will let you work in different fields.
- d) The basic aim of Economics is to tell people what to think and to do.

2) Find the words in the text that mean the following:

- a) a number of different kinds or examples of the same thing
- b) activity that supports or encourages an employee
- c) a compulsory contribution to state revenue, imposed by the government on worker's income and business profits, or added to the cost of some goods, services, and transactions
- d) the branch of economics concerned with the use of mathematical methods (especially statistics) in describing economic systems
- e) able to read and write
- f) to complete successfully a course of training or high school
- g) things that are accepted as true or as certain to happen, without proof

5. Listening

1) Listen to the first part of the interview with an economist and answer the questions:

- a) What is an economist according to the interviewee?
- b) What types of Economics does he mention?

2) Listen to the second part of the interview and answer the questions:

- a) What career paths in Economics are mentioned?
- b) What skills shall an economist possess?

6. Grammar

Tenses: Present

Consult the Grammar Reference section in the Appendices and complete the following tasks.

1) Complete the sentences using the verbs in brackets in the suitable Present forms.

- a) Next month we _____ (to move) part of our business abroad.
- b) You always _____ (to interrupt) me! I don't like it!
- c) I never _____ (to deal) with such type of problems before.
- d) In every bargain we _____ (to respect) our partners.
- e) She _____ (to work) on this position for two years already and never _____ (to make) any mistakes.
- f) If they _____ (to accept) our proposal next week, we will be ready to start the negotiations.
- g) Mr. Smith can't talk to you right now. He _____ (to hold) a meeting with the representatives of SKG company.

2) Translate the sentences using the suitable Present forms.

- a) Вы уже подписали контракт с поставщиками комплектующих?
- b) Мы только что договорились, что они присоединятся к нам около пяти.
- c) В этом месяце мы работаем над проектом договора с нашей партнерской компанией.
- d) Мы работаем совместно с компанией ProAvia уже 10 лет и действительно ценим наше сотрудничество.
- e) Мы собираемся обсудить этот вопрос в следующий раз.
- f) Каждый год мы готовим подробный отчет для наших инвесторов.

7. Vocabulary Development

1) Read the abstract from the book of the famous economist Maynard Keynes on how to be a good economist. What do you think about the given viewpoint? Do you agree with the author or not? Why?

The study of economics does not seem to require any specialised gifts of an unusually high order. Is it not, intellectually regarded, a very easy subject compared with the higher branches of philosophy and pure science? Yet good, or even competent, economists are the rarest of birds. An easy subject, at which very few excel! The paradox finds its explanation, perhaps, in that the master-economist must possess a rare "combination" of gifts. He must reach a high standard in several different directions and must combine talents not often found together. He must be mathematician, historian, statesman and philosopher — in some degree. He must understand symbols and speak in words. He must contemplate the particular in terms of the general, and touch abstract and concrete in the same flight of thought. He must study the present in the light of the past for the purposes of the future. No part of man's nature or his institutions must lie entirely outside his regard. He must be purposeful and disinterested in a simultaneous mood: as aloof and incorruptible as an artist, yet sometimes as near the earth as a politician.

(Keynes J. M. *Alfred Marshall, 1842—1924*. In: *Memorials of Alfred Marshal*, edited by Pigou A.C., 1925, p. 12.)

2) Here is a list of skills and qualities which ideally every economist should possess. Work with your group mates and discuss the suggested points. Compare them with the list you have already made in Starting up. Do you possess all these things? Do you plan to gain some in the future?

Skills & Knowledge

Economists need to have:

- knowledge of economic methods and theories;
- the ability to keep up to date with economic, social and technological developments, and politics and current affairs;
- knowledge of economic ideas and trends;
- knowledge of maths, including statistics, for using methodologies to think about the world and specific issues;
- skill in analysing and interpreting figures;
- research skills;
- problem-solving skills;
- decision-making ability;
- good oral and written communication skills, including skill in expressing ideas clearly and concisely;
- good time and project management skills;
- marketing and presentation skills.

Personal Qualities

Economists need to be:

- accurate and patient;
- confident and motivated;
- good listeners;
- able to work well under pressure;
- able to accept criticism;
- able to keep information private.

3) Good economists deserve good jobs. Here is an article about job interview tips which are likely to help you succeed and get the position you apply for.

Task 1. Read the text and fill in the gaps with the words from the table below.

employer’s needs	suit the role	job description	skills, talents, and abilities
weaknesses	confident	worth hiring	strengths
resume	honest	fix	right fit

Task 2. Suggest a heading for each tip.

Task 3. Discuss the given tips with your group mates. Can you suggest any other useful tips?

How to Win Job Interviews?

Here are four major job interview tips that can really help.

1. _____

You should be a) _____ at a job interview simply because you got the interview. Someone saw something in your b) _____, your online presence or they heard something about you that made them invite you in for an interview. This means you at least have a chance to show them why you're the c) _____ for their needs. If you don't walk in believing in yourself, it's going to be a lot tougher to make them believe in you.

2. _____

Even though it might feel like the interview is all about you, it's really about the d) _____. The employer has a role to fill at its organisation. That role will perform specific tasks for the organisation and will therefore require, whomever fills, it to bring certain e) _____ to the table. You must remember to focus your conversation on learning their needs and explaining how you've got what they need.

3. _____

To focus on how you've got what they need, you should talk about the stuff you're good at that would allow you to f) _____ that they need filled. Focusing on your g) _____ — what you're good at and bring to the table — will help to get this message across. Do not focus on the parts of the job that are your h) _____. Don't even bring them up. Dwelling on what you don't bring to the table will only hurt you. For all you know, they've decided those specific details in the i) _____ aren't really that important anyway. If they bring up your weaknesses, discuss them (see below) but then return to focusing on what you do bring to the table.

4. _____

Try to be absolutely j) _____ about what you bring to the table and what you don't. But concentrate mainly on what you do bring. If your interviewers ask about something you'd prefer not to talk about, don't panic! Just be honest. They may decide that you're still k) _____ despite any weaknesses. Maybe it's a small weakness that you could even l) _____ before you start the job.

8. Skills Focus

Work in pairs and role-play a job interview.

Student A: You are an interviewee applying for a position of an economist in a huge company. Think of the answers to the questions given below. Get ready to answer some other questions as well. Your main target is to get the job in question.

Student B: You are an interviewer. You work in an HR department of a huge company. Your task is to ask the applicant different questions and make sure

that you are going to hire the right person. You may ask the questions given below (or use the Appendices) but also think of some questions of your own.

Possible questions for the interview:

1. Why have you chosen this company?
2. Why have you decided to work in an economic sphere?
3. What are your strong points?
4. What are your weak points?
5. How do you see yourself in 5 years?
6. Why do you think you are the right person for this company?
7. Are you a team player or a single player?
8. Where did you work before?
9. Why did you leave the previous job?
10. Have you ever broken the law?

9. Writing

- 1) Study the examples of CVs and a covering letter in the Writing File (see the Appendices) and write your own Chronological CV and a covering letter. You may write as a real person to a real company or use your imagination. Your main target is to follow the given templates.
- 2) Render into English the following passage. In the end write one more paragraph of your own to express your ideas and/or make a conclusion.

В круг основных задач экономиста входят анализ и контроль функционирования всех компонентов сложного механизма предприятия. Экономисты планируют выпуск продукции, основываясь на результатах исследования рынка, рассчитывают затраты на производство и прогнозируют возможные прибыли, стимулируют и повышают производительность труда. Однако экономисты не только собирают необходимый статистический материал, сводят его в таблицы, считают, планируют, но и сами часто являются организаторами производства.

Какими же качествами должен обладать будущий экономист? Прежде всего, это внимательность и концентрация, умение работать с большими объемами информации. Каждый экономист должен быть стрессоустойчивым, логичным и конструктивно мыслящим человеком, умеющим также принимать важные и ответственные решения. Не менее важное и очень полезное качество экономиста — обладание организаторскими способностями. Большим преимуществом может стать способность к быстрому освоению иностранных языков.

10. Supplementary Reading

1) William A. McEachern. (2013) *Microeconomics: A Contemporary Introduction*. South-Western Cengage Learning.

- 2) Matthew Bishop. (2009) *Essential Economics: An A to Z Guide*, 2nd ed. The Economist Books Ltd.
- 3) Roger A. Arnold. (2011) *Economics. New Ways of Thinking*. EMC Publishing.
- 4) Brett Romero. (2013) *Career Forward: Do You Need an MBA to Succeed?* Amazon Digital Services, Inc.

Unit 3

MACRO- AND MICROECONOMICS.

THE SECTORS OF THE ECONOMY

“Microeconomics concerns things that economists are specifically wrong about, while macroeconomics concerns things economists are wrong about generally. Or to be more technical, microeconomics is about money you don’t have, and macroeconomics is about money the government is out of.”

P.J. O’Rourke, born in 1947,
American political satirist, journalist and
writer

1. Starting up

- 1) How can you define the meaning of “micro” and “macro” in general?
- 2) How may it refer to economics? If you already know something about macro- and microeconomics, share it briefly with your group mates. If don’t, then feel free to make guesses.

2. Key Vocabulary

- | | | |
|---------------------------------|-----------------|-------------------|
| 1) gross domestic product (GDP) | 6) revenue | 11) profit |
| 2) unemployment | 7) to estimate | 12) marginal cost |
| 3) to purchase | 8) to determine | 13) homogeneous |
| 4) policy | 9) fluctuations | 14) startup |
| 5) measures | 10) output | 15) survey |

- 1) Consult a dictionary and write out the transcription and Russian equivalents of these words. Then practice reading them.
- 2) Use the words from the Key Vocabulary to fill in the gaps in the following sentences:
 - a) According to our experts’ _____, the overall world trade has also weakened.

- b) It is increasingly difficult for large investors to identify the _____ that has true potential.
- c) Everybody was pleased with the _____ of the negotiations because the compromise was finally achieved.
- d) Our business managed to survive the crisis due to our flexible _____ — we adapted to every new change in the economy.
- e) Last year we made a huge _____ on trading our shares.
- f) We could observe the _____ in prices because of the unstable situation on the market.
- g) The builders _____ the cost of repairing the roof at \$1,000.
- h) We had to take urgent _____ to prevent their business from bankruptcy.
- i) Their _____ is comparatively high but numerous taxes reduce the benefits significantly.
- j) They say we won't have any problems with hiring new personnel as the level of _____ in this city is pretty high.

3) Make 3-5 sentences of your own with the words (groups of words) from the Key Vocabulary. Work in pairs or small groups and let your partner(s) translate the sentences.

3. Reading

Task 1. Read the text and fill in the gaps with the words from the table below.

structural	frictional	prosperity	seasonal
costs of production	pure competition	households and firms	wages and raw materials
potential sources of income	increase of GDP	marginal cost	total economic spending
tax incentives	recession	profit	fluctuations
revenue	monopoly	inflation	oligopoly
unemployment	statistics	cyclical	policy makers

Task 2. Which of the two areas of Economics would you like to work in? Discuss your choice with the group mates and give arguments.

Macroeconomics and Microeconomics

There are two basic areas of Economics: Macroeconomics and Microeconomics. Macroeconomics analyses the economy as a whole. Microeconomics refers to the economic study of individual a) _____, which are treated as separate components of the whole economy.

Macroeconomics

Macroeconomics deals with the questions of unemployment, gross domestic product (GDP) and business cycles.

Macroeconomists study b) _____ to work out methods to control this serious economic problem. Usually it is the Department of Labour (or other suchlike organisations) that estimates the level of unemployment in the economy by analysing the c) _____ from monthly, quarterly and annual surveys.

When there is unemployment on the labour market the economy loses some part of its production while individuals lose their d) _____. There are several types of unemployment. e) _____ unemployment means that people who are not employed have been fired or have quit their job. f) _____ unemployment follows the cycles of the economy. For example, during a g) _____, some employees are laid off because production needs are reduced. h) _____ unemployment occurs when a job is left vacant because a worker does not have the necessary skills or does not live where there are available jobs. i) _____ unemployment happens because some employees are hired only during certain times of the year.

It is the government that can help reduce the rates of unemployment by increasing levels of spending by consumers, businesses and the government itself. The nation's j) _____ may also lower some taxes or give some k) _____, which will make available more money to purchase goods and services. Such measures can allow employers get more laid-off workers back to work.

The level of GDP is determined by l) _____, which includes consumer, business, and government spending. It is the market value of all final products produced in a year's time. This statistic is one of the most significant measures of economic performance. The m) _____ shows that the economy is growing. But the level of GDP shouldn't be too high or grow too rapidly because in this case n) _____ occurs. If GDP is too low, an increase in unemployment may appear.

Macroeconomists also need to analyse and understand the o) _____ that happen in total economic activity. These changes are known as business cycles. There are four phases of a business cycle: prosperity (peak), recession, trough and recovery. The length and duration of each cycle varies. From its highest point, p) _____, to its lowest point, trough, these phases are marked by increases and decreases in GDP, unemployment, demand for goods and services, and spending.

Microeconomics

Separate components of the economy, such as costs of production, maximising profits, and the different market structures, refer to the sphere of Microeconomics.

Business firms are the suppliers of goods and services, and most firms want to make a profit; in fact, they want to maximise their profits. Firms must determine the level of output that will result in the greatest profits. q)_____ play a major role in determining this level of output. They include fixed costs and variable costs. Fixed costs are costs that do not vary with the level of output, such as rent and insurance premiums. Variable costs are costs that change with the level of output, such as r)_____. Therefore, total cost equals total fixed costs plus total variable costs ($TC = TFC + TVC$). s)_____, which is the cost of producing one more unit of output, helps determine the level at which profits will be maximised. It measures the change (Δ) in total cost when there is a change in quantity (Q) produced ($MC = \Delta TC / \Delta Q$). Firms must then decide whether they should produce additional quantities or not.

t)_____ is the money a firm gets after selling its product or service. It is a part of the profit equation. Total revenue minus total costs equals u)_____. The additional revenue that results from producing and selling one more unit of output — marginal revenue — is also very important. As long as marginal revenue is greater than marginal cost, a firm can continue to maximise its profits.

There are four basic categories of market structures in which firms sell their products. v)_____ includes many sellers, a homogeneous product, easy entry and exit, and no artificial restrictions such as price controls. A w)_____ is the opposite of pure competition and is characterised by a single firm with a unique product and barriers to entry. An x)_____ has few sellers, a homogeneous or a differentiated product, and barriers to entry such as high startup costs. The fourth market structure is monopolistic competition which includes many sellers, differentiated products, easy entry and exit, and non-price competition.

4. Comprehension Check

Use the contents of the text and answer the following questions:

- a) What basic types of unemployment are mentioned in the article?
- b) What does each type of unemployment depend on?
- c) How can the government help lessen the problem of unemployment?
- d) What is GDP? Why is it necessary to estimate its level?
- e) What happens if GDP fluctuates?
- f) What are the phases of the business cycle?
- g) What are the types of production costs?
- h) What is marginal cost? Why is it necessary to be estimated?
- i) What is the difference between revenue and profit?
- j) What are the four basic categories of market structures? Characterise each of them briefly.

5. Listening

1) Listen to the first part of the lecture and answer the questions.

- What questions can Macroeconomics help to answer at a business and professional level?
- What questions can it answer at a personal level?
- What problem is mentioned in each of the examples?
- Why is it important to be good at Macroeconomics even for the best managed companies?

2) Listen to the second part and answer the questions.

- What did Jane want to purchase? What did she choose between?
- What economic decision did she make?
- What was the problem?
- How could Jane have avoided the tragedy?

6. Grammar

Tenses: Past

Consult the Grammar Reference section in the Appendices and complete the following tasks.

1) Complete the sentences using the verbs in brackets in the suitable Past forms.

- They wanted to change some terms of the contract which they _____ (to discuss) before.
- He _____ (to open) his safe and _____ (to find out) that somebody _____ (to take) the documents.
- Unfortunately, we _____ (to have, not) time to respond to your application yesterday.
- He _____ (to work) for twelve hours without breaks when he felt really tired and went home.
- He _____ (to leave) the office by the time I _____ (to get) there.
- While you _____ (to have) lunch, I _____ (to prepare) the draft of our report.
- He entered the conference room. Everybody _____ (to talk), Jack _____ (to try) to explain something on the blackboard, Sam _____ (to hand out) the copies of the portfolio to the staff.
- She said she _____ (to lose) all the money.
- You _____ (to meet) him in the office yesterday?
- What you _____ (to do) between 4 and 6 p.m. yesterday?

2) Translate the sentences using the suitable Past forms.

- Мы сотрудничали с компанией ProMobile уже в течение 15 лет, когда решили сменить оператора.

b) В прошлом году наша компания заработала около 30 миллионов долларов.

c) Когда он вышел вечером из офиса, он вдруг понял, что забыл утром переслать отчет директору.

d) Он принял наше предложение, но попросил десятипроцентную скидку.

e) Вчера, когда мы обсуждали бюджет на следующий год, позвонил один из наших важных клиентов и нам пришлось сделать перерыв.

f) Она выглядела уставшей. Я был уверен, что она печатала отчеты всю ночь.

g) Я не заметил ничего странного. Он достал свою чековую книжку, подписал чек и отдал его мне.

h) После того как я закончил работу в офисе, я решил прогуляться.

i) Мы ждали нашего клиента уже около двух часов, когда он наконец-то пришел.

j) Когда я увидел нашего нового управляющего, я понял, что где-то уже с ним встречался.

7. Vocabulary Development

1) You will read the article about the sectors of the economy.

Task 1. Read the text and fill in the gaps with the numbers of the sectors of the economy listed below.

- quarternary
- primary
- tertiary
- quinary
- secondary

Task 2. Arrange the activities given below in columns according to the sectors of the economy they are associated with. Can you add any other activities to the list?

agriculture, banking, metal working and smelting, restaurants, mining, automobile production, forestry, the highest levels of decision making in a society or economy, government, farming, media, transportation, engineering, grazing, shipbuilding, information technology, libraries, hunting and gathering, healthcare, textile production, entertainment, fishing and quarrying, law

Primary sector	Secondary sector	Tertiary sector	Quaternary sector	Quinary sector

Sectors of the Economy

National economies may usually be divided into the following main sectors:

1. The _____ sector that includes the production, processing and packaging of various raw materials and basic foods. In fact, in many developed and developing countries, a decreasing amount of workers is involved in this sector.

2. The _____ sector manufactures finished goods.

3. The _____ sector is, actually, the service industry. It provides different services to individuals and businesses.

4. The _____ sector refers to intellectual activities of both individuals and businesses.

5. Some economists point out one more sector which is said to be a branch of the quaternary one. It is called the _____ sector. It includes the top executives or officials that work in such spheres as government, science, nonprofit, healthcare, culture, and the media.

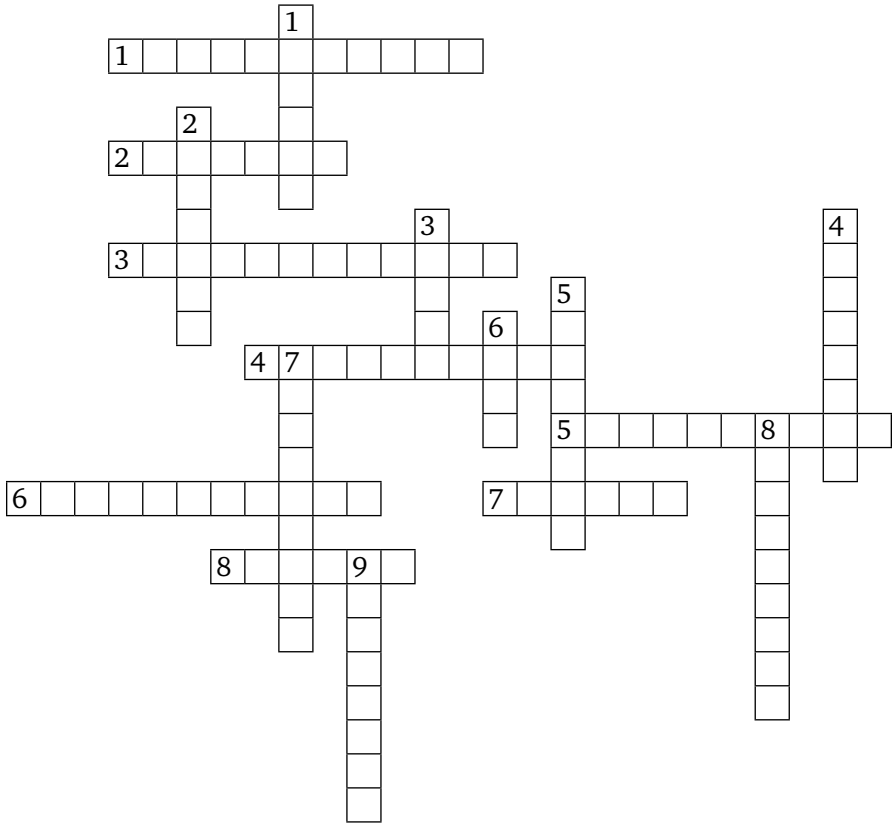
2) Complete the crossword with the words from the Key Vocabulary, Reading and Vocabulary Development sections.

Across:

1. An irregular rising and falling in number or amount; a variation.
2. A newly established business.
3. The situation when people who want jobs cannot get them.
4. All the inhabitants of a particular place.
5. A condition in which a business is doing well financially.
6. Of the same kind; alike.
7. A set of ideas or plans that is used as a basis for making decisions.
8. A financial gain, especially the difference between the amount earned and the amount spent in buying, operating, or producing something.

Down:

1. The amount of something produced by a person, machine, or industry.
2. To gather a crop.
3. The main means of mass communication (television, radio, and newspapers) regarded collectively.
4. To calculate or judge the value, number, quantity, or extent of something.
5. The exclusive possession or control of the supply of or trade in a commodity or service.
6. To dismiss an employee from a job.
7. A state of limited competition, in which a market is shared by a small number of producers or sellers.
8. A period of temporary economic decline during which trade and industrial activity are reduced.
9. To become or make greater in size, amount, or degree.



8. Skills Focus

Work alone or together with one of your group mates. Your task is to role-play a 5-minute lecture on the topic: “Macro- and Microeconomics. The Sectors of the Economy”. Use the material of the section “Useful Advice and Phrases for Making Successful Presentations”.

Notes:

- If you work in a group, share the tasks among all the members.
- Make use of the vocabulary and the information of the Unit.
- Also use all other possible sources of information (Internet, newspapers, magazines, text books, etc.).
 - Prepare some visual demonstration, for example, a PowerPoint presentation.
 - Support the material of the lecture with your own examples.
 - Try to make the lecture not only informative, but also interesting to the audience.
 - Think of some questions to ask the audience in the end to check their understanding of the issue.
 - Deliver the lecture.

9. Writing

- 1) Study the example of a formal email in the Writing File (see the Appendices) and write an email to the Professor who delivered the lecture on the topic: “Macro- and Microeconomics. The Sectors of the Economy Yesterday”. Thank him for coming to your university, write a few words about your impressions and invite the Professor to come with another lecture next week.
- 2) Render into English the following passage. In the end write one more paragraph of your own to express your ideas and/or make a conclusion.

Современная экономика может быть представлена двумя масштабными областями исследования: микроэкономикой и макроэкономикой. Объектом исследования микроэкономики является экономическое поведение индивидуумов, домохозяйств и предприятий. Данный раздел экономики занимается вопросами, связанными с производством, распределением и потреблением конкретных товаров и услуг.

Макроэкономика исследует функционирование экономической системы как единого целого в масштабах всего государства. Объектом изучения макроэкономики являются ВВП и ВНП, экономический рост, общий уровень занятости населения, совокупные потребительские расходы и сбережения, общий уровень цен и инфляция.

10. Supplementary Reading

1) William A. McEachern. (2013) *Microeconomics: A Contemporary Introduction*. South-Western Cengage Learning.

2) Roger A. Arnold. (2011) *Economics. New Ways of Thinking*. EMC Publishing.

3) McGraw-Hill. (2007) *Economics: Principles and Practices*. McGraw-Hill.

4) Olivier Blanchard. (2011). *Macroeconomics Updated*, 5th ed. Englewood Cliffs: Prentice Hall.

5) John Bouman. (2011) *Principles of Macroeconomics — Free Fully Comprehensive Principles of Microeconomics and Macroeconomics Texts*. Columbia, Maryland.

Unit 4

MONEY

“Certainly, there are lots of things in life that money won’t buy, but it’s very funny – Have you ever tried to buy them without money?”

Ogden Nash, 1902-1971,
American poet

1. Starting up

1) **Work in pairs or small groups and discuss the following questions:**

- a) What does money mean for you?
- b) What do you usually spend money on?
- c) Could our society do without money and get back to barter?
- d) What functions does money have nowadays?
- e) They say money can buy everything. Is that true to your mind? Give arguments.
- f) What would you do if you had \$1m dollars?
- g) Finally, is money good or evil? Explain your choice.

2. Key Vocabulary

- | | | |
|---------------|----------------------|---------------------|
| 1) value | 6) to deposit | 11) to encourage |
| 2) coins | 7) to charge a fee | 12) to determine |
| 3) bank notes | 8) to issue receipts | 13) to focus on |
| 4) currency | 9) interest | 14) stocks (shares) |
| 5) goldsmiths | 10) medium | 15) to convert |

1) **Consult a dictionary and write out the transcription and Russian equivalents of these words. Then practice reading them.**

2) **Use the words from the Key Vocabulary to fill in the gaps in the following sentences:**

a) The police found large amounts of gold _____ and precious metal in his house.

b) Hopefully, this promotion will _____ him to continue his way up the career ladder.

- c) If we are going to move part of our business to Japan, we need to _____ dollars into yens.
- d) Money serves as a _____ between a seller and a buyer.
- e) Do you recognise the _____ which you were given in the bank yesterday?
- f) Our company will _____ for providing additional services.
- g) I'd like to save the money. That's why I am going to make a _____.
- h) If you don't know what to mention in the CV, _____ your strengths.
- i) Money is a nice way to measure the _____ of goods and services.
- j) Now you've got a bank account. Does it pay you any _____?
- 3) Make 3-5 sentences of your own with the words (groups of words) from the Key Vocabulary. Work in pairs or small groups and let your partner(s) translate the sentences.**

3. Reading

Read the following text and fill in the gaps with the words from the table below.

value	division of labour	gold and gold coins	double coincidence
converting	goldsmiths	in terms of	precursors
transactions	mixed blessing	barter	reduce

Money

Nowadays money is taken for granted. But what would happen if we didn't have money? We would have to get back to a)_____. It is the process of directly exchanging one good or service for another. If there was no money, we would need at least a b)_____ of wants to barter everything.

The Evolution of Money

Money appeared as an alternative to the complexity of barter. It can be any thing that has c)_____ in an economic community. Historically, such things were shells, stone disks, gold, coins and bank notes.

In the Middle Ages, people usually used d)_____. However, large amounts of gold were very heavy, and people began depositing them for safekeeping with e)_____ who charged a fee for their services and issued receipts, or gold notes, in the amount of the deposits. To exchange such receipts was much simpler and safer than carrying around gold coins. Those goldsmiths were the f)_____ to our modern banking system.

Functions of Money

Let's focus on three major functions of money:

- a medium of exchange
- a measure of value
- a store of value.

With money no barter is needed. We can use money to buy and sell things directly instead of searching for people with suitable wants. Such strategy encourages g)_____ and promotes economic efficiency.

As a measure of value, money makes h)_____ significantly simpler. Instead of determining the value of each good i)_____ all other goods, markets only need to determine the price of each good in terms of money. This helps j)_____ the number of prices significantly.

Money can also serve as a store of value, since it can quickly be exchanged for desired goods and services. Such k)_____ sometimes demands additional transaction costs.

In fact, holding money is a l)_____ because it includes some risks as well. For example, money is a very unsafe store of value during inflation. And it can be stolen or forged.

4. Comprehension Check

1) Use the contents of the text and answer the following questions:

- a) What is a barter?
- b) What were the first notes?
- c) Being a medium of exchange, what positive influence on economy does money have?
- d) What is the benefit of using money as a measure of value?
- e) What is one of the major risks money can take being a store of value?

2) Find the words in the text that mean the following:

- a) exchange (goods or services) for other goods or services without using money
- b) in a sufficiently great or important way as to be worthy of attention
- c) people who make gold articles
- d) to assume that something is true without questioning it

5. Listening

1) Listen to the recording about some basic facts from the history of money and answer the questions:

- a) What was the first money that we know about?
- b) When and where did the first modern coins appear?
- c) Where did the first paper money appear?
- d) When did the first notes appear in Europe?