УМАНСЬКИЙ НАЦІОНАЛЬНИЙ УНІВЕРСИТЕТ САДІВНИЦТВА

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Посібник адресований студентам економічних спеціальностей, які навчаються у вищих аграрних навчальних закладах. Зміст посібника відповідає типовій програмі вивчення іноземної мови у вищих аграрних навчальних закладах, структура забезпечує можливість працювати за кредитно-модульною системою організації навчального процесу та контролю знань.

Посібник складається з семи розділів та глосарія економічних термінів. В кінці кожного розділу додається граматичний довідник, у якому стисло пояснюється граматичні явища.

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ПЕРЕДМОВА

Посібник призначений для студентів економічних спеціальностей, які навчаються у вищих аграрних навчальних закладах. Посібник має практичну і професійну спрямованість і забезпечує комплексне володіння всіма видами мовленнєвої діяльності і всіма аспектами мови в обсязі програмних вимог аграрного вищого навчального закладу. Посібник ставить за мету формування у студентів навичок і умінь самостійного читання оригінальної літератури за фахом, вміння швидко знаходити необхідну інформацію в межах вивченої тематики, вести бесіду, використовувати фахові терміни.

Зміст посібника відповідає типовій програмі вивчення іноземної мови у вищих аграрних навчальних закладах II-IV рівнів акредитації. Структура посібника забезпечує можливість працювати за кредитно-модульною системою організації навчального процесу та проводити контроль набутих знань.

Посібник складається із семи розділів, кожен з яких містить два підрозділи та має чітку будову: вступ; підготовчі лексичні вправи; декілька текстів за фаховою тематикою; вправи, спрямовані на закріплення та активізацію лексики, вжитої в текстах; граматичні вправи, присвячені певному граматичному явищу, яке підлягає вивченню та повторенню згідно програми; діалоги, призначені для активізації та закріплення навичок усного мовлення за темою фахового тексту та за розмовною темою, передбаченою типовою програмою.

Беручи до уваги спеціалізацію аграрних навчальних закладів, у кожному розділі пропонується «Куточок фермера», де студенти ознайомлюються із сільськогосподарськими термінами. Це допомагає студентам, які навчаються в аграрному навчальному закладі, не лише володіти фаховою лексикою зі своєї спеціальності, а і бути обізнаними із термінами, що вживаються у різних сферах сільського господарства.

В кінці кожного розділу додається граматичний довідник, у якому стисло пояснюється граматичний матеріал. Наводяться приклади та переклад речень, що містять аналізоване явище.

У глосарії економічних термінів тлумачаться лексичні одиниці та словосполучення, які містяться в текстах та вправах посібника.

CONTENTS

UNIT 1 ECONOMICS (Sub-unit 1)

The only place where success comes before work is in the dictionary.

Starter	Why people should study economics. The importance of studying economics.
Reading Comprehension	What is economics? Economic systems.
Vocabulary Practice	Key vocabulary
Language Focus	Grammar exercises
Speaking Comprehension	I Talks on economics II Greetings
Farmer's Corner	At the farm
Grammar reference	Noun (the number, the case) Pronoun (personal, possessive, reflexive, indefinite, interrogative)

STARTER

1. There are many agrarian universities in Ukraine. Why do you think it is so?
2. Many people think it is important to study economics. Do you agree?
3. What are the ways of studying economics? How can we study economics?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian translation

1. to satisfy wants	a. робити вибір
2. to face a problem	b. включати в себе
3. to make a choice	c. визначати
4. to compete for	d. стояти перед проблемою
5. to include	e. задовольняти потреби
6. to define	f. конкурувати за

2 Match the synonyms

1. scarcity	a. produce, output
2. to develop	b. a method, a way
3. goods and services	c. to devise, to work out
4. to make a decision	d. deficit
5. an approach	e. a buyer
6. a consumer	f. to decide

3 Match words and phrases with their definitions

1. human wants	a. to develop or work out something
2. science	b. to do/run a business
3. business	c. something that people would like to have
4. factors of production	d. a company or a firm which produces/provides goods or services
5. to create something	e. an aspect of knowledge, a sphere of studying
6. entrepreneurship	f. something necessary to produce goods and services

4 Make the right choice and translate the definitions

1. capital	a. the price for the use of land or other property
2. income	b. the price paid to the labor for the job done
3. wages	c. money earned for doing something
4. ownership	d. things owned (land, home, furniture, car, etc.)
5. profit	e. something created by people to produce other goods and services; business people refer this term to the money they can use to buy factories, machinery, factors of production, etc.
6. property	f. legal possession (right of owning) of something
7. rent	g. the difference between income and expenses

READING

Text A

WHAT IS ECONOMICS?

Human wants are unlimited, but the resources necessary to satisfy them are limited. Every society faces the problem of scarcity, so we all have to make a choice among the things we want.

Economics as the social science describes and analyzes choices among scarce resources to satisfy wants. Economics is a theory how society works. Another definition of economics is “The human science which studies the relationship between resources and the various users which compete for these resources.”

The development of modern economics began in the 17th century. Since that time economists have developed methods for studying and explaining how individuals, businesses and nations use their available economic resources.

Economists have two ways of looking at economics: macro and micro approaches. Macroeconomics is the study of the economy as a whole. Microeconomics is the study of individual consumers and businesses.

The resources which are used to create goods and services are called the factors of production. The factors of production include natural resources, human resources, capital and entrepreneurship. Each factor of production has a place and a particular function in the economic system of a country.

Every society must answer the fundamental economic questions:

- What goods and services to produce
- How to produce goods and services
- For whom to produce goods and services

The way a country answers these questions defines its economic system.

5 Match the terms with their definitions

1. economics	a. an expert in economics
2. economy	b. concerned with economics, money, industry and trade of a country, a region or a social group
3. an economist	c. to save money by spending it very carefully, not buying expensive things
4. to economize	d. science of production and distribution of goods and services
5. economic	e. a system of production and distribution of goods and services
6. economical	f. careful in spending money, time, etc.

6 Make the right choice

1. *Macroeconomics/Microeconomics* studies broad economic events that are not under the control of individual decision makers.
2. Specialists in *microeconomics/macroeconomics* are especially interested in understanding those factors which determine *deflation/inflation*, unemployment, and growth in the *distribution/production* of goods and services.
3. *Economics/Economy* is the study of the way in which society organizes itself to solve the basic problem of scarcity.
4. *Economics/Economy* studies how markets and prices allow society to solve the problems of what, how, and for whom to produce.
5. *Macroeconomics/Microeconomics* is the study of the behavior of individual entities within the economy.
6. The study of *economics/economy* is of great importance even to those people who have no wish to become professional economists.
7. *Economics/Economy* analyses society's production and consumption levels.
8. Even the countries with a free market *economics/economy* have a high level of government activity in the production of goods and services and the regulation of markets.

7 Complete the sentences using the words in the box

economics	economy	economist	economical	economic	economize

1. The national _ _ _ is the system of management and use of a country's resources.
2. Adam Smith was a famous _ _ _.
3. If you are a student, it is more _ _ _ to travel by train than by plane.
4. You can _ _ _ if you compare the prices of goods before buying them.
5. Inflation may cause a bad _ _ _ state of the country.
6. An early definition of _ _ _ was "an inquiry into the nature and causes of the wealth of nations."

Text B

ECONOMIC SYSTEMS

Several economic structures exist in the world; they can be grouped into the following basic types: a traditional economy, a command economy, a free-market economy, a mixed economy.

Typically, in a traditional economy most of the people live in rural areas and deal with agriculture or other basic activities, such as fishing or hunting. In traditional societies people use methods of production and distribution that were devised in the distant past. The methods and terms of selecting, planting and harvesting the crops as well as distributing the produce are all based on customs.

In a command (planned) economy the government decides what to produce, how to produce and for whom to produce. A planned or command economy is usually associated with a socialist economic system, where land and capital are collectively owned. The government plans the allocation of resources and the distribution of output among consumers.

A free-market economy is associated with a pure capitalist system, where land and capital are privately owned. Households and businesses make all economic decisions; they interact at the markets without any government intervention. This kind of economy is also characterized by competition among businesses which seek a profit. In a free-market economy individuals make their own economic choices. Consumers are free to decide what to buy with their incomes; producers are free to decide what to produce and to sell. The law of supply and demand works at the market; a price is a key element. Consumers send signals to producers what and how much to produce, when they buy or do not buy a product or service.

VOCABULARY PRACTICE II

1 Match the words with their meanings

WORD	MEANING
1. factors of production	a. a situation in which the quantity demanded exceeds the quantity supplied
2. an equilibrium price	b. a situation in which the quantity supplied exceeds the quantity demanded
3. labor	c. a person who takes opportunities and risks involved in creating and operating a business
4. a market economy	d. an economy that has characteristics of both planned and market economies
5. capital	e. materials supplied by nature, for example, land, water, mineral deposits, trees
6. an entrepreneur	f. an economy that relies on a centralized government to control all or most factors of production and to make all or most production decisions
7. a mixed economy	g. an economy that encourages entrepreneurship by offering profits as an incentive
8. a planned economy	h. funds needed to operate a business
9. natural resources	i. resources used in the production of goods and services: natural resources, labor, capital and entrepreneurs
10. shortage	j. the process of changing state-run enterprises into privately owned companies
11. surplus	k. the price at which the quantity of goods demanded and the quantity of goods supplied are equal
12. privatization	l. mental and physical abilities of people, human resources

2 Replace the underlined words with the words used in the text

1. Economic structures which <u>function</u> (e _ _ _ _) in the world can be <u>classified</u> (g _ _ _ _ _ _) into four major groups.
2. About 30% of Ukrainians live in the <u>countryside</u> (r _ _ _ _ a _ _ _ _) and many of them <u>are involved</u> in (d _ _ _ w _ _ _) agriculture.
3. Different <u>ways</u> (m _ _ _ _ _ _) of production and distribution were <u>developed</u> (d _ _ _ _ _ _) many years ago.
4. In countries with a planned or command economy land and capital are collectively <u>possessed</u> (o _ _ _ _).
5. The government decides what to produce and it also plans the <u>use</u> (a _ _ _ _ _ _ _ _ _) of resources.

3 Fill out the table and use the words in the sentences below

VERB	NOUN
to decide	
	intervention
to compete	
	buyer
	production

1. Government _ _ _ is typical for a country with a planned economy.
2. In a free-market economy _ _ _ among businesses which work to get a profit plays a very important role.
3. Individuals and companies all over the world have to make economic _ _ _ .
4. What consumers want _ _ _ depends on their income.
5. Who decides what _ _ _ and to sell in a free-market economy?

4 Complete the sentences using the words in the box

receive signals	distributing	supply and demand	a price	to sell

1. In a traditional economy the methods and terms of growing farm crops and _ _ _ the produce are all based on customs.
2. In a free-market economy producers decide what to produce and _ _ _ at the market.
3. When the law of _ _ _ works at the market, then market players are happy.
4. Producers _ _ _ from the consumers what and how much to produce.
5. _ _ _ is very important in the interaction between households and businesses at the market.

5 Answer the questions using the phrases in the box

As far as I remember I think/believe that I'd like to say/comment The point is I'm sorry I can't answer the question, but Let me think I am not sure, but

1. What is economics?
2. What problem does every society face?
3. In what type of economy are all economic decisions made by the government?
4. What is typical for a traditional system?
5. Where is a price a key factor?
6. How can consumers send signals to producers?
7. How are land and capital owned in a planned/free-market economy?

6 Check yourself answering multiple-choice questions

1. The word that is central to the definition of economics is …
   a. resources b. wants c. scarcity d. capital
2. We would not need to economize if …
   a. the government printed more money.
   b. there was no scarcity.
   c. there was less output of goods and services.
   d. everyone received a good salary increase.
3. Human wants are …
   a. relatively limited b. relatively unlimited
   c. easily satisfied d. equal to our productive capacity
4. Which of the following is an economic resource?
   a. gold b. scarcity c. labor d. rent
5. The government plans both the production and distribution of output among consumers in …
   a. a traditional economy b. a command economy
   c. a free-market economy d. a mixed economy
6. To create goods and services businesses need …
   a. a government b. consumers c. a market d. factors of production
7. Because of scarcity individuals and businesses have …
   a. to produce goods b. to make a choice c. to offer services d. to trade
8. Individuals and businesses … for scarce resources.
   a. work b. develop c. find d. compete
9. Capital and entrepreneurship belong to …
   a. factors of production b. goods and services c. available resources
10. Which law works at the market?
    a. the law of honesty b. the law of the truth
    c. the law of supply and demand d. the law of scarcity

7. Translate the following sentences

1. Економіка – це наука, яка вивчає специфіку розвитку економічних відносин в окремих сферах народного господарства.
2. Рушійною силою економіки є потреби людей.
3. Економічні події в країні суттєво впливають на рішення виробників щодо виробництва нових товарів.
4. Економіка – це складна система, що постійно розвивається та змінюється.
5. Економіка вивчає, яким чином суспільство, використовуючи наявні ресурси, створює різноманітні товари та послуги, намагаючись досягти найповнішого задоволення потреб.
6. Якщо існує велика кількість виробників, то і конкуренція між ними буде високою.
7. Виробництво – це процес створення матеріальних благ та послуг, необхідних для задоволення матеріальних та духовних потреб.

8. Чим більше люди заробляють, тим більше вони витрачають на задоволення своїх потреб.
9. Перед економікою кожної країни постає проблема дефіциту, і шляхи вирішення цієї проблеми залежать від загального рівня розвитку економіки.
10. Перед людьми завжди стояла проблема вибору.

LANGUAGE FOCUS

1 Complete the sentences with the correct form of the words in brackets

1. Every country has to answer the three main ___ (a question).
2. The ___ of scarcity is typical for any country in the world (a problem).
3. There are two ___ of looking at economics (a way).
4. To produce goods and services, a company needs ___ of production (a factor).
5. A market is a place where ___ can buy ___ (a consumer, goods and a service).

2 Complete the sentences using the words form the box (singular or plural)

output	method	price	entrepreneurship	choice

1. Because of scarcity we all have to make a ___.
2. ___ of production and distribution are not the same in different countries.
3. Capital and ___ belong to factors of production.
4. The distribution of ___ plays a very important role in the economy of each country.
5. What is important at the market? I think it is a ___.

3 Translate into Ukrainian

1. The economy **of** our country is not in a transitive period.
2. **Some** problems can be explained by the scarcity of capital. Small businesses in **our** country also have this problem.
3. Farmers of **every** district in **our** region discussed the terms **of** wheat harvesting.
4. If you want to sell **something**, you need to look for a better place **everywhere**.
5. **They** have to tell **us** where we can get the information. We really need **it**.

4 Use *within* or *without*

1. A company decided to arrange new transactions _ _ _ the next few days.
2. A company cannot get a loan _ _ _ pledging collateral.
3. A borrower must repay the loan _ _ _ a year's time.
4. If a buyer pays _ _ _ 10 days instead of 30, he gets a 2 percent discount.
5. You can't pay salaries without short term loans.

SPEAKING I

1 Match the types of economic systems with their characteristic features

Types of economic systems	Traditional economy	Command economy	Market economy	Mixed economy

Characteristics:

1. every individual gets his/her share of the community wealth according to the long time experience	10. some intervention of the state/government
2. competition	11. availability of occupation
3. price mechanism functioning	12. absence of any economic problems
4. private ownership of property	13. mostly publicly owned property
5. solutions of the economic problems are provided by the authority	14. some governmental control over the system operation is exercised
6. the possibility to enter any industry or occupation	15. methods of product distribution are based on customs and traditions
7. some state-run enterprises function	16. the main goal is profit maximization
8. freedom of choice to buy and to sell	17. the centralized control over the factors of production
9. a combination of two economies	

2 Read the answers and make up questions

Q.
A. In a traditional economy people live in rural areas and deal with basic activities, for example, fishing or hunting.
Q.
A. We need resources to create goods and services.
Q.
A. They are called factors of production.
Q.
A. Businesses seek a profit.
Q.
A. What to produce, how to produce and for whom to produce.

3 Work with the dialogues

Dialogue A

M: Hello, Pete. How are you doing?
N: Thanks. I am just fine. How are you getting on?
M: Oh, I am happy because I have good news.
N: What is it?
M: You are kidding. I have just left school and applied for the University.
N: Congratulations! What are you going to study?
M: Guess… Economics. I think it is interesting and useful for life in general.
N: You have always been good at mathematics. No doubts, you'll be a success.
M: I hope so. My parents believe I can make a good accountant or a bank officer.
N: Let me say this: it is very important to become a good manager, and then you can be whatever you want.
M: Right you are. Nice meeting you.
N: The same here. Bye.

Dialogue B

M: I have to write a term paper, so I need some information about types of economic systems.
N: I am sure I can help you. You see I studied this topic last month. _ _ _ _ _ _ is the way of organizing production, using productive resources and directing business transactions at the market. There are four types of economic systems.
M: In fact, I know that they are _ _ _, _ _ _, _ _ _, _ _ _ .
N: That is true. In a _ _ _ economy the government makes all decisions about _ _ _. In a free-market _ _ _ the government does not take part in allocating _ _ _. In a _ _ _ economy both the _ _ _ and the private sectors play an important role in answering the _ _ _ questions for society as a whole.
M: And what can you say about a traditional _ _ _?
N: Well, such systems are typical for _ _ _. The methods and ways of solving economic problems are based on _ _ _ .
M: Thank you. You were most helpful.

Dialogue C

M: As far as I know in a free-market economy all economic decisions are made by households and businesses, which interact at the markets.
N: Це дійсно так. У вільній ринковій системі всі економічні рішення приймаються домашніми господарствами і компаніями, які взаємодіють на ринку. Власники ресурсів та споживачі є незалежними і керуються власними інтересами.

M: How is the problem what to produce solved in a free-market economy?

N: Ринок дає відповідь на питання «Що виробляти? » Компанії виробляють ті товари та послуги, які споживачі бажають купити і сплатити вищу ціну за них. Якщо споживачі не купують товар чи послугу (вони їм не подобаються), компанії не можуть покрити витрати на їх виробництво, а отже фінансові проблеми (наприклад, банкрутство) з'являються.

M: Do you agree that the price plays an important role at the market?

N: Звичайно. Система цін є дуже важливою, оскільки показує бажання споживачів купувати товари/послуги чи ні. Для виробників вона є сигналом, якої продукції і скільки виробляти.

M: It is also very important to know how all goods and services will be divided among consumers. How is this problem solved in the market economy?

N: Ринок дає відповіді на три основні питання економіки. Доходи, які отримують домашні господарства, визначають, хто буде споживати вироблені товари та послуги. Подібно комп'ютеру, ринок «реєструє» уподобання людей стосовно певних товарів та послуг, передає цю інформацію компаніям, переміщує необхідні ресурси та визначає, хто отримає кінцевий товар/послугу.

SPEAKING II

GREETINGS

Read and practice the dialogues, role-play them.

Part 1

1. - Good morning, Nick!
   - Good morning, Kate!
   - How are you?
   - Fine. Thank you! How are you?
   - Very much the same. Thanks.

2. - Good afternoon, Mary!
   - Good afternoon, Tom!
   - How is life?
   - No complaints. Thank you. How are things with you?
   - Nothing to boast of. Thanks.

3. - Good evening, Mrs. White!
   - Good evening, Mr. Green! How does life treat you?
   - Life goes its usual way. How are you getting on?
   - I am doing fine. Thank you.
   - Glad to hear it.

4. - Hi, Roman!
   - Hi, Olena!

- It's been a long time since I saw you last. Where have you been all this time?
- In July I tried to enter Uman state agrarian university.
- So?
- I am a first-year student of the faculty of economics.
- Congratulations!
- Thanks. I am really happy.

5. - Hello, Bohdan!
   - Hello, Vasyl! How are things with you?
   - Fine. Thanks. I enjoy studying at the University
   - The same here. How is your sister?
   - I am glad she is doing well at school.
   - Does she plan to study at our University?
   - I don't think so. She likes music and art.
   - I see.

6. - Isn't it Natasha! This is a small world!
   - Hi, Olha! You look very happy.
   - It is my birthday today.
   - Happy Birthday!
   - Thank you.

7. - Hi, there!
   - Glad to see you! What's the news?
   - No news.
   - No news is good news.

8. - Good morning, Julia!
   - Good morning, Maryna! You look upset. What's the matter?
   - I've left my English-Ukrainian dictionary at home.
   - Take it easy. I'll try to help you.
   - It will be very kind of you.

<u>Part 2</u>

Read the dialogues and translate the Ukrainian sentences into English using the vocabulary after the dialogues.

1. - Доброго ранку, Ганно! Як життя?
   - Good morning, Carol! I am doing fine. How are you?
   - Не скаржусь, дякую. Як твій брат?
   - Thanks. He is doing well at school.
   - Він планує навчатися у нашому університеті.
   - Так, йому подобається біологія.
   - I am glad to hear it.

2. - Доброго дня, Марино!
   - Good afternoon, Nina!
   - Як справи?
   - Pretty much the same. Thanks. How are things with you?
   - Чудово, дякую.

3. - Доброго вечора, місіс Johnson!
   - Good evening, Bob!
   - Щойно приїхав додому на вихідні. Як почуваєтесь?
   - Життя йде своїм звичаєм. Дякую.
   - What's the news?
   - Ніяких новин!
   - No news is good news.

4. - Hi, there!
   - Вітаю, Сергію!
   - Як життя?
   - Усе без змін. Спасибі. А що нового в тебе?
   - Олена щойно повернулася з Англії.
   - Давай зустрінемось після занять і послухаємо її розповіді/враження.

5. - Доброго вечора, Вікторія.
   - Good evening, Borys!
   - Як життя?
   - Very much the same. Thanks. How are you?
   - Не можу похвалитися. Скоро буде сесія, трохи нервую/хвилююся.
   - Can I help you?
   - I don’t think so. Шкодую, що пропускав заняття.
   - Anyway, good luck!

Vocabulary

Very much the same	Усе те саме, все без змін
No complaints	Не скаржусь
Nothing to boast of	Нічим похвалитись
Life goes its usual way	Життя йде своїм звичаєм
Happy birthday	Вітаю із днем народження
No news is good news	Відсутність новин – хороша новина
What's the matter?	У чому справа?
Take it easy	Не бери близько до серця, сприймай спокійніше
It will be very kind of you	Це буде дуже люб'язно з твого боку
To miss classes	Пропускати заняття
To be nervous	Хвилюватися, нервувати

FARMER'S CORNER

AT THE FARM

building	будівля	machine shed	ангар для машин
farm buildings	с.-г. будівлі	roof	дах
farm house	будинок фермера	wall	стіна
land	земля	floor	стеля
grassland	пасовище	window	вікно
arable land	с.-г. угіддя	door	двері
field	поле	lock	замок
plot (of land), parcel	земельна ділянка	key	ключ
barn, shed	сарай, навіс	room	кімната
		kitchen	кухня
garage	гараж	toilet, lavatory	туалет
workshop	майстерня	bathroom	ванна кімната
hay loft	сіновал	shower/ bath	душ, ванна
granary, grain store	зерносховище	electricity	електрика
to store, storage	зберігати, сховище	gas	газ
space, room	приміщення,	stone	камінь
silo tower	силосна вежа	brick	цегла
yard	подвір'я	wood, timber	ліс, деревина
to store, storage	зберігати, сховище	metal	метал
water pump	водяний насос	concrete	бетон
water supply	водопровід	rubber	гума
manure heap	купа гною	plastic	пластик
cowshed	корівник	old	старий
milking parlor	доїльне приміщення	new	новий
stable	конюшня	bad, poor	поганий
sheep shed (pen)	вівчарня	nice, fine, beautiful	хороший, гарний
pig house (pigsty	свинарник	ugly	негарний

ГРАМАТИЧНИЙ ДОВІДНИК

ІМЕННИК (THE NOUN)

Іменник – це частина мови, яка означає предмет або явище. Іменники поділяються на *власні* (Proper Nouns) та *загальні* (Common Nouns). До власних належать імена (John, Olena, Bill Gates), географічні назви (Kyiv, Ukraine, the U.S.A.). В англійській мові до власних іменників належать також назви днів та місяців (Sunday, October).

Іменники поділяються на *конкретні* (a hostel, , a library) та *абстрактні* (knowledge, experience, allocation), *назви істот і предметів* (a student, a manager, a computer), *збірні* (a government, an administration), *матеріально-речовинні* (water, oil, timber).

Загальні іменники можна поділити на обчислювані (a choice – choices, a method – methods) та не обчислювані (supply, demand).

ЧИСЛО (The Number)

Подібно до української мови, іменники (лише обчислювані) в англійській мові мають два числа: однину (Singular) та множину (Plural). Множина іменників утворюється додаванням до форми однини закінчення -s або –es.

[z]	[s]	[iz]
a problem - problems an idea - ideas	a task - tasks a want - wants	resource - resources
y - ys	y - ies	f - ves
a key - keys a day - days	activity - activities salary - salaries	a life - lives
o - oes	o - os	no changes
a potato - potatoes	a photo - photos	sheep, fish, fruit,
іменник, що зберегли стародавню форму		
a man - men	a woman - women	a child - children
a foot - feet	a tooth - teeth	a mouse - mice
іменники латинського та грецького походження		
datum - data	crisis - crises	analysis - analyses
іменники, що вживаються у множині		
goods	wages	clothes
іменники, що вживаються в однині		
money	information	stock

ВІДМІНОК (The Case)

В англійські мові іменник має два відмінки: загальний (the Common Case) і присвійний (the Possessive Case). Присвійний відмінок іменників в однині утворюється додаванням ‘s (a student**’s** textbook), а іменників у множині – додаванням ‘ (a student**s’** hostel).

Присвійний відмінок також передається сполученням прийменника of з іменником (у разі, коли іменник означає річ), тобто of-phrase (the economy **of** the country, methods **of** production).

ЗАЙМЕННИКИ (THE PRONOUN)

Займенник – це частина мови, яка вказує на предмет, ознаки та кількість, але не називає їх. В англійські мові займенники є: особові (personal), присвійні (possessive), зворотні (reflexive), вказівні (demonstrative), неозначені (indefinite), питальні (interrogative).

Особові	Присвійні		Об’єктний відмінок	Зворотні
	відносна форма	абсолютна форма		
I	my	mine	me	myself
you	your	yours	you	yourself (-ves)
he	his	his	him	himself
she	her	hers	her	herself
we	our	ours	us	ourselves
they	their	theirs	them	themselves
Вказівні		Питальні		
this – these цей - ці that – those той - ті		who? хто? whom? кого? кому? whose? чий, чия, чиє, чиї? what? що, яке, яка, які? which? котрий, котра, котре, котрі?		
	Неозначені			
	some - якийсь, дехто	somebody - хтось	something - щось	somewhere – десь, кудись
питальне і заперечне речення	any	anybody	anything	anywhere
	no - ніякий	nobody - ніхто	nothing – ніщо, нічого	nowhere – ніде, нікуди
	every - кожний	everybody – кожний, усі	everything - усе	everywhere - всюди, скрізь

UNIT 1 MARKET ECONOMY (sub-unit 2)

There exists no more democratic institution than market.

Starter	What a market economy is. Types of economic systems. Typical features of a market economy.
Reading Comprehension	Fundamentals of a market economy.
Vocabulary Practice	Key vocabulary
Language Focus	Grammar Exercises
Speaking Comprehension	I Talks on a market economy II Working Day
Farmer's Corner	In a farmer's house.
Grammar reference	Adjectives, Adverbs: degrees of comparison, constructions *to be, to have, to do, there is/are, it is + adjective*

STARTER

1. What do you think a market economy is?
2. What other economic systems do you know/can you name?
3. Can you name some countries with a market economy?
4. Does Ukraine have a market economy?
5. What are the characteristic features of a market economy?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian translation

1. distribution of goods and services	a. попит та пропозиція
2. allocation of resources	b. конкуренція
3. government intervention	c. прибуток
4. competition	d. купувати
5. supply and demand	e. втручання уряду
6. profit	f. розміщення/використання ресурсів
7. to purchase	g. збут/ розподіл товарів та послуг

2 Match the synonyms

1. to purchase	a. a worker
2. a commodity	b. to set/fix a price
3. profit	c. independent
4. an employee	d. to buy
5. to charge	e. income
6. free	f. company
7. business	g. goods

3 Match words and phrases with their definitions

1. supply	a. to ask someone for a particular sum of money for a product or service
2. to charge	b. an amount of money that you must pay to the government according to your income, property, goods etc. and which is used to pay for public services
3. an employer	c. someone who is paid to work for someone else
4. distribution	d. an amount of something that is available for use
5. demand	e. a person, company, or organization that employs/hires people
6. an employee	f. when goods are supplied to shops and companies to be sold
7. taxes	g. the need or desire that people have for particular goods and services

4 Insert the missing letters

co_ _od_t_ _s	товари	c_mp_t_t_on	конкуренція
en_ou_ _g_	заохочувати	_a_es	податки
al_ _cat_on	розміщення	i_te_ac_ion	взаємодія
_ist_ibu_ti_n	розподіл	_o_su_er	споживач
inter_ _n_io_	втручання	p_ _ch_ _e	купувати

5 Match the words with their meanings

WORD	MEANING
1. marketable	a. illegal trade of goods
2. marketing	b. an open space where a market is located
3. market place	c. a process of research, promotion, sale, etc.
4. market	d. gathering of people to trade goods and services
5. black market	e. good enough/suitable for sale

READING

Text A

FUNDAMENTALS OF MARKET ECONOMY

A market economy or free market economy is an economic system in which the production and distribution of goods and services take place through the mechanism of free markets guided by a free price system.

In a market economy, businesses and consumers decide what they will purchase and produce; they also make decisions about the allocation of those resources without government intervention. In theory this means that the producer, and not the government, gets to decide what to produce, how much to produce, what to charge customers for those goods/services, how much to pay employees.

These decisions in a market economy are influenced by the pressure of competition, supply and demand. This is often contrasted with a planned economy, in which a central government decides what will be produced and in what quantities.

In a market economy, if the government wants more steel, it collects taxes and then buys the steel at market prices. In a planned economy, a government which wants more steel simply orders it to be produced and sets the price by decree.

A market economy is also contrasted with a mixed economy. There market operations take place; the market system is not entirely free though. However, the government control is not extensive enough to constitute a planned economy. In the real world, there is no nation that has a pure market economy.

Text B

FREEDOM

Market economies may be practical, but they also rest upon the fundamental principle of individual freedom: freedom as a consumer to choose among competing products and services; freedom as a producer to start or expand a business and share its risks and rewards; freedom as a worker to choose a job or career, to join a labor union, or to change employers.

ADVANTAGES AND DISADVANTAGES

Friedrich von Hayek had observed that the free market economy led to a more efficient resource allocation, its main advantage. In a market economy, there is freedom to own resources and decide on its allocation.

The market economy has many lacunae/gaps. There is a high chance of complete anarchy in the absence of any government intervention. The role of the government in attaining social welfare cannot be denied completely. The market economy operates to satisfy the private wants, where the society as a whole may not reap the benefits. There may be concentration of wealth in few pockets of the economy. For such disadvantages and much more, the free market economy cannot be fully advocated.

PRICES IN A FREE MARKET ECONOMY

In a way, a free market gives the absolute power to prices to determine the allocation and distribution of goods and services. The institution of the market allocates and distributes commodities based on the principle of "price" determined by the interaction of the forces of the market. Price of a commodity generally shoots up when its demand exceeds supply and when the reverse occurs, it is associated with price cuts of the good in question.

VOCABULARY PRACTICE II

1 Replace the underlined words with the words used in the text

1. In a market economy a producer has freedom to start or <u>enlarge/extend</u> a business.
2. The market economy has some <u>disadvantages</u>.
3. In the country with a free-market system the society as a whole may not always <u>enjoy it.</u>
4. The government plays a very important role in attaining social <u>well-being/prosperity.</u>
5. A price of a commodity generally <u>increases</u> when its demand exceeds supply.

2 Fill out the table and use the words in the sentences below

ADJECTIVE	NOUN
	freedom
practical	
	efficiency
	foundation
absent	
	center

1. The main laws of a market economy are based on principles of individual _ _ _
2. One of the disadvantages of a planned economy is _ _ _ of freedom.
3. The use of resources is more _ _ _ in the countries with a market economy.
4. _ _ _ experience is very important in decision making.
5. We all have to know the _ _ _ laws of a market economy.
6. In a planned economy, a _ _ _ government decides what and how much to produce.

3 Complete the sentences using the words in the box

purchase   charge   collect taxes   share risks and rewards
employers   join a labor union

1. The government _ _ _ to pay for such government programs as social welfare, defense, medical care, etc.
2. Buyers will _ _ _ more if the price decreases.
3. Employees _ _ _ to protect their rights.
4. If demand shoots up, producers _ _ _ more for their goods.
5. _ _ _ hire more skilled people to produce high-tech goods.
6. Having expanded a business, a producer will _ _ _ both _ _ _ and _ _ _.

4 Answer the questions

1. Which features is a free market economy characterized by?
2. What influences the decisions at the market in a free market economy?
3. What does the producer get to decide?
4. Is there any government intervention in a market economy?
5. What other economic systems is a market economy often contrasted with?
6. What makes these systems different?
7. What are the advantages and disadvantages of a market economy?

5 Check yourself saying if the statements are <u>true</u> or <u>false</u>. Give your comments.

1. In a free market economy the decisions about the allocation of resources can not be made without government intervention.
2. The USA has a pure market economy.
3. The term "market economy" is not exclusive to traditional capitalist ownership.
4. A market economy is based on supply and demand.
5. In planned economies resource allocation is more efficient as the government helps make right decisions.
7. The market economy has some disadvantages.
8. One of the basic features of a market economy is freedom.
9. In a free market economy the production and distribution of goods and services are determined by prices.
10. Prices of goods will increase if supply grows.

6 Translate the following sentences

1. Пропозиція – це кількість товарів, наявних для продажу на ринку за певною ціною.

2. Якщо продавець володіє товарами та послугами, які не можуть запропонувати інші продавці, то цей продавець встановлюватиме ціни вищі за ринкові.
3. Якщо ціну одного товару знижено, а ціни на інші товари залишатимуться на попередньому рівні, споживачі надаватимуть перевагу дешевшим товарам навіть, якщо ті будуть нижчої якості.
4. Зі зменшенням попиту на продукцію може виникнути надлишок продукції, і виробники будуть змушені знижувати ціни, щоб її реалізувати.
5. У вільній ринковій економіці ціни визначаються взаємодією пропозиції та попиту.
6. У результаті модернізації підприємство скоротило свої витрати на виробництво (знизило собівартість), а отже і ціну за свою продукцію.
7. Завдяки вдалій рекламі попит на послуги цієї компанії збільшився вдвічі.
8. Попит – це потреба у товарах та послугах, забезпечена грошима покупців.
9. Величина попиту на різні товари залежить від різних чинників, для прикладу, від традицій чи пори року.
10. Втручання держави у встановлення цін на товари та послуги може призвести до негативних наслідків.

LANGUAGE FOCUS

1 Complete the sentences with the correct form of the word

1. No country has ever had within its border an economy in which all markets were _ _ _ free. (absolute/absolutely)
2. Freedom at the market cannot be _ _ _ . (absolute/absolutely)
3. The term "Market Economy" is not _ _ _ used in an absolute sense as almost all economies in the world today are mixed economies. (typical/typically)
4. The term "Market Economy" is _ _ _ for the description of economic systems in which the production and distribution of goods and services take place through the mechanism of free markets. (typical/typically)
5. Capitalism is an economic system in which the means of production are all or _ _ _ privately owned. (most/mostly)
6. In _ _ _ cases the means of production in capitalist systems are privately owned. (most/mostly)
7. In capitalist systems the means of production are mostly _ _ _ owned. (private/privately)
8. In capitalist systems the means of production are mostly _ _ _. (private/privately)
9. A _ _ _ free market is an idealized form of a market economy. (complete/completely)
10. A _ _ _ freedom is possible only in theory. (complete/completely)
11. Buyers and sellers are allowed to transact _ _ _. (free/freely)
12. Buyers and sellers are _ _ _ to transact. (free/freely)

13. During the 1990s the annual percentage change in GDP rose (dramatic/dramatically).
14. A (gradual/gradually) decrease in the number of jobs is expected.
15. At present some economic indicators are quite (good/well).
16. There was a (steady/steadily) decrease in the unemployment level two years ago.

2 Complete the table using adjectives, their comparative and superlative forms

№	Adjective	Comparative degree	Superlative degree
1.	valuable	more valuable	the most valuable
2.	old		
3.		narrower	
4.	poor		
5.		wealthier	
6.		more flexible	
7.	clever		
8.		simpler	
9.	competitive		
10.			the highest
11.		worse	
12.			the best
13.		bigger	
14.			the least
15.	busy		

3 Use comparative or superlative forms of the adjectives

1. This year the market share of the company is (low) than it was last year.
2. Daimler Chrysler is (profitable) company in Europe.
3. It is advisable to find a (good) way of increasing the sale.
4. It is (difficult) to enter a new market for any company.
5. For some reason the unemployment rate is (bad) this year than it was last year.
6. The target market is (young) and (rich) business people.
7. The company offers not just a new product; it hopes it will be (good) one on the market.
8. Our prices are a bit (high) than theirs.
9. I think time is (valuable) than any good or service.
10. In a difficult situation managers have to make (clever) decisions.

4 Complete the sentences using the correct form of comparison

1. In many states which have a market economy the level of market freedom is _ _ _ than some parts of the population would prefer. (little)
2. The _ _ _ the demand for certain goods and services exists, the _ _ _ prices. (high)
3. If the government wants _ _ _ steel, it collects <u>taxes</u> and then buys the steel at market prices. (much)
4. In planned economies the role of the government in guiding the economy is as _ _ _ as in addressing the inequalities the market produces. (strong)
5. The free market economy led to a _ _ _ resource allocation. (efficient)
6. Free market economy is _ _ _ system in allocation of a country's resources that has ever existed. (efficient)
7. According to the Index of economic freedom, there are not as _ _ _ restrictions in the countries like Hong Kong and Singapore as in many other so-called socialist countries. (many)

5 Use *more*, *most*, *less*, *fewer* and *least*

1. In most cases the result is _ _ _ important than anything else.
2. A new product of our company is _ _ _ successful than the previous one.
3. Usually successful people are those who do _ _ _ listening than talking.
4. Unfortunately _ _ _ attention was paid to the promotion of the service.
5. They got _ _ _ sale of their products: the marketing strategy should be changed.
6. Due to the innovation (ATMs), banks have _ _ _ branches than they used to.
7. The company made 500 staff redundant, so they employ _ _ _ people than they did last year.
8. The _ _ _ successful company was awarded the prize for excellent performance.
9. The family had to spend _ _ _ money than it had planned because of the unexpected problems.
10. The _ _ _ mechanized the technological process is, the _ _ _ problems the farm has.

6 Read and translate the sentences, paying attention to the meaning of the verbs: either they are full verbs or auxiliaries

1. Throughout the history every society **has** faced the fundamental economic problem of deciding what to produce and for whom in a world of limited resources.
2. Many states **have** a market economy.
3. It **is** possible for a market economy **to have** government intervention in the economy.

4. Most supporters of a market economy believe that government **has** a legitimate role in defining and enforcing the basic rules of the market.
5. It **is** the assertion of freedom, risk and opportunity that joins together modern market economies and political democracy.
6. The nation's well being **is** determined by the interaction of market forces such as demand and supply.
7. The market economy **has** many lacunae.
8. In a free market economy the buyers and sellers **are** solely responsible for the choices they make.
9. The role of the government of a nation **is** limited to controlling the law and order of a country and ensuring that a "fair price" **is** charged by the sellers.
10. It is absolutely imperative that a country like India and a few Latin American countries like Brazil, Peru and Nicaragua, **having** a large number of the poor, **have** a public distribution system in place with subsidized prices, fixed by the government to protect the poor.
11. Market economy **has** come to be accepted as a norm with many developing countries like India and China which move towards a full-market oriented economy.
12. In a capitalist world investments, distribution, income, production and pricing of goods and services **are** determined through the operation of a market economy.

7 Translate the sentences into Ukrainian, paying attention to the pattern *there is \ there are*

1. There are fewer restrictions in the countries like Hong Kong and Singapore.
2. In capitalism, there is no central planning authority.
3. In the US market economy, barriers are imposed on the formation of monopoly powers.
4. As there is a tremendous demand for McDonald's meals in Ukraine, more and more restaurants appear all over the country.
5. There is an insufficient quantity of the product to satisfy all those who would like to purchase it.
6. There is little motivation to overcome huge difficulties and look for something different.
7. If there are people who are able and willing to pay a price high enough to cover production costs and yield some profit, an incentive exists for someone to produce the good or service.
8. There are three basic types of economic systems.

SPEAKING I

1 Read and translate the dialogue

A: People worry about love, weather, economy, but not necessarily in this order. As public-opinion polls state, the economy is always one of our biggest concerns.

B: That's true. People worry about such questions as:
- what forces shape the economy
- what determines the number of available jobs
- how much income people will receive
- what goods and services will be produced
- what level of pollution will be

A: And seriously, I wonder what we can do to improve the economy's performance.

B: Not an easy question. And when asked what the country's most important problem was, three out of four Americans mentioned the drug problem. However four out of ten cited economic concerns including unemployment, government spending, budget deficit and inflation.

A: I am sure, for many people concern for economy means the price of tuition or the fear to lose a job.

B: Yes and no. More and more people understand that their job prospects and their spending are related to national trends in prices, unemployment and economic growth.

A: So you believe that most of us recognize the importance of major economic concepts, don't you?

B: Absolutely. People do worry about such things as unemployment, inflation, economic growth, trade and budget deficits.

A: We can see that "the economy" is a large part of our everyday life. We spend most of our life working to produce goods and services…

B: … and we spend the remaining time consuming those goods and services. In between we think what to produce or to consume next.

A: For example, the loss of a job can attract our attention to the causes of unemployment. You can start thinking about causes and nature of inflation when tuition increases.

B: And high rent can make you think about the demand for housing in relation to its supply.

A: So the question is not whether we are involved in the economy; it is how we are involved and where our interests lie.

B: You are absolutely right.

2 Read the answers and make up questions

Q. _ _ _ _ _ _ _ _ _

A. The production and distribution of goods and services take place through the mechanism of free markets guided by a free price system.

Q. _ _ _ _ _ _ _ _

A. The decisions in a market economy are influenced by the pressures of competition, supply and demand.

Q. _ _ _ _ _ _ _ _

A. The producer, not the government, has to decide what and how much to produce.

Q. _ _ _ _ _ _ _ _
A. The main advantage of a market economy is a more efficient allocation of scarce resources.
Q. _ _ _ _ _ _ _ _
A. No, it can't. The role of the government in attaining social welfare cannot be denied completely.

3 Work with the dialogues. Read and practice the dialogues, role-play them.

Dialogue A
M: Hello everybody. How are the things with the sales of our new product?
N: I am afraid we are having some problems.
M: What's wrong?
N: The sales are not as high as we expected.
M: What sales forecast do we have?
N: According to our experts' forecasts we were supposed to receive UAH 20.000 (hrivni) income but last month it was much lower.
M: Have you tried an advertising campaign?
N: Yes, but I suppose the problem is not in poor advertising.
M: So, what are your guesses?
N: As far as I understand the price of the product is too high and the demand for it is lower. According to our market research, customers would buy more of our products at lower prices.
M: But what about our profits? Will we lose much?
N: I think it will work for better if we decrease the price. Anyway the sales will be more profitable as the quantity of sold products will increase. We have prepared our calculations and included them into our written report.
M: Well, I will read it immediately and give my conclusions in a few hours. Probably, we will have to change our pricing policy.

Dialogue B
M: You know, Peter, I have always thought that наша країна має вільну ринкову економіку. But last summer I followed the government policy concerning the agrarian market and now I am not so sure.
N: Why did you change your mind?
M: As I see, уряд втручається у цінову політику at the wheat market.
N: In the real world, немає країни із чистою ринковою економікою. A completely free market is an idealized form of a market economy where buyers and sellers are allowed to transact freely based on a mutual agreement on price without state intervention in the form of taxes, subsidies or regulation.
M: But наше сільське господарство не може вижити без продуманої урядової/державної політики. Shall we make a conclusion that our

country must have a planned economy?

N: Ключова/головна різниця між ринковою і плановою економіками lies not in the degree of government influence but whether the influence is used to eliminate/exclude private decisions. In a market economy, if the government wants more wheat, воно збирає податки і купує пшеницю за ринковими цінами. In a planned economy, a government which wants more wheat, simply orders it to be produced and sets the price by decree.

M: What about our country then?

N: It is evident that Ukraine is in a transition period now and вона має змішаний тип економіки. We have market economy traits as a great number of the means of production are privately owned and operated for profit. У той самий час є ще багато державних підприємств.

M: Can you explain to me, then, the concept of socialist countries? Do they have features of a market economy which is often associated with capitalism?

N: Market mechanisms have been utilized in a handful (few) of socialist states, such as Yugoslavia (a former name of Serbia and Monte Negro) and even Cuba to a very limited extent. China's government is still run by the Communist Party, but його економіка має значне приватне підприємництво і ринкові сили як у приватному, так і державному секторах. It is also possible to imagine an economic system based on cooperative, democratic worker ownership and market allocation of final goods and services; the labor-managed market economy is one of the several proposed forms of market socialism.

SPEAKING II

WORKING DAY

Part I

Read and practice the dialogues, role-play them.

1. - I say, Nick, you look tired. Don't you want to take some rest?
   - Oh, I would if I could… I have a lot of homework to do.
   - Excuse my curiosity. What do you study at the university?
   - You'd better ask what I don't study. You know I have taken a course in economics. So we study a lot of economic subjects like microeconomics and macroeconomics, history of economics….
     Besides you have to know that I am a student of an agrarian university, so we are to study many subjects connected with agriculture such as crop production, livestock production ….
   - What are your class hours?
   - As a rule they start at 8.00 and are over at about 1.00 if there are only three classes in our time-table, but quite often we have four or even five classes,

that is, when we have computer or conversational English courses. Very often I come home rather late – at 4 or 5 o'clock.
- And when do you manage to do your home assignments?
- You see, I am used to working hard. When I studied at school I learned how to organize my working day and now I try to cope with all my tasks. One of my important rules is not to delay all tasks till deadline and when you work systematically you can do many things in time.
- Now, I can understand why you are not going to have a rest now. Have you planned much for today?
- I still have to work on my report in the history of Ukraine. But when I finish it I will definitely relax.
- Why don't we go to the cinema at the weekend? They say a new film is on this week.
- That's a good idea.

2. - Can you help me with my report on history tomorrow?
   - I am sorry but tomorrow afternoon I'll be preparing for the seminar on microeconomics.
   - Never mind. I'll go to our library: I hope I will find the books I need there.
3. - Are you still doing your home assignments?
   - Yes, I am. I have been doing them for two hours already.
   - Do you think you will have finished them by 9 o'clock?
   - I don't think so. There are still some exercises to be done.
   - When are you going to bed then?
   - As soon as I finish all my tasks.

Part II

1. - Have you done your homework yet?
   - Ще ні. Сьогодні у мене багато роботи.
   - When will you finish doing it?
   - Спочатку я маю закінчити підготовку до семінару з рослинництва, а потім ще потрібно виконати письмові завдання з англійської мови.

2. - When does your working day begin?
   - Я встаю о сьомій годині, щоб встигнути на першу пару, яка починається о 8.00.
   - Have you got a lunch break?
   - Звичайно. Перерва на обід починається після третьої пари.
   - How long does it last?
   - It depends….

3. - On what subject are you making a report?
   - ………
   - Can you tell me what interesting information you have learnt while

preparing it?
- Це відбере багато часу.
- You are right. I am not an expert in it.
- Я не хотів тебе образити.

4. - What are you doing?
- Читаю підручник.
- What textbook are you reading?
- Я читаю підручник з психології, щоб підготувати доповідь (виступ, відповідь) до завтрашнього практичного заняття.
- When will you be done with your preparations?
- Гадаю, що за кілька годин.

5. - Коли ти маєш заняття в університеті?
- Our classes begin at 8.00 and are over at about 1 or 2 o'clock.
- Will you be able to attend your football club?
- Так. Я граю за нашу університетську команду з футболу і не можу пропускати тренування.

6. - Do you study at university?
- Так. Цього літа я вступив на факультет економіки та підприємництва аграрного університету і тепер навчаюсь на першому курсі.
- Congratulations. You are a freshman now. Will you take part in any scientific clubs?
- Я маю намір.

7. - Хто переклав цей текст?
- I have. I did it yesterday.
- У перекладі є помилка.
- Really? I am very sorry about it.
- Вам треба виправити цю помилку.
- I sure will.

8. - Where is Max?
- Він пішов у бібліотеку готуватись до завтрашнього семінару.
- Will he come back soon?
- Не думаю. Він вийшов з дому всього півгодини тому.

Active vocabulary

to look tired	мати втомлений вигляд
to take a rest	відпочити
excuse my curiosity	вибачте за цікавість
to participate in	брати участь

to join a scientific club	бути членом наукового гуртка
a freshman	першокурсник
i didn't mean to hurt you	Я не хотів тебе образити
to be out of practice for a long time	довго не тренуватись
to make a report	готувати доповідь
to correct a mistake	виправляти помилку
to miss training	пропускати тренування
to be on a team	грати за команду

FARMER'S CORNER

IN A FARMER'S HOUSE			
sitting-room	вітальня	soap	мило
bedroom	спальня	tooth-paste	зубна паста
kitchen	кухня	tooth-brush	зубна щітка
bath-room	ванна кімната	toilet paper (tp)	туалетний папір
table	стіл	plate	мілка тарілка
chair	стілець	bowl	глибока тарілка
sofa	диван	spoon	ложка
arm-chair	крісло	fork	виделка
bookcase	книжкова шафа	knife	ніж
book-shelf	книжкова полиця	cup	чашка
cupboard	шафа для посуду	saucepan	каструля
refrigerator (fridge)	холодильник	(frying) pan	сковорідка
pillow	подушка	glass	склянка
blanket	ковдра	broom	мітла (віник)
bed linen	постільна білизна	to clean	прибирати
towel	рушник	to wash	мити
faucet	кран (для води)	to cook/fix	готувати їжу

ГРАМАТИЧНИЙ ДОВІДНИК

ПРИКМЕТНИК

- Прикметник - це частина мови, яка описує якість предмета.
- Прикметник, на відміну від української мови, немає множини, відмінків та роду.
- Прикметник в англійській мові змінюється лише за ступенями порівняння: має основну, вищу та найвищу ступені порівняння.

- Перед прикметником у найвищій ступені порівняння завжди ставиться артикль **the**.
- Вищий та найвищий ступені порівняння прикметників/прислівників утворюються двома способами:
  1-й спосіб – до прикметника додаються закінчення **- er** у вищому ступені, та **- est** у найвищому ступені.
  2-й спосіб – перед прикметником ставиться слово **more** у вищому ступені, та **most** у найвищому ступені.

	Основна форма	Вищий ступінь	Найвищий ступінь
І-й спосіб		- er	the - est
- односкладові прикметники	big high young	bigg**er** high**er** young**er**	the bigg**est** the high**est** the young**est**
- двоскладові прикметники, які закінчуються на: - y; - le; - er; - ow	happy simple clever narrow	happi**er** simpl**er** clever**er** narrow**er**	the happi**est** the simpl**est** the clever**est** the narrow**est**
- двоскладові прикметники, які мають наголос на другому складі	severe	sever**er**	the sever**est**
ІІ-й спосіб		More	The most
- багатоскладові прикметники	efficient important	**more** efficient **more** important	**the most** efficient **the most** important

ВИНЯТОК

основна форма	вищий ступінь	найвищий ступінь
good/well	better	the best
bad/badly	worse	the worst
much many	more	the most
little	less	the least
old	older (порівнюючи вік) elder (стосовно членів родини родини)	the oldest the eldest
far	farther (порівнюючи відстань) further (має значення подальший, наступний)	the farthest the furthest

- при вживанні вищого ступеня порівняння часто вживається сполучник **than**
- для підсилення вищого ступеня вживаються слова **much, far, still**
- при порівнянні предметів з рівною якістю вживаються слова **as…as** та прикметник в основній формі
- при порівнянні предметів вживаються слова **not as/so** … **as**.

ПРАВИЛА ПРАВОПИСУ

- при додаванні закінчення прикметники змінюють кінцеву **y** на **i**

heavy - heavier - the heaviest
easy - easier - the easiest

- якщо односкладовий прикметник закінчується на одну приголосну з попереднім наголошеним коротким голосним звуком, то кінцева приголосна подвоюється

big - bigger - the biggest
hot - hotter - the hottest

ПРИСЛІВНИК

- Прислівник – це частина мови, яка означає час, ступінь, частотність та повторюваність, місце та спосіб дії.
- Існують прислівники місця, часу, повторюваності та частотності, ступеня та способу дії:
- Прислівники місця – here, there, near
- Прислівники часу – today, now, soon, then, before, early
- Прислівники повторюваності та частотності дії – often, never, sometimes, usually
- Прислівники ступеня дії – very, quite, little, much, too
- Прислівники способу дії – quickly, well, badly, easily, slowly
- Прислівники можуть утворюватись від інших чистин мови (здебільшого прикметників) за допомогою суфікса
- Деякі прислівники збігаються за формою з прикметником: fast, early, loud
- Деякі прислівники при додаванні суфікса - ly змінюють значення: hard – hardly, late – lately
- Прислівники, як і прикметники, можуть мати ступені порівняння з такими самими правилами утворення.

ДІЄСЛОВА to be, to have, to do

- Дієслово **to be – бути** широко вживається як повнозначне та допоміжне для утворення часових форм інших дієслів.

- Дієслово **to be – бути** відмінюється у такий спосіб:

	Present Simple	Past Simple	Future Simple
to be	am, is, are	was, were	will be

- Питальна і заперечна форми Present Simple дієслова **to be** утворюються без допоміжного дієслова **to do**.
  У питальній формі дієслово **to be** ставиться перед підметом:
  Are you a student? **Is** he a manager?

  у заперечній формі частка **not** ставиться після дієслова **to be**:
  This company **is not** a market leader. Market prices **are not** constant.

- Дієслово **to have – мати** вживається як повнозначне та допоміжне для утворення часових форм інших дієслів.
- Дієслово **to have – мати** відмінюється у такий спосіб:

	Present Simple	Past Simple	Future Simple
to have	has, have	had	will have

Питальна і заперечна форми Present Simple дієслова **to have** утворюються із допоміжним дієсловом **to do**.
У питальній формі дієслово **to do** ставиться перед підметом:
Do you **have** a textbook on economics? **Does** he **have** a computer?

у заперечній формі частка **not** ставиться після дієслова **to do**:
This company **does not have** the biggest market share.
They **do not have** enough resources to start a business.

- Дієслово **to do – робити** вживається як повнозначне та допоміжне для утворення часових форм інших дієслів.

- Дієслово **to do – робити** відмінюється у такий спосіб:

	Present Simple	Past Simple	Future Simple
to do	do, does	did	will do

Питальна і заперечна форми Present Simple дієслова **to do** утворюються із допоміжним дієсловом **to do**.

У питальній формі дієслово **to do** ставиться перед підметом:
Do they **do** market research regularly?
Does she **do** her homework in the reading-room?

у заперечній формі частка **not** ставиться після дієслова **to do**:
This company **does not do** business in this region.
They **did not do** market research to start a business.

ЗВОРОТ THERE IS … / THERE ARE ….

- Зворот **THERE IS** … / **THERE ARE** … часто вживається в англійських реченнях
- Зворот **THERE IS** … / **THERE ARE** … має особливості перекладу: перекладається – є, знаходиться, існує; переклад речення зі зворотом слід починати з кінця, наприклад: ………..

	Однина	**Множина**
+	**THERE IS …**	**THERE ARE ….**
	There is a library at our University *В Університеті є бібліотека.*	There are various books and textbooks in the library. *У бібліотеці є різні книжки та підручники*.
	THERE IS A …	**THERE ARE SOME …**
	There is a dictionary on the table.	There are some dictionaries on the shelf.
-	**THERE IS NOT ANY …**	**THERE ARE NOT ANY …**
	There is not any chalk on the blackboard.	There are not any students in in the class-room.
?	**IS THERE A …. ?**	**ARE THERE ANY … ?**
	Is there a map on the wall?	Are there any mistakes in the test?

UNIT 2 MARKETS (sub-unit 3)

No matter how independent we may be in spirit, none of us is truly self-sufficient.

Starter	What a market is. How prices influence consumers/producers.
Reading Comprehension	Markets. Competition. Monopoly.
Vocabulary Practice	Key vocabulary
Language Focus/Grammar	Exercises
Speaking Comprehension	I Talks on markets II Our University
Farmer's Corner	Arable farming
Grammar reference	Simple Tenses

STARTER

1. How do we rely on others for our basic needs?
2. How do prices influence consumers?
3. How do prices influence producers?
4. What is a market?
5. Can Ukraine be called a market-oriented country?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian translation

1. to trade goods	a. реагувати на цінові сигнали
2. to do business	b. створювати прибуток
3. to react to price signals	c. торгувати товарами
4. to make a profit	d. займатися бізнесом
5. to motivate businesses	e. виробляти речі
6. to make things	f. спонукати/мотивувати компанії
7. to conduct market transactions	g. конкурувати за
8. to purchase factors of production	h. надати кращу пропозицію
9. to make the best deal	i. здійснювати ринкові операції
10. to compete for	j. купувати фактори виробництва

2 Match the synonyms

1. goods	a. to make, to manufacture
2. a business	b. to sell - to buy
3. to produce	c. items, commodities
4. to trade	d. to carry out

5. to buy	e. a company, a firm
6. to conduct	f. to purchase
7. to make a profit	g. to offer the best option
8. to order merchandise	h. to encourage
9. to make the best deal	i. to place an order, to plan a purchase
10. to motivate	j. to earn an income

3 Match words and phrases with their definitions

1. personal spending	a. an economy where supply and demand work
2. to hire an intermediary	b. an incentive; a company receives at the end of the year
3. a market economy	c. people/companies who buy goods and services
4. to do business together	d. money you use to buy goods or services
5. a household	e. to employ a person to do something for you
6. a profit/income	f. to cooperate with someone
7. consumers/customers/clients	g. a family/private business
8. to decide	h. to have in private possession, to possess
9. to own	i. goods and services that customers have access to
10. available goods and services	j. to make a decision

4 Read the article and use the right form of the words

1. to vary	3. expense	5. to complain	7. willing
2. success	4. to reduce	6. polite	

Supermarkets

Nowadays a great (1) _ _ _ of different food is available in numerous supermarkets. Have supermarkets really become the most (2) _ _ _ shops of all time? Certainly they seem to have made some kinds of food less (3) _ _ _ and most people enjoy shopping in them. There has been a (4) _ _ _ in the number of (5) _ _ _ made against supermarkets in recent years.

The salespeople are no longer (6) _ _ _, but they smile and try to be helpful. In addition, supermarkets have shown a (7) _ _ _ to listen to their customers, and to reply to customers' needs.

READING

Text A

MARKETS: PURPOSES AND FUNCTIONS

A market is an arrangement where buyers and sellers meet or communicate in order to trade goods or services. It is a way in which buyers and sellers can do business together.

In a market economy producers react to price signals from markets and the desire to make a profit when they decide what to produce and how to produce. A profit is an incentive that motivates businesses to make the things that consumers want.

There are basically two types of markets in a market economy: factor markets and product markets. Factor markets are where the factors of production (land, labor and capital resources) are purchased by businesses in order to produce goods and services. The factors are purchased from the households that own them. Households use the income earned from selling their resources to purchase the goods and services from businesses in the product markets. In a market economy, each person's spending is another person's income.

Final goods and services are sold to consumers in product markets. In product markets, the sellers are businesses, and the buyers are individuals and households.

Many market transactions are conducted without buyers and sellers actually meeting. For example, buyers can look through catalogs and then order merchandise by mail or telephone, without face-to-face contact with sellers. Buyers can also hire intermediaries to carry out transactions for them. For example, travel agents will check the fares of all airlines and hotels and make the best deals for their clients.

In a competitive or free market, many sellers compete for sales against many buyers who compete for available goods and services. To analyze the way markets operate, it is important to understand the concepts of supply and demand.

Text B

MARKET AND MARKET ORIENTATION

A market for a product is the people or organizations that buy it or may buy it, or an area where it is sold. There exist different types of markets: street markets, stores and supermarkets, markets for services (for example, restaurants and hotels), financial markets, commodity markets (e.g., wheat, steel and oil).

A company's or product's target market is a group of consumers a company plans to sell its products to, for example, athletes, children, housewives, etc.

For a business to be a success market share is often used; it is the proportion of sales that a company or a product has in a particular market. The market leader is the company or product with the biggest share.

The part of a market consisting of consumers with similar characteristics is called market segment. The ways in which a market can be segmented include age, income, lifestyle, geographical location.

A market niche is a small, specific segment of a market, often dominated by small firms selling some kind of goods.

Companies which are fast to respond to the needs of a market are market-driven, market-led or market-oriented**.** A market-oriented approach is crucial for both a producer and a consumer: a company makes a decision what to produce, based on a desire of a consumer.

To make the right decision, companies do market research: they gather information about markets, products, consumers, competitors. They need to know what people want and buy, how, when and why they buy this or that product or service.

VOCABULARY PRACTICE II

1 Replace the underlined words with the words used in the text

1. Different types of markets exist (f _ _ _ _ _ _ _) in the world: street markets, shops (s_ _ _ _ _) and supermarkets, service, financial and item (c _ _ _ _ _ _ _ _ _) markets.
2. Companies which are fast to respond (r_ _ _ _) to the needs of the market stay longer in business
3. A market-oriented method (a_ _ _ _ _ _ _ _) is important (c _ _ _ _ _ _) for producers and consumers.
4. Successful companies do market study (r_ _ _ _ _ _ _ _): they collect (g_ _ _ _ _) information about consumers (c_ _ _ _ _ _ _ _ _) and rivals (c_ _ _ _ _ _ _ _ _ _).
5. A company occupied a market hole/gap (n_ _ _ _), a small specific part (s_ _ _ _ _ _) of a market.

2 Fill out the table and use the words in the sentences below

VERB	NOUN
a.	decision
b. to sell	
c. to share	share
d.	consumer, consumption
e.	competitor, competition
f. to exist	
g.	response

1. The company plans to increase its _ _ _ next year, to get more profit.
2. The right _ _ _ was made: to gather information about _ _ _.

3. To stay in business, a company has to _ _ _ faster to the market needs.
4. The article reads that the _ _ _ of healthy food increases.
5. We know about the _ _ _ of different markets.
6. The company has the biggest _ _ _, i.e., the proportion of sale.

3 Choose proper definitions for the following phrases

leader		segment
price	MARKET	share
economy		trend
	research	

1. The company that sells the largest amount of a specific commodity in a particular area; the brand of goods that sells the most.
2. The price of a raw material, product, service that is charged in a free or competitive market.
3. The study carried out by a company before launching a new product: needs, lifestyles, incomes of potential buyers.
4. The percentage of the total sales of a certain product in a particular area obtained by one company.
5. The part of a market which consists of consumers with similar characteristics.
6. A pattern or change (a tendency) in buying and selling activities.
7. The economic system in which individuals and companies are free to enter and leave a market.

4 Complete the sentences using the words in the box

market niche, market trends, market share, market-oriented,
market research, market price, a market economy, a market leader

1. _ _ _ is the one where goods and services are sold and bought freely.
2. The company has its own _ _ _, selling its goods to athletes and those who are fond of sports.
3. A _ _ _ approach to product development means that consumers' desires are crucial for producers' decision making what to produce.
4. Roshen company is _ _ _ in biscuits and sweets manufacturing industry.
5. _ _ _ was done properly and it helped the company sell its products better.
6. The company had to sell below the current _ _ _ because of the difficult situation in the market.
7. The company has a 75% _ _ _ in soft-drink manufacturing industry.
8. To keep up with _ _ _, businesses have to produce new products or offer better services.

5 Answer the questions using the phrases in the box

As far as I remember I think/believe that I'd like to say/comment
The point is I'm sorry I can't answer the question, but
Let me think I am not sure, but

1. What is a market?
2. What is a profit?
3. What types of markets do you know?
4. What can be bought in the factor market?
5. Why is a market-oriented approach important?
6. What do companies need to make the right decision?
7. What is a market niche?
8. Make your comments on a product market.
9. Explain the term "a market segment".
10. Give an example of a company which is a market leader.

6 Check yourself answering multiple-choice questions

1. A place where people trade goods and services
   a. a supermarket b. a market c. a household d. a financial institution
2. What can buyers and sellers do together?
   a. shopping b. fishing c. business d. develop a product.
3. What do households need to purchase goods and services?
   a. to earn an income b. to attend seminars
   c. to increase production d. to fix a price
4. Who can help buyers conduct transactions?
   a. friends b. marketers c. intermediaries d. bank managers
5. What do buyers compete for in the market?
   a. a price b. transactions c. jobs d. goods and services
6. Producing companies react to _ _ _ in a market economy.
   a. price signals b. weather broadcast
   c. commercials d. factors of production
7. A particular group of customers a company sells its goods/services to is _ _ _ .
   a. a target market b. a market share c. a market niche d. a market leader
8. A company which relies on the customers' desire is _ _ _ .
   a. goal-oriented b. market-oriented c. product-oriented d. competitive
9. To be a success, a company has to do _ _ _.
   a. analyses b. seminars c. market research d. a loan
10. The concept of _ _ _ _ _ _ is necessary while analyzing the market performance.
    a. honesty b. the truth c. supply and demand d. scarcity

7 Translate the following sentences

1. Розрізняють ринки товарів і ринки послуг, а ринок товарів поділяється на ринки засобів виробництва та споживчих товарів.
2. У давні часи ринком називали місце, куди приходили люди з метою придбання або продажу товару.
3. Сучасний ринок передбачає обмін товарами та послугами між продавцями та покупцями.
4. Коливання цін призводить до змін у попиті та пропозиції.
5. На будь-якому ринку існує жорстка конкуренція за споживача.
6. Швидкі темпи інфляції призвели до різкого підвищення цін на ринку.
7. Нова модель мобільного телефону користується великим попитом серед молоді.
8. Людина працює для задоволення своїх духовних та матеріальних благ.
9. Ми отримаємо вищі прибутки, якщо вийдемо на ринок із новим товаром.
10. Компанія планує збільшити обсяг продажу товарів у цьому році.

Text C

Read the article and choose a suitable heading for each paragraph (one heading is extra)

All Things, for All People, Everywhere

A. History of the Store
B. The Sales
C. Location and Management
D. Recommendation
E. Departments and Services
F. The Royal Family

1

"Enter a Different World", it says on the doormat, and this is what you do when you visit Harrods in Knightsbridge, London. Harrods is "the world's most celebrated store", says Chairman Mr. Mohamed Al Fayed.

2

In the beginning, Harrods was just a small grocer's shop. It was opened in 1849 and run by Charles Henry Harrods. His son took over and added medicines and perfumes, as well as fruits, flowers, sweets and a van delivery service.

Over the years, Harrods has survived a fire, two World Wars and even two bombings. In 1983, Harrods moved abroad and opened a branch in Japan and later few others in Hong Kong, Singapore and Taiwan; airport shops appeared in most major European cities.

3

Today, around 35,000 people visit Harrods every day. It has got 300 departments spread over seven floors; the company employs over 4,000 staff. It also has eight doormen, known as "Green Men", its fire brigade, security personnel, doctors and nurses.

Harrods is the official supplier of certain goods to the Royal Family, and it sells everything from clothes to caviar. The Food Halls are still the heart and soul of Harrods. In addition to the nineteen bars and restaurants in the store, there is a bank, a travel agency, a dry cleaner's ad the biggest hair and beauty salon in Europe.

4

January and July are very busy months for Harrods because they are the best sales time. Over 300,000 customers visit the store on the first day alone. Many people sleep outside the store all night to be the first to come when the doors open on this day.

5

"All things, for all people, everywhere" is the store's motto. The Harrods name means the best of British quality, service and style. All in all, Harrods is a fascinating place to visit.

LANGUAGE FOCUS

1 Complete the sentences with the correct forms of the verbs

1. Households (to sell) resources which they (to have).
2. A profit (to motivate) businesses to produce what customers (to want).
3. Buyers and sellers (to meet) in the market; there they (to trade) goods and services.
4. A company (to make) a higher profit if it (to do) proper market research.
5. Producers (to react) to price signals and then they (to decide) what to produce.

2 Complete the sentences using the words form the box

do did will

1. _ _ _you study economics at school?
2. They _ _ _ develop a new product next year.
3. Last year the company _ _ _ not sell goods at a lower price.
4. _ _ _ we want to do business together? Then we have to discuss conditions and terms.
5. The company _ _ _ have the highest market share next spring.
6. Last year the company _ _ _ not have more spending than it had planned.
7. In June there _ _ _ be a large exhibition-fair of agricultural machinery.

3 Translate into Ukrainian

1. They did a lot of preparations to start up a business.
2. Households always have available resources to sell.
3. Careful market research will help a company be a success.
4. We know such factors of production as land, labor and capital resources.
5. They gathered as much information about their competitors as they could.

4 Refer the following sentences to the past

1. What you see at the auction is the rationing effect of prices.
2. Prices encourage producers to increase their level of output.
3. They sell these goods because they want to have a profit.
4. Adam Smith describes the main elements of the economic system.
5. Economic incentives influence our decisions what and where to buy.

5 Use the verbs *can*, *may*, *must*, *have to*, *need* where necessary

1. I _ _ _ pay utility bills immediately not to have debts.
2. The businessman _ _ _ use the money which his friends offer him.
3. We do not _ _ _ a loan. We have enough assets.
4. His business goes bankrupt so he _ _ _ to sell the property.
5. We _ _ _ apply for more cash yesterday because we ran out of money.

SPEAKING I

1 Read the answers and make up questions

Q.
A. It is a place where buyers and sellers negotiate prices and trade goods and services.
Q.
A. A profit motivates businesses to make the things that consumers want.
Q.
A. Households purchase the goods and services from businesses in the product markets.
Q.
A. We call it market segment.
Q.
A. It is a group of consumers a company intends to sell its products to.

2 Work with the dialogues

<u>Dialogue A</u>
M: Hi Tom. How is life?

N: Pretty much the same. And how are you?
M: Oh, I am a bit busy preparing for the seminar.
N: What is it all about?
M: Markets, their types and functions.
N: Have you learned anything new?
M: Not much really. Markets are as old as the civilization is.
N: Did I get you right, they existed in earlier times?
M: Yes, you did. A market was a physical location where people would gather periodically to exchange goods and services.
N: So going to a market was both an important economic and social activity, wasn't it?
M: It sure was. However, at present people exchange goods and services for money rather than for other goods and services.
N: I believe so. In addition, there are at least two types of markets nowadays: a factor market and a product market.
M: You are right, and I am going to speak about it at the seminar. Wish me luck!

<u>Dialogue B</u>

M: As far as I understand, going to the market has always been very important.
N: Indeed, it was so important that permanent market locations frequently developed into towns and cities.
M: Today we think about markets as institutional arrangements that ties exchanges together in some way rather than as specific physical locations where exchanges occur.
N: I believe that any particular transaction occurs in a specific place, of course, but thousands of such transactions scattered across a community or even a nation may constitute a market for a particular thing.
M: Yes. And if there is a market, a person can expect that the nature of the transaction will be similar in different locations.
N: What do you mean by saying this? Be more specific, please.
M: For example, we speak of the housing market in a city or the rental market in a city, even though there is no central location where houses are bought and sold or where apartments are offered for rent and rented. While there may be local peculiarities, buying a home in one part of a city is quite similar to buying a home in another part of a city.
N: In this sense, there is a market for housing in a city or even across an economy (the country). And similarly, we may speak of the market for cereal or soft drinks or clothes or computer software, even though cereal is sold in thousands of different locations throughout the country (an economy).
M: Thus, a market need not have a single physical location as long as transactions for a specific good or service or resource in one place are related in some way to the transactions for the good or service or resource in some other place.

N: This is true. In addition, a market is an idea, that is, it is a way of thinking about the consequences of numerous transactions that occur for specific goods, services, or resources.

Dialogue C

M: Haven't seen you for a couple of days. Been busy?

N: As usual: studying, doing homework… Markets, markets.

M: Is there anything that I have to know?

N: Yes, _ _ _ motivates businesses to produce things that consumers want.

M: How many types of markets do you know?

N: Two. Businesses buy _ _ _ in factor markets. However, if you need goods and services…

M: I will go to a product market. By the way, who _ _ _ the factors of production?

N: The households do. By doing this they _ _ _ and use it for goods and services.

M: From what I know, some markets are very competitive.

N: You bet. It is advisable to understand the concepts _ _ _. Guess why.

M: Because they help analyze the way how _ _ _ operate.

Dialogue D

M: I am sure there are several definitions of a market.

N: Це дійсно так. Ринок це місце, де люди чи організації купують товари, або це місце, де товари продаються.

M: А що таке цільовий ринок?

N: It is a group of consumers a company plans to sell its products to, for example, children or business people.

M: I'd like to know what market share is.

N: It is the proportion of sales that a company or a product has in a particular market. Компанія, що має найбільшу ринкову частку, є лідером на ринку.

M: I see. Компанії, які швидко реагують на потреби ринку, є більш успішними.

N: You are right. Більш того, компанії роблять ринкові дослідження, щоб прийняти правильне рішення: що, скільки і для кого виробляти.

Dialogue E

M: I think you have to know more about gross national product.

N: This is exactly what I want. I plan to make my career in economics.

M: What do you know about GNP?

N: GNP is the total market value of all final goods and services produced in a given time period.

M: It is. But you should also distinguish between nominal GNP and real GNP.

N: I need an explanation.

M: Nominal GNP is the value of final output produced in a given period measured in the prices of that period, whereas real GNP is the value of output measured in constant prices.

N: Although prices serve as a convenient measure of market value, they can also distort our understanding of real output.

M: You are right. Imagine what would happen to our calculations of GNP if all prices were to double from one year to the next.

N: How would such price changes affect this year's GNP?

M: The price increases would double the value of final output. Such rise in GNP does not reflect an increase in the quantity of goods and services available for us. We still produce the same quantities, but the prices of those goods have changed.

N: Oh, I understand. Changes in GNP caused by changes in the price level can give us a wrong picture of economic reality.

M: We would not state that our standard of living had improved just because price increases raised measured GNP.

N: Thank you very much for your helpful explanation.

M: You are most welcome.

SPEAKING II

OUR UNIVERSITY

Part 1

Read and practice the dialogues, role-play them.

1. - Good morning, Ann! What is the news?
   - Good morning, Nick! I am glad I have entered the university.
   - Oh really, which one?
   - Uman National University of Horticulture, the faculty of economics and entrepreneurship.
   - Congratulations. Ready for changes?
   - You bet.

2. - Good afternoon, Ann!
   - Good afternoon, Tom!
   - Tell me about your University, please?
   - With pleasure. To begin with, it is one of the oldest universities: its history goes back to 1844.
   - Impressive! How many students study at the university?
   - Together with seven colleges the number will be around ten thousand.

3. - I would like to know what faculties the university has.
   - I can tell you that there are five faculties at our university: the faculty of agronomy, the faculty of economics and entrepreneurship, the faculty of management, the faculty of horticulture and forestry and the faculty of food technologies.

- They say there are two forms of studying: full-time and part-time.
- That's right. Besides, there are pre-diploma and post-diploma courses at the university.
- Yes, my cousin combines work with studies: he is a student by correspondence at the faculty of food technologies.

4. - Hi, Roman!
- Hi, Olena!
- Let's talk about students' life.
- I don't mind. The campus is very nice. In addition, it is situated near a beautiful park where students enjoy their time in every season.
- It is a common practice that the University has a museum, a library, few reading-rooms, an assembly hall, a gym and a canteen.
- What about those students who like sports and art?
- There are facilities for them to do sports and arts. To be more specific, there are different amateur societies (clubs), a stadium and a gym.
- I like dancing and my friend is fond of singing. Will there be any problem for us to develop our skills?
- Not at all. You can join a dancing group and your friend will sing in the university choir.
- It was a pleasure to talk to you.
- The same here.

<u>Part 2</u>

1. - Доброго ранку, Ганно! Як життя?
- Good morning, Kate! I am doing fine. How are you?
- Маю гарну новину. Я вступила до університету.
- Вітання! Де ти навчаєшся?
- Uman National University of Horticulture, the faculty of economics and entrepreneurship.
- Скільки років ти будеш навчатися?
- It depends…. It will take me four years to get a bachelor's degree.
- А що далі? Що пропонує університет?
- I can study for another year to get a specialist's or master's degree.
- Зрозуміло.

2. - Доброго дня, Марино!
- Good afternoon, Nina!
- Розкажи мені про студентське містечко, воно виглядає дуже гарно.
- I agree. There are 5 academic buildings at our University which house many lecture-halls, classrooms, laboratories, studies, administration rooms (dean’s offices, etc.). Most of the students live in hostels (dorms).
- Do students cook their meal or…?
- Some do and some don't because they prefer to go to a canteen or a café on campus.
- When do classes start at your university?

- Наш університет не є виключенням – заняття починаються о 8:00 і закінчуються о 1 або 2 годині.
- Not that bad, you still have time to do your homework.
- Звичайно. Студенти можуть готувати домашні завдання у гуртожитку або в читальних залах.
- Nothing new.

3. - Except for classes, what else can students do?
   - Every spring a students' scientific conference is arranged at the university: with help of teachers students prepare reports and make presentations.
   - Is there anything interesting for first-year students?
   - Для студентів першого курсу проводяться предметні олімпіади. Переможці можуть брати участь у другому турі, який проводиться у іншому вузі країни.
   - What about sports and sport competitions?
   - Sport competitions are held all the year round. Студенти, які люблять подорожувати, можуть записатися до туристичного клубу і брати участь у туристичних поїздках по країні та за її межами.
   - Sounds interesting.

FARMER'S CORNER

ARABLE FARMING

crop rotation	сівозміна	to plant, to sow	садити, сіяти
preceding crop (forecrop)	попередня культура	to drill	садити рядками
main crop	головна культура	to germinate	проростати
seeds	насіння	to grow	рости, вирощувати
seedlings	саджанці	growth	ріст
Sowing (planting) season	посівний сезон	stubble	стерня
planting depth	глибина посадки/посіву	to till, to cultivate	обробляти
planting spacing	посівна відстань (міжряддя)	tillage, cultivation	обробіток
seed testing	тестування насіння	to plow	орати
row, drill	ряд, рядок	to harrow	боронувати
black fallow	чорний/чистий пар	to weed	прополювати
yield, harvest	урожай	to thin	проріджувати
damage	ушкодження	to harvest	збирати врожай
harmful	шкідливий	to dry	сушити
treatment	Обробіток (насіння)	to cut, to mow	різати, косити
dressing	підживлення	to spray	обприскувати
manure	органічне добриво	to apply fertilizers	вносити добрива

ГРАМАТИЧНИЙ ДОВІДНИК

SIMPLE TENSES

The Present Simple виражає дію, що відбувається часто, і вживається із такими обставинами часу: *usually, very often, every week*. Стверджувальна форма в усіх особах, крім третьої особи одними, збігається з формою інфінітива без частки to:

I, you, we, they **read** He, she **reads**

Питальна та заперечна форми утворюються з допоміжними дієсловами do, does.

У питальній формі дієслова **do, does** ставляться перед підметом:

e.g.: **Do** you study economics? **Does** he read newspapers?

У заперечній формі частка **not** ставиться після дієслів **do, does**:

e.g.: They **do not** study marketing. This company **does not** provide services.

The Past Simple виражає дію, що відбувалась в минулому, і вживається із такими обставинами часу: *yesterday, a week ago, last week*. Стверджувальна форма більшості англійських дієслів (правильних дієслів) утворюється додаванням до основи дієслова суфікса *–ed;* **the Past Simple** неправильних дієслів утворюється різними способами (див. таблицю неправильних дієслів).

e.g.: They **translated** the text yesterday.
They **wrote** a term paper last month.

Питальна та заперечна форми утворюються з допоміжним дієсловом **did**.

У питальній формі дієслово **did** ставиться перед підметом:

e.g.: **Did** you study economics last year?

У заперечній формі частка **not** ставиться після дієслова **did**:

e.g.: They **did not** make the right decision last week.

The Future Simple виражає дію, що відбуватиметься в майбутньому, і вживається із такими обставинами часу: *tomorrow, in a week, next week*. Стверджувальна форма утворюється додаванням допоміжного дієслова **will**, яке ставиться перед смисловим.

e.g.: They **will discuss** market functions tomorrow.

Питальна та заперечна форми утворюються з допоміжним дієсловом **will**.

У питальній формі дієслово **will** ставиться перед підметом:

e.g.: **Will** you study economics next year?

У заперечній формі частка **not** ставиться після дієслова **will**:

e.g.: They **will not** change the price next week.

UNIT 2 SUPPLY, DEMAND, MARKET PRICE (sub-unit 4)

Prices are determined at markets, not by markets

Starter	What supply/demand is. What influences the consumer's desire to buy a product/service.
Reading Comprehension	Supply, demand and market price.
Vocabulary Practice	Key vocabulary
Language Focus/Grammar	Exercises
Speaking Comprehension	I Talks on supply an demand II Ukrainian countryside
Farmer's Corner	Field crops
Grammar reference	Simple Tenses, Special Questions

STARTER

1. What is supply?
2. What is demand?
3. How do prices influence producers/consumers?
4. What influences the consumers' desire to buy a product/service?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian translation

1. to be directed by prices	a. мотивувати/спонукати виробництво
2. to ration scarce resources	b. пропонувати для продажу
3. to encourage producers	c. визначати ціну
4. to send out signals	d. керуватися цінами
5. to determine a price	e. реагувати
6. to describe a relationship	f. змінюватися у відповідності до ціни
7. to offer for sale	g. заохочувати виробників
8. to vary with a price	h. збільшувати/зменшувати випуск продукції
9. to motivate production	i. описувати співвідношення
10. to increase/decrease the output	j. розподіляти дефіцитні ресурси

2 Match the synonyms

1. a market economy	a. readiness, a desire
2. a price of a product	b. produce, products
3. to want	c. to change, to differ
4. to decrease	d. the amount, the number
5. to determine	e. to market, to trade
6. the quantity	f. a cost/value of a product
7. the output	g. to wish, to have a desire
8. willingness	h. to reduce, to lower
9. to sell	i. to fix, to define
10. to vary	j. a free-enterprise economy

3 Match words and phrases with their definitions

1. to encourage	a. when the law of supply and demand works
2. the level of output	b. how much a product/service costs
3. to keep responsive	c. the offer of the market
4. a market economy	d. to support and motivate to actions
5. supply	e. the quantity of products manufactured
6. to offer	f. to pay for and to get possession of smth
7. a price	g. smth that consumers want to buy
8. to purchase/to buy	h. to respond/react to
9. supply and demand	i. to propose, to suggest
10. demand	j. the main law of the market economy

4 Read a newspaper article and make the right choice to complete it

Street Markets

Most people enjoy looking for (1) _ _ _ in the street markets. It can be very enjoyable walking around the stalls/counters, among the crowds of (2) _ _ _, and trying to spend as little as possible. Of course it depends on the market. In fruit and vegetable markets, there is usually a wide variety of fresh (3) _ _ _, but it may not be cheap. There may be goods at (4) _ _ _ prices at the end of the day, however. Clothes (5) _ _ _ can be a problem, as it is difficult to try on jeans or sweaters there. However, you can always find attractive (6) _ _ _ at this market. You can enjoy yourself (7) _ _ _ all the variety of things offered for sale. Whatever kind of market you (8) _ _ _, and whether you buy things or not, you usually (9)_ _ _ tired. Still, it is an interesting way of (10) _ _ _.

1.	a. cheap	b. sale	c. inexpensive	d. bargains
2.	a. shoppers	b. public	c. buys	d. goods
3.	a. new	b. products	c. services	d. prices
4.	a. half	b. bottom	c. lower	d. down
5.	a. markets	b. products	c. buyers	d. sellers
6.	a. forms	b. jobs	c. bikes	d. prices
7.	a. looking at	b. founding	c. losing	d. getting
8.	a. choose	b. set up	c. ruin	d. come
9.	a. do	b. get	c. have	d. must
10.	a. dancing	b. calling	c. selling	d. shopping

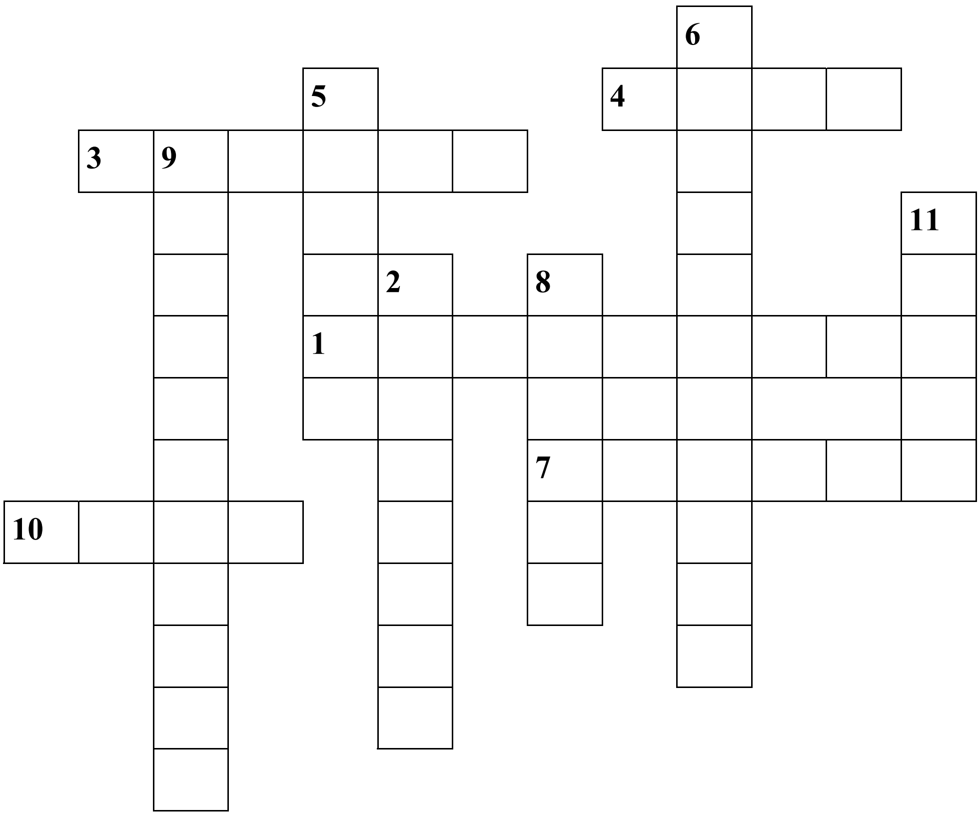
5 Solve the crossword

Cross

1. Science of the production and distribution of goods and services
3. Consumers' willingness to buy goods and services
4. Something made for sale
7. The quantity of produced goods
10. An amount of money which must be paid

Down

2. Lack of (deficit) something; failure to satisfy consumers' wants
5. A place where buyers and sellers meet to trade, to negotiate a price
6. Making use, consuming something
8. Money received for a given period of time or for goods and services sold
9. A price which makes equal the quantity demanded with the quantity supplied
11. Anything that has money value and may be sold



READING

Text A

SUPPLY, DEMAND AND MARKET PRICE

Market economies are directed by prices. Prices ration scarce resources, and they motivate production. Generally, the more scarce a product is, the higher its price will be, and the fewer people will want to buy it. Economists describe this as the rationing effect of prices.

Prices encourage producers to increase or decrease their level of output. Economists refer to this as the production-motivating function of prices. Prices send out "signals" to buyers and sellers; in this way they keep the economy responsive to the forces of supply and demand.

In a free market economy, prices are determined by the interaction of the forces of supply and demand. Perfectly competitive markets are those in which many buyers and sellers, with full knowledge of market conditions, buy and sell products.

Demand is a consumer's willingness and ability to buy a product or service at a particular time and place. The law of demand describes the relationship between prices and the quantity of goods and services that will be purchased at each price. It says that more items will be sold at a lower price than at a higher price.

Supply, which is the quantity of goods or services that sellers offer for sale at all possible prices at a particular time and place, varies directly with price. In other words, at a higher price more goods and services will be offered for sale than at a lower price, and vice versa.

Text B

SUPPLY, DEMAND AND MARKET PRICE

Demand. The amount of an item buyers actually purchase in a market over a given period is influenced by a number of important determinants:

1. Its price
2. Buyers' available income
3. Buyers' wealth (the value of assets such as stock, bonds, homes and other real estate, and business property)
4. Expectations of future price changes
5. The price of alternative items
6. Tastes or current fashion
7. The population served by the market

In analyzing the behavior of buyers in markets, it is important to concentrate on the effect of each of these determinants, one at a time. Special attention is paid to the relationship between the price of an item and the quantities buyers purchase; this is demand. The term demand is not a fixed number; it signifies how the quantity which buyers purchase varies with price.

Supply. The quantity of a good or service sellers are willing to sell in a market is affected by a number of important influences:

1. Its price
2. Current prices of inputs needed to produce and market the good
3. Current technology available to produce and market the good
4. Prices of other goods that can be produced with inputs used or owned by the sellers
5. Expectations about future prices
6. The number of sellers serving the market

In analyzing the quantity of a good made available for sale in a given period, it is important to isolate the effect of each of the separate influences. Special attention is paid to the influence of a price on the quantity sellers are willing to sell. The quantity supplied is the quantity of a good sellers are willing and able to make available in the market over a given period at a certain price.

The concept supply is a relationship between the price of an item and the quantity supplied. Like demand, supply is not a fixed quantity: it signifies how the quantity which sellers offer varies with price.

The equilibrium market price is the point at which the quantity demanded equals exactly the quantity supplied. Everyone (individuals, firms, countries) is satisfied with the current economic condition. Shifts in demand or supply will affect the market price. An increase in demand will result in an increase in the market price, and vice versa.

Text C

Read and translate the dialog paying attention to the underlined word phrases

Alison	You don't look very happy today, Derek. Anything happened?
Derek	I am really feeling blue. I bought a ring for my wife on the black market. Later I found out that it was stolen property.
Alison	Bad news! Don't you know it's dangerous to buy things on the black market?
Derek	I sure do. But it was our anniversary, and I wanted to get something nice for my wife. However, we were in the red, so I could not afford anything expensive. The black market seemed to be a good idea at that time.
Alison	So what happened?
Derek	Well, in the evening (the anniversary day) I gave Jennifer the red carpet treatment: dinner at a nice restaurant, a movie, dessert at our favorite café. Then we took a romantic walk along the canal front and I gave her the ring. She was delighted! Jennifer wore it for several days, and then out of the blue, a policeman came to our house last week.
Alison	Uh-oh…Getting in trouble?

Derek	You bet. He told my wife the ring had been stolen and she would have to give it to him. Then I had to go through a lot of red tape to prove I had bought the ring and had not stolen it myself. Boy, my wife was very angry!
Alison	What did she do, let me guess?
Derek	Well, I won't go into the details. But one thing she did: she took my checkbook. She won't give me the green light to use it again until our bank account is back in the black.
Alison	You've learned an important lesson from the situation, won't you?
Derek	Yes, indeed!!! I am going to be as good as gold from now on.
Alison	You better be.

Task Match the following words with their meanings

1. in the black	a. special treat/honors for an important person
2. as good as gold	b. to behave well, to be good
3. the green light	c. a permission to start something
4. red tape	d. illegal market not controlled by the government
5. out of the blue	e. complicated official procedures and formalities
6. the red carpet	f. to have money
7. in the red	g. unexpectedly, by surprise
8. the black market	h. to be or feel sad or depressed
9. to feel blue	i. to be in debt, to owe money

VOCABULARY PRACTICE II

1 Replace the words in italics with the words used in the text

1. Supply is the quantity of goods and services sellers are willing to make available (o_ _ _ _) in the market.
2. The quantity of goods and services which consumers purchase (b_ _) is not the same.
3. High prices motivate (e _ _ _ _ _ _ _ _) businesses to produce more.
4. The law of demand explains (d_ _ _ _ _ _ _ _ _) the relationship between prices and the quantity of goods and services that will be purchased at each price.
5. Some people have talents to trade (m_ _ _ _ _) any product or service.

2 Fill out the table and use the words in the sentences below

VERB	NOUN
a. to purchase	
b.	value
c.	change

d. to produce	
e. to behave	
f.	sale, seller
g.	result
h. to shift	

1. It is very important to analyze the _ _ _ _ _ _ _ _ _ of the buyers at the market.
2. High prices motivate businesses to _ _ _ _ _ _ _ _ more goods and services.
3. Consumers always _ _ _ _ _ _ _ _ _ more at lower prices.
4. Any _ _ _ _ _ in supply or demand influences the price.
5. Nowadays there are many various products offered for _ _ _ _ at the markets.
6. We have to see the difference between a _ _ _ _ _ and a price of a product.
7. Tastes and fashion _ _ _ _ _ _ _ which _ _ _ _ _ _ _ _ in price changes.

3 Complete the sentences using the words in the box

economists	prices	an item	market
encourage	keep responsive	consumers	demand

1. More people can afford to buy _ _ _ at a lower price than at a higher price.
2. It is a known fact that in a free-market economy prices are set at the _ _ _.
3. _ _ _ often use tables and graphs to illustrate and explain their work.
4. Prices _ _ _ producers to increase or decrease their level of output.
5. Sending out "signals", prices _ _ _ the economy _ _ _ to the forces of supply and demand.
6. Market economies are directed by _ _ _.
7. _ _ _ is a consumer's willingness and ability to buy a product or service at a particular time and place.
8. Many _ _ _ who are concerned about the environment refuse to buy soft drinks in plastics.

4 Answer the questions using the phrases in the box

As far as I remember	I think/believe that	I’d like to say/comment
The point is	I’m sorry I can’t answer the question, but	
Let me think	I am not sure, but	

1. What do prices do in a free-market economy?
2. How do producers respond to price changes?
3. When does the economy react to the forces of supply and demand?
4. Comment on perfectly competitive markets.
5. Give your definition of supply/demand.

6. What does the law of supply and demand explain?
7. What factors influence the quantity of goods and services sellers will offer for sale?
8. What does the term demand/supply mean?
9. When are prices higher/lower at the market?
10. What factors influence your desire/ability to buy goods or services?

5 Translate the sentences

1. Попит – це бажання та спроможність споживача купити товар чи послугу в певний час і в певному місці.
2. Ринкова ціна – єдина, яка може існувати протягом певного часу в умовах цілковитої конкуренції.
3. Зміни у попиті та пропозиції впливають на ринкові ціни.
4. Ціна, за якою фактично продають товари та послуги, називається ринковою ціною.
5. У вільній ринковій економіці ціни визначаються взаємодією чинників пропозиції і попиту.
6. Ціни спонукають виробників до збільшення або зниження рівня випуску товарів.
7. Ціни керують ринковою економікою.
8. Підвищення попиту викличе підвищення ціни.
9. Коли кількість попиту рівна кількості пропозиції, тоді існує зрівноважувальна ринкова ціна.
10. Споживачі купують більше, коли ціни на товари та послуги нижчі.

LANGUAGE FOCUS

1 Complete the sentences with the correct forms of the verbs

1. The law of demand (to describe) the relationship between prices and the quantity purchased.
2. Sellers (to offer) more goods and services at a higher price than at a lower price.
3. Last year the number of sellers who served the market (increase).
4. Prices (to motivate) producers to increase or decrease the level of output.
5. If prices are low, more people (to want) to buy more goods and services.

2 Complete the sentences using the words form the box

do does did will

1. _ _ _ you know about supply and demand before?
2. They _ _ _ increase their level of output next year.
3. Last year the company _ _ _ not offer more goods for sale.

4. Consumers _ _ _ purchase many goods and services if the prices are high.
5. _ _ _ the price affect your desire to buy goods and services?
6. Last week the company _ _ _ not sell as much as it had planned.
7. Next Friday there _ _ _ be a lecture on supply, demand and market price.

3 Ask questions to the underlined words

1. Prices <u>send out</u> "signals" to buyers and sellers.
2. Consumers will buy more goods <u>if the prices are low</u>.
3. <u>Last year</u> the company decreased <u>its level of output</u>.
4. Farmers offer more fruits and vegetable for sale <u>in summer</u>.
5. <u>The quantity supplied</u> varies directly with price.

4 Read the text and use the correct forms of the words

The Story of McDonald's

In 1937 the McDonalds brothers, Dick and Mack, _ _ _ (to open) a little drive-in restaurant in Pasadena, California. They served hot dogs and milk shakes there.

In 1945 they had 20 waiters and all the teenagers in town _ _ _ (to eat) hamburgers at McDonald's.

In 1948 they _ _ _ (to get) paper boxes and bags for the hamburgers. They reduced the price from 30 to 15 cents. They _ _ _ (to change) the menu from 25 dishes to 9. There are no more _ _ _ (to wait): it is a self-service restaurant. It is cheaper and _ _ _ (fast). Besides, they have windows all around the kitchen so that everyone can see it is clean.

Parents started _ _ _ (to bring) their children to the restaurant. At first, poor families _ _ _ (to eat) at McDonald's.

The idea of simple, fast but _ _ _ (taste) food appeared to be _ _ _ (to succeed). And in the 1960s the McDonald's company opened hundreds of restaurants all over the United States of America. In the 1970s they _ _ _ (to open) restaurants abroad: in Japan, Germany and Australia.

At present the McDonald's company _ _ _ (to set up) a new restaurant every eight hours! There are _ _ _ (many) than 30,000 restaurants in over 90 countries. The _ _ _ (large) restaurant is in Beijing, China and the smallest - in Tokyo, Japan. The northernmost restaurant _ _ _ (to be situated) in Fairbanks, Alaska and the southernmost is in Gibson, New Zealand.

McDonald's restaurants serve almost the same food in every country. However, in Italy they _ _ _ (to offer) beer; in Norway you can _ _ _ (to buy) the McLak (salmon burger); in the Netherlands customers can taste a _ _ _ (to vegetate) Groenteburger!

5 Find a mistake and correct it

1. The students were discussing the problem of scarcity at the last seminar.
2. It taked ages to sell such expensive goods.
3. Where your sister bought a computer?
4. We try to keep quiet because Kate was working.
5. Were you watching TV when I have phoned you?
6. Last year the company was increasing its level of output.
7. How many lectures do you have last week?
8. She will making a presentation at the conference next March.
9. Tomorrow we have a meeting with the dean.
10. What do the law of demand describe?

SPEAKING I

1 Read the questions and give the answers

Q. What role does a price play at the market?
A.
Q. What do economists describe as the rationing effect of a price?
A.
Q. How is the economy kept responsive to the forces of supply and demand?
A.
Q. What does the law of demand describe?
A.
Q. When do consumers buy more/fewer goods and services?
A.

2 Work with the dialogues

<u>Dialogue A</u>

M.: Haven't seen you for a long time. What have you been busy with?
T.: I will tell you. Do you know my friend Linda?
M.: I sure do.
T.: We started up business together.
M.: Really? How is it going?
T.: Just fine, thank you.
M.: What kind of business is it?
T.: We developed our recipe for cookies and decided to sell them to students after school.
M.: How much does a box of your cookies cost?
T.: It costs $ 1. And I can tell you how we have calculated the price.
M.: It is interesting to know. I am all ears.
T.: First of all we studied the demand of our consumers: we conducted a survey to see if students were interested in the idea.
M.: And what about the price?

T.: We asked the following question "Would you spend $.50 to have a box of cookies. The question was repeated using higher and higher prices up to $2 per box.

M.: I see. Then you summed up the results and the table showed the quantities of a product that would be purchased at various prices and at a given time.

T.: Exactly. We saw the law of demand in action.

M.: I am sure in this way you will get good experience in running a business. Good luck!

T.: Thanks a lot.

Dialogue B

M.: Hi, glad to see you again.

T.: The same here. Let's get prepared for the test.

M.: I like the idea. We will review the concepts of supply, demand and market price.

T.: Yes, _ _ _ ration scarce resources and motivate production.

M.: True, a market economy is directed by _ _ _.

T.: Prices _ _ _ producers to change their level of output: to increase or decrease it.

T.: Prices send out _ _ _ ; they help the economy respond to the forces of _ _ _ and _ _ _.

T.: Prices _ _ _ by the interaction of the forces of supply and _ _ _ .

M.: Demand is a consumer's _ _ _ and _ _ _ to buy a product or service.

T.: More goods will be sold at a _ _ _ than at a higher price.

M.: This is exactly what we have to know. I think we are ready for the test.

T.: I believe so.

Dialogue C

M.: I am sure there are some definitions of demand and supply.

T.: Це дійсно так. Попит – це кількість товарів та послуг, які споживачі бажають і можуть придбати у певний час і у визначеному місці.

M.: А що таке пропозиція?

T.: Пропозиція – це кількість товарів та послуг, що продавці/виробники бажають продати на ринку.

M.: What factors influence demand?

T.: Я думаю, що першими слід назвати ціну, фінансовий стан споживача, його/її смак та моду.

M.: Що ти можеш сказати про зрівноважену ринкову ціну?

T.: Let me see…. This is the point when the quantity demanded equals exactly the quantity supplied.

M.: Right you are. And everybody is satisfied.

Dialogue D

M.: Could you give me some explanations?

T.: Звичайно. На цьому графіку ми бачимо криві попиту і пропозиції.

А це відбувається, коли змінюється ціна на товар чи послугу за інших рівних умов.

M.: Well, prices… I know that the price is the key element in the economy. But what does it mean?

T.: Так, ціна відіграє важливу роль в економічному житті: по-перше, вона діє як сигнал для покупців та продавців, по-друге, вона заохочує до ефективного виробництва по-третє. Вона визначає, хто отримає вироблені товари та запропоновані послуги.

M.: Is there a difference between the terms "a price" and "a market price"?

T.: Так, термін "ціна" означає суму грошей, за яку щось пропонується, продається чи купується. Термін "ринкова ціна" означає ціну, за якою кількість попиту у певний період часу відповідає кількості пропозиції.

M.: And the point on the chart where the supply and demand curves intercross is the market price.

T.: Я бачу, ти добре розумієш ці терміни, чи не так?

M.: Thank you very much.

T.: Бажаю успіху!

SPEAKING II

UKRAINIAN COUNTRYSIDE

Part 1

Read and practice the dialogues, role-play them.

1. - Hello Kate! How is life?
   - Hi, Sasha! I am just fine.
   - Oh really? Have you enjoyed your holiday?
   - Very much so. And what about you?
   - I am in a hurry, let's talk about it after classes.
   - Agreed.

2. - I am sure you know numerous ways of spending holidays.
   - No doubts. However, I would like to know what your preference is.
   - To tell the truth, it depends on the season.
   - Could you be more specific and tell me about summer.
   - With pleasure. In summer I prefer to spend my weekends and holidays in the countryside.
   - By the way, it is common for most Ukrainians to enjoy their holidays closer to nature.

3. - How big is a typical Ukrainian village?
   - We have to admit that not many people live in the villages due to some demographical and social problems.

- That's right. The number of population may range from few hundreds to few thousands.
- Another feature of a typical village is that there are no many-storey buildings. People live in private houses and have homesteads around them.
- Yes, some villagers have flower gardens, orchards and fields, others have barns or greenhouses, and all of them have vegetable gardens.

4. - Hi, Vasyl!
   - Hi, Oksana!
   - Let's talk about your native village.
   - I don't mind. Our village is very nice. In addition, it is situated near a beautiful lake where villagers and their guests enjoy their time in summer.
   - What about farming? What is the most popular kind of it among the residents of your village?
   - It depends… Some people keep animals, mostly poultry; others grow vegetables and fruits.
   - Are there villagers who are fond of bee keeping?
   - Oh yes, my grandfather is one of them; he is good at making honey and takes part in annual fair-exhibition (yarmarka) in Sorochyntsi.
   - How interesting! Have you ever joined him?
   - Guess… Of course. I did it last year and I had a wonderful time because the event was absolutely spectacular.
   - I believe so.

Part 2

1. - Where are you going for the holiday?
   - I am going to the village to visit my grandparents and spend some time with them?
   - Справді? Я дещо здивована, оскільки більшість людей бажають відпочивати біля моря і за кордоном.
   - It is disputable. Besides, tastes differ.
   - Що ти знаєш про умови життя селян?
   - Достатньо, щоб не хвилюватися. В будинках селян є опалення, вода, газ.
   - What about transport and communication?
   - Ha-ha. Almost every family has a car and nothing to say about mobiles.
   - You sound very convincing. Можливо наступного року я запланую подібний відпочинок.
   - I think you will make the right choice.
2. - Glad to see you, welcome to our village!
   - Thanks for meeting me at the station. I am eager to see your village.
   - Спочатку я скажу тобі, що село не дуже велике, проте надзвичайно гарне.
   - I believe so. Will you show me around? I have a camera with me.
   - Перш за все ходімо до центральної площі села.

Там є пам’ятник жертвам голодомору (The Famine) 1932-33 років.
- Now I see. Let's stay here for some minutes.
- Good idea. А ось Будинок культури, де односельці збираються, щоб відзначати важливі події. Молодь дивиться кінофільми тут.
- Is there a school in your village?
- Yes, there is. В селі є також дитячий садок, де знаходяться малюки, коли їх батьки працюють.
- Here is a nice cafe. Let's drop in and have some ice-cream.
- Із задоволенням.

3. - Do you have any special plans for the weekend?
- Not really, Why?
- Якщо ти любиш футбол, то ми можемо подивитися матч і підтримати нашу команду.
- Sounds like a plan. Then we can do some shopping.
- Звичайно. По дорозі додому пропоную зайти до бібліотеки: мені треба взяти книжки для бабусі.
- Не заперечую. On Sunday we will go to the house of culture to see a concert.
- Not me. I have already promised my father to help him with the car.

FARMER’S CORNER

FIELD CROPS			
cereals	злакові	turnip	ріпа
grain crops	зернові культури	rape	рапс
industrial crops	технічні культури	clover	конюшина
forage crops	Фуражні (кормові) культури	alfalfa	люцерна
wheat	пшениця	vetch, lupine	віка, люпин
barley	ячмінь	mustard	гірчиця
rye	жито	buckwheat	гречка
oats	овес	caraway	тмин
corn, maize	кукурудза	flax	льон
millet	просо	sunflower	соняшник
rice	рис	hops	хміль
beans	боби	chicory	цикорій
peas	горох	winter crop	озима культура
sugar beets	цукровий буряк	spring crop	яра культура

ГРАМАТИЧНИЙ ДОВІДНИК

SIMPLE TENSES

Спеціальні питальні речення утворюються у такий спосіб:

What	do	you	study
Where	does	a price	buy/sell
When		consumers	interact
Why	did	they	encourage
How many/much		the economy	purchase
	will	producers	increase/decrease

WHO WHAT	studies buys interacts bought sold encouraged will sell will purchase will increase

UNIT 3 BUSINESS ORGANIZATION (sub-unit 5)

Be not afraid of growing slowly,
be afraid of standing still.
Chinese proverb

Starter	Why people depend on businesses. What a business organization is. Where multinationals operate.
Reading Comprehension	Forms of business organization: sole proprietorship, partnership, corporation
Vocabulary Practice	Key vocabulary
Language Focus/Grammar	Exercises
Speaking Comprehension	I Talks on forms of business organization II Ukraine
Farmer's Corner	Vegetable crops
Grammar reference	Continuous/Progressive Tenses

STARTER

1. Why do people depend on businesses?
2. What is a business organization?
3. What is a corporation?
4. Where do multinationals operate?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian translation

1. to buy and to sell goods	a. керувати підприємством
2. to provide services	b. купувати і продавати товари
3. to make a profit	c. торгувати
4. to make/earn money	d. надавати послуги
5. to set up a business	e. задовольняти потреби
6. to run a business	f. отримувати прибуток
7. to trade	g. розширювати бізнес
8. to make a decision	h. заробляти гроші
9. to expand a business	i. приймати рішення
10. to satisfy needs	j. створювати/започатковувати бізнес

2 Match the synonyms

1. needs	a. to establish a business
2. to affect	b. to rely on
3. to run a business	c. necessities of life
4. a firm	d. revenue, income
5. to set up a business	e. a company, business
6. to depend on	f. to be out of business, to become bankrupt
7. a profit	g. to enlarge business
8. to go out of business	h. to operate a business
9. to trade	i. to influence
10. to expand a business	j. to sell and to buy

3 Find suitable opposites to the following words and phrases

1. to make a profit	a. a small business
2. to produce goods	b. to fail in business
3. to start a business	c. unnecessary things
4. to be a success	d. to sell goods and services
5. to buy goods and services	e. to go out of business
6. to reduce/decrease a business	f. to spend money
7. a corporation	g. to be/remain the same
8. to change	h. to consume goods
9. needs	i. to expand a business
10. to make/earn money	j. to lose a profit

4 Match the nouns with the verbs to make phrases; use them in your sentences

1. to affect	a. business
2. to buy	b. a decision
3. to diversify	c. goods
4. to do	d. a business partner
5. to establish	e. money
6. to expand	f. a profit
7. to make	g. services
8. to organize	h. a company
9. to provide	i. customers
10. to run	j. dividends
11. to satisfy	k. a business meeting
12. to sell	l. needs
13. to set up	m. production

5 Match words and phrases with their definitions

1. a firm	a. the money gained in a business deal; the difference between the amount earned and the amount spent
2. a profit	b. a person or business that owns something

3. a multinational company	c. commercial activities in general
4. an owner	d. to make a business larger
5. business	e. a large group of companies
6. a corporation	f. a very large organization that owns companies in more than one country
7. an economic system	g. two or more people in business who make a profit by selling/producing goods or services
8. to diversify a business	h. a nation's system for allocating resources among its citizens
9. to expand a business	i. to make a company work
10. to operate a business	j. to enter a new type of business

6 Find hidden English equivalents to the terms

w	i	l	o	s	s	o	b	бізнес
s	t	r	u	c	i	u	h	успіх
u	l	e	t	f	s	g	t	фірма
c	t	i	m	i	l	e	i	збиток
c	o	c	n	r	i	k	f	прибуток
e	f	e	w	m	x	a	o	податок
s	s	r	o	a	r	y	r	ліміт/обмеження
s	t	e	t	a	l	i	p	володіти

7 Complete the sentences below with words and phrases from the box

share price workforce profit turnover subsidiary market share head office

1. A company which is more than 50% owned by a parent company is called ...
2. The cost of a company's share is its _ _ _.
3. The percentage of sales a company has in a particular market is its _ _ _.
4. The main building or location of a large organization is its _ _ _.
5. The amount of money a company receives from sales in a particular period is called its _ _ _.
6. The money a company makes after taking away its costs is its _ _ _.
7. The employees in a particular country or business are called the _ _ _.

8 Complete the extract from a company report with words and phrases from the box in Exercise 7

Financial Performance

We are glad to state the company has continued its excellent performance. We are changing, growing and doing well at a difficult time for the industry. _ _ _ was $35.6 million, an increase of 10% last year, and _ _ _ rose by 3% to $ …million. We are a highly competitive business. We have increased our _ _ _ to 15%.

Consequently our _ _ _ has risen and is now at an all-time high of $ ….

Increased production and strong demand have had a positive effect on our cash flow, so we are able to finance a number of new projects, including charity ones. We have successfully moved to our new _ _ _ in central Boston.

Now we are planning to start production at the recently opened Check _ _ _ in September.

As a conclusion, we are a success thanks once again to our loyal and dedicated _ _ _. Our employees will always be our most valuable asset.

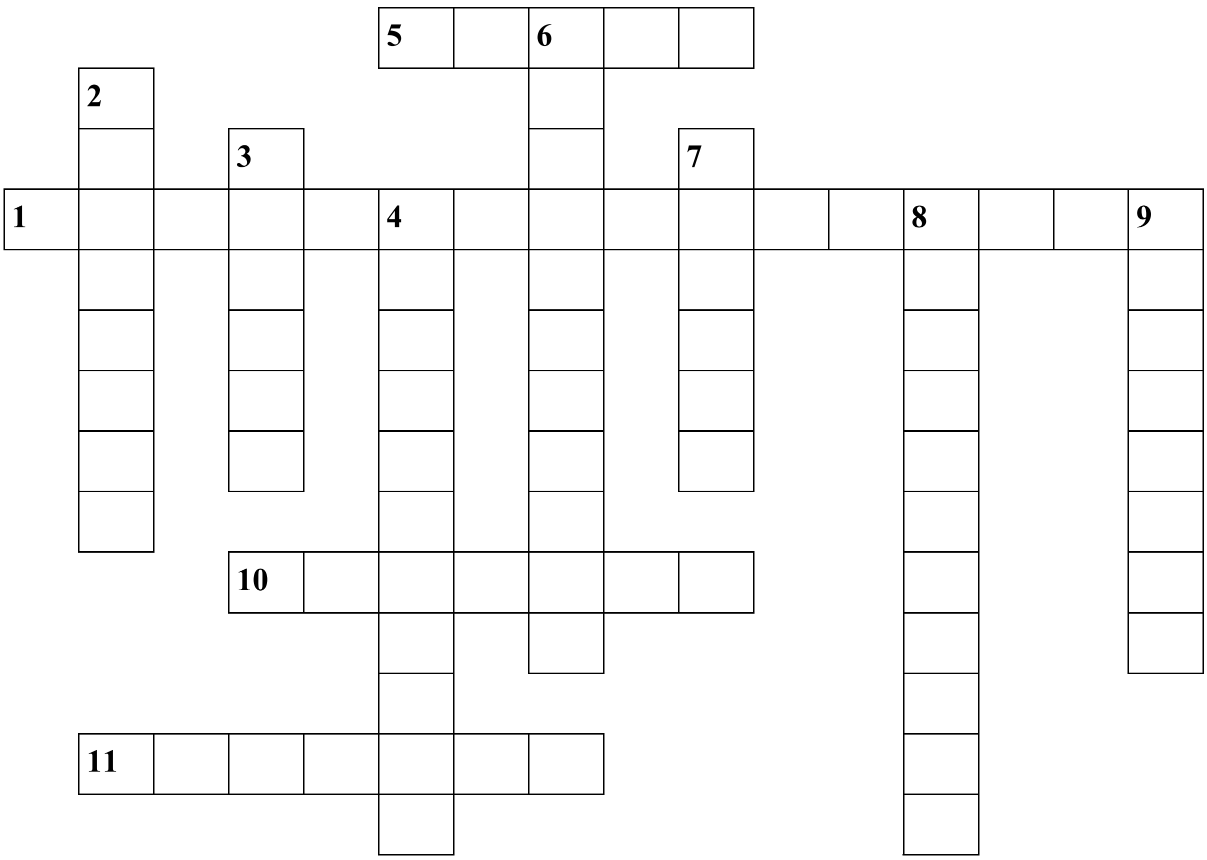
9 Solve the crossword

Cross

1. An independent systematic activity of making goods and services with the purpose of getting a profit
5. A group of people employed by a company or an individual to get the things done
10. A companion, a person you do business together
11. The process of exchanging goods and services for money

Down

2. A person who buys goods and services offered for sale
3. Money left after making all necessary payments (salaries, taxes, rent
4. A voluntary association of two or more partners to run a business
6. One of the ways to make goods and services known
7. A person (an institution) who lends money
8. A person who owns shares
9. To get/obtain goods or services in exchange for money



READING

Text A

BUSINESS ORGANIZATION

The economic system is made up of people with basic needs that they must satisfy to survive. As most of us cannot produce all the goods and services we need, we depend on other people or businesses to make them for our consumption.

A business organization is a firm, a company or a business that makes, buys or sells goods, or provides services, to make a profit.

Large companies are referred to as corporations. Many consider the corporation to be the ideal way to organize business. Large companies operating in many countries are called multinationals.

Small companies are referred to as small businesses or small firms.

When we start a business, we say we set up a business or establish a business. Once a business has been established, we say we are in business or we run a business.

To do business means to trade or deal with a company or country. It is not easy to organize a business and to operate it successfully. When a company is not a success, it may go out of business.

The economic situation, as well as decisions made by the owners of a company, affects how it grows and/or changes. You may expand your business, specialize in something, you may also diversify your business.

Text B

FORMS OF BUSINESS ORGANIZATION

There are three major forms of business organization: the single proprietorship, the partnership, and the corporation.

In the single proprietorship, one owner makes all the decisions and is personally responsible for all of the firm's actions and debts. In the partnership, there are two or more joint owners, each of whom may make decisions and is personally responsible for all of the firm's actions and debts. In the corporation, the firm has a legal existence separate from that of the owners. The owners are the firm's shareholders, and they risk only the amount that they put up to purchase their shares. The owners elect a board of directors, who hire managers to run the firm under the board's supervision.

The major advantage of the single proprietorship is that the owner is the boss who maintains full control over the firm. The disadvantages are, first, that the size of the firm is limited by the amount of capital that the owner can personally raise, and second, that the owner is personally responsible by law for all debts of the firm. The partnership overcomes to some extent the first disadvantage of the single proprietorship but not the second. Each partner is fully liable for all of the firm's debts.

There are certain professions in which a general partnership is traditional. They include law, medicine and brokerage. Partnerships survive in these professions partly because they all depend on a relationship of trust between owners and clients.

The limited partnership which has two classes of partners (general and limited) provides protection against some of the risks of the general partnership. The firms' general partners have unlimited liability; the firm's limited partners have liability only for the amount that they have invested.

Text C

THE CORPORATION

The corporation is an entity separate from the individuals who own it. The most important type of a corporation is the one that sells shares to the general public. The company raises the funds that it needs for the business by selling stock. Those who invest their money by buying its stock are called its stockholders, or its shareholders; they are the company's owners. All profits belong to the stockholders. Those profits that are paid out to them are called dividends.

Shareholders elect a board of directors. This board of directors defines general policy and hires senior managers whose job is to translate this general policy into detailed decisions.

The advantage of the corporation is that it can raise capital from a large number of individuals. Each of these individuals invests money in the firm and shares the firm's profits. There are disadvantages in investing in a corporation. First, the investor may have little to say about the management of the firm; second, the income of the corporation is taxed twice.

VOCABULARY PRACTICE II

1 Replace the underlined words with the ones used in the text

1. Any business organization performs its activities <u>to get a profit</u>.
2. The economic system <u>consists of</u> people who want to satisfy their basic needs.
3. People depend on businesses to make goods and services for <u>their use</u>.
4. Not being a success, a company may <u>become bankrupt</u>.
5. A board of directors hires managers <u>to operate the firm</u> under board's supervision.
6. <u>The major plus</u> of the single proprietorship is that the owner has full control over the firm.

7. Partnerships survive mostly because they all rely on the trust between owners and clients.
8. The board of directors defines general policy and employs senior managers.
9. Individuals put money in the firm and share the firm's profits.
10. Those who invest their money by buying the company's stock are called its shareholders.

2 Fill out the table and use the words in the sentences below

NOUN	ADJECTIVE	VERB
a. dependence		
b. operation		
c. economy		
d. success		
e. diversity		
f. change		
g. expansion		
h. decision		
i. profit		

1. Multinational companies _ _ _ in many countries.
2. In some cases to be _ _ _, you have _ _ _ your business.
3. Businesses _ _ _ very much on the _ _ _ situation in the country.
4. It is easier to make _ _ _ in small business than in large companies.
5. _ _ _ the company does not always mean to get a higher _ _ _.
6. After a long discussion the board of directors made the right _ _ _ concerning the advertising campaign.

3 Complete the sentences using the words in the box

to go out of business	to do business	dividend	to run
consumption	to set up	the owners	affects	a corporation
the owners	to expand		

1. My parents have a family business: they are _ _ _ of a coffee shop.
2. When the economic situation is not very good, small companies _ _ _.
3. The economic situation _ _ _ how a company develops.
4. Have you ever _ _ _ _ _ _ with this company?
5. My friend _ _ _ his business a couple of years ago.
6. He has some experience how _ _ _ a successful business.
7. The _ _ _ rate of fruits and vegetables should be increased in this country.
8. The board of directors has decided not _ _ _ the company this year.
9. I would like to work for _ _ _ producing inputs for agribusiness.
10. His dream was to live on _ _ _ of the company he would invest in.

4 Choose proper definitions for the following phrases

school		lunch
plan	BUSINESS	meeting
sense		card
letter	community	administration
partners		trip

1. A letter about a business transaction, written in a certain form.
2. A meeting with lunch to talk about business.
3. A visit to suppliers, clients or other business contacts (partners) which takes you away from home.
4. A document which shows how a company will be operated.
5. The process of running a company.
6. A gathering of people to discuss business issues.
7. The organizations and people involved in business.
8. A small card with the information about a person (name, position) and a company (name, address).
9. The ability to predict and encourage business activity.
10. People who own business together.
11. A college or any educational institution (e.g., university) where business courses are taught.

5 Answer the questions using the phrases in the box

As far as I remember	I think/believe that	I'd like to say/comment
The point is	I'm sorry I can't answer the question, but	
Let me think	I am not sure, but	

1. Why do people depend on businesses?
2. What is a business organization?
3. Where do multinationals operate?
4. When may a company go out of business?
5. What can a company do to improve its business?
6. What are the three major forms of business organization?
7. Who makes decisions in the single proprietorship/the partnership?
8. What is the major advantage/disadvantage of the single proprietorship?
9. What is the most important type of a corporation?
10. What are the advantages/disadvantages of a corporation?

6 Fill out the table choosing advantages and disadvantages of the three types of business organizations

Sole proprietorship	Partnership	Corporation

a. there is possibility to delegate rights and authority	h. working load, ideas, experience and responsibility are shared among the partners
b. it has the most flexible structure as the authority is all yours	i. it is difficult to control activities
c. there is a possibility to use the experience and knowledge of other people	j. it is expensive and difficult to promote
d. each of the full partners can act on behalf of the partnership	k. it is very difficult to start and liquidate
e. it is easier to attract capital	l. there is a lack of stability
f. there are potential additional sources of capital	m. the more shares a partner has the more he loses in case of bankruptcy
g. it is the cheapest and the easiest form of business organization	n. personal affairs are easy to mix with business
	o. it is difficult to define the share of each partner

7 Translate the sentences

1. Мій брат займається малим бізнесом.
2. Наша фірма шукає нових партнерів по бізнесу.
3. Міжнародні (транснаціональні) корпорації працюють у багатьох країнах світу.
4. Нас цікавить ваша пропозиція, оскільки ми плануємо розширити свій бізнес.
5. Зустріч ділових партнерів призначена на 10 годину.
6. Економічна ситуація в країні впливає на розвиток великого і малого бізнесу.
7. Акціонери є власниками компанії; вони ризикують своїм капіталом, який вони використали для придбання акцій компанії.
8. Найголовнішим у ділових стосунках є довіра між власниками бізнесу та його клієнтами.
9. Інвестори не мають великого впливу на керівництво/управління компанією.
10. Компанія може виробляти чи продавати товари і послуги; у такий спосіб вона створює/заробляє прибуток.

8 Check yourself

1. Sole proprietorship is
   a. an association of two or more co-owners
   b. a company set up by shareholders
   c. a firm owned and operated by a single person
2. Profits of a sole proprietorship
   a. are shared among other proprietors
   b. are submitted to the tax authorities
   c. go to its owners
3. Debts of a sole proprietorship are
   a. paid out by the government
   b. entirely his liability
   c. shared among the partners
4. One of the advantages of a sole proprietorship is that an owner
   a. makes decisions consulting with other partners
   b. decides everything himself quickly and decisively
   c. does not pay taxes
5. Partnership is
   a. an involuntary association of two or more partners
   b. a union of shareholders working together for profit
   c. a voluntary association of two or more partners working together to get a profit
6. Shareholders are
   a. people who own shares
   b. employees hired by the corporation
   c. liable for all debts of the corporation
7. A corporation passes along profits to individuals in the form of
   a. bonds
   b. dividends
   c. income
8. The most flexible instrument for a large scale economic activity is
   a. partnership
   b. sole-proprietorship
   c. corporation
9. Economists distinguish the following types of economic systems
   a. common, traditional, market and command economies
   b. traditional, mixed, market and command economies
   c. traditional, market and common economies
10. A positive difference between a business' revenues and its expenses is
    a. supplied resources
    b. profits
    c. liabilities

CASE STUDY

Read the story and do the task which follows

Background. Constance chocolates are made in Leon, France. They are recognized as luxury products with a delicious and unique taste. Some of Constance's finest chocolates are handmade and have won many international awards.

Expansion. The company started by selling raw chocolate to other chocolate manufacturers. These manufacturers then used it to make their own products. Later, Constance began selling packaged chocolates directly to the public and created the Constance brand.

The company expanded fast. It now has almost 200 employees, 50 company-owned shops, and a turnover of $70 million.

However, in the last three years sales growth has slowed down and cots have risen. This has caused a fall in profits.

Here are some reasons for falling profits:

- Prices – there is widespread price cutting in the industry.
- Production – factory machines often break down.
- Demand – demand for its Original Bar is falling; new products (cookies and cakes) are not selling well
- Staff morale – sales staff are not motivated enough

The future. The company's owners want Constance to become an international business. They think it makes the best chocolate in the world. This year they have set aside $1.5 million to invest in their company. Their challenge is to decide how to spend the money so that the company will continue to expand.

Recently, a well-known journalist has done research of the company and made a conclusion:

Constance can continue to grow only if it develops new products and finds new markets.

The task:

You are directors of Constance. Discuss your investment plan and prepare a presentation with reasons for your choices. The list of options and benefits will help you as well as "Useful language".

OPTIONS	BENEFITS
1. Extend the factory	Increase the factory's capacity by 25%
2. Buy new machinery	End the delays caused by the old machines breaking down
3. Invest in more research and development	Develop new products such as low-fat chocolate drink, new biscuits/cakes
4. Buy out a local competitor	Reduce local competition
5. Establish a factory in the U.S.A.	Manufacture chocolates in a major new market
6. Launch a marketing campaign	Increase sales of all products

7. Finance a market survey and research trips to the U.S.A.	Assess the market potential for Constance products. Contact agents
8. Invest in an existing group of cafes	Become a partner in cafes which sell and promote Constance chocolates
9. Set up online sales	Increase sales and profits
10. Buy a new fleet of cars	Increase motivation of the sales staff

Useful language

Outlining the presentation	**Introducing new information**
- First, I'll give you some basic information. - Secondly, I'll talk about our stores in other countries. - Next, I'll talk about career opportunities. - Finally, I want to look at our future plans.	- Here's some basic information. - Let me add a few figures. - Let's have a look at some statistics. - What are our strengths?
Ending the presentation - To conclude, I want to tell you about our future plans. - Finally, a few words about our new project. - Thanks very much for listening to my talk. - Thanks for coming to my presentation.	

LANGUAGE FOCUS

1 Complete the sentences with the correct forms of the verbs

1. She usually *is learning/learns* languages very quickly.
2. The students *are working/work* on their term paper now.
3. The students are always busy in May and June: they *are taking/take* their exams.
4. Kate cannot go for a walk with you, she *is preparing/prepares* for her English test.
5. Where is Nick now? – He is *making/makes* a presentation at the conference.
6. They *were walking/walked* when it started snowing.
7. The day is beautiful: the sun *shines/is shining* brightly in a blue sky.
8. Tom, a sales manager *was/is waiting* for you. Send him in, please.
9. At this time tomorrow we *will be watching/are watching* the latest CNN news. Will you join us?
10. Kate *was looking/looked for* her copy-book when her brother found it on his desk.

2 Complete the sentences using the words form the box

was	were	are	is	will be

1. The students _ _ _ discussing the problem of scarcity, when the bell rang.
2. The standard of living _ _ _ not increasing from 1992 till 1994.
3. We _ _ _ studying macroeconomics the whole semester next year.
4. That year the population_ _ _ growing at a faster rate than production.
5. Business _ _ _ not making higher profits the whole month.
6. He cannot give you his dictionary: he _ _ _ using it now.
7. We _ _ _ preparing for the Day of the Faculty: join us – we need help.
8. When the lecturer entered the classroom the students _ _ _ discussing their plans for the weekend.
9. Where is John? – He _ _ _ reading in his room.
10. What _ _ _ you looking at? It is a new map of our city.

3 Open the brackets and use the correct tense

1. Mr. Brown (to make) a call when the secretary brought in the morning mail.
2. I (to walk) down the campus when somebody (to call) my name.
3. Don't call me tonight. I (to write) my term paper.
4. What are you doing here? I (to wait) for my friend.
5. It was cold and a strong wind (to blow), which is why we stayed at home.
6. What papers (to look through) he when you entered the office?
7. Look! It still (to snow). I like snowy and frosty winter.
8. Why (to wear) you a white shirt and a tie today? I am having an exam.
9. The students (to think over) a team project. Give them some more time.
10. He heard a strange sound when he (to turn off) a computer.

4 Find a mistake and correct it

1. The students was discussing the concept of supply and demand: it was interesting.
2. While Ann preparing a report, her friend was cooking dinner.
3. At this time tomorrow they will be came home.
4. Last year we were increasing our sales.
5. "The situation is gotting better", commented the manager.
6. What will you be doing at this time last week?
7. Be attentive when you are cross the street.
8. He is having a telephone conversation when somebody knocked at the door.
9. Can I help you? Yes, please. I will looking for an English textbook.
10. Do you have any special plans for the weekend? Yes, I play tennis with my friends.

5 Complete the following story choosing the right tense

A large corporation has just hired a new CEO (Chief Executive Officer-головний виконавчий директор). As the old CEO was leaving, he discreetly presented his successor with three envelopes numbered one, two and three. "If you have a problem you can't solve, open the first of the these," he (1) _ _ _ (tell) the new CEO.

Well, at first things went smoothly, but after six months sales (2) _ _ _ (fall) by 10% and the shareholders were getting very impatient. The CEO (3) _ _ _ (begin) to despair, when he remembered the envelopes the old CEO (4) _ _ _ (give) him.

He went to his office, closed the door and opened the first envelope. The message read, "Try blaming your predecessor." The new CEO (5) _ _ _ (call) a press-conference and tactfully blamed the previous CEO for the company's problems. The shareholders and the press were satisfied with his explanations, and a few weeks later the CEO was glad to see that sales (6) _ _ _ (improve) by 12%.

About a year later, the company was having serious production problems. The CEO (7) _ _ _ (learn) from his previous experience: as soon as he (8) _ _ _ (close) his office door, he opened the second envelope. The message read, "You ought to reorganize." He immediately reorganized production, and the company quickly recovered.

A year or two after that, costs (9) _ _ _ (rise) day by day and the company was in trouble again. The CEO went to his office, (10) _ _ _ (close) the door and opened the third envelope. The message read, "You might want to prepare three envelopes."

SPEAKING I

1 Which of these companies would you like to work? Why or why not?

* your own company (to be self-employed)
* a private company
* a state-run company
* a multinational company

2 Which of these business sectors would you like to work? Why or why not?

*** Agribusiness   * Agricultural production   * Banking   * Food processing**

3 Read and translate the dialogue

John Reed (JR) is consulting with his financial advisor (FA).

JR: As a matter of fact, I’m thinking of starting up a farm machinery agency. Could you tell me how I should finance this business?

FA: Sure, John. If you've got some money of your own, you can operate on a cash basis: no credit given, no money borrowed. But a firm of this kind is usually a short-living one.

JR: Shall I get credit from the bank then?

FA: Not necessarily. You may also go to any insurance company and they will be only glad to help you, or at least they will try to show it.

JR: Suppose I get their money to construct a building. However, I'll need a lot more money to pay for tools and equipment.

FA: It's not a problem either. The manufacturers will pay for it on a credit basis. And of course, you'll get a loan from the bank to cover other expenses.

JR: But this will mean a lot of money! How shall I pay it back?

FA: Don't worry. The more money you invest the more rapid the progress you will make. You will certainly have some idle money very soon. But make it work for you. Invest and get profit out of it.

JR: O.K. Thanks for the advice. I'll call you later for more details, if you don't mind.

FA: Of course not. I'll be glad to meet you any time, if you need my help.

JR: Thanks a lot.

4 Make up a dialogue between two people who are planning to organize a partnership. Person A starts the conversation.

Person A	Person B
1. What kind of partnership/you/ to have in mind?	2. A partnership/two – you and me.
3. What/we/to be going to/do?	4. I/suggest/to open /a video rental shop.
5. But we/to employ a lot of staff – a salesgirl, an accountant and …	6. Nothing of the kind. I/to be an accountant. You/to know: a) to be/good at counting; b) to love/to do it.
7. And what about/to employ/ other staff	8. There/to be/no need. You can/to work as a salesperson.
9. And where/we/to open/our business?	10. I suggest/to use an apartment of my grandmother. At present she/to live with us. The location /to be/very good. And we/not to need/ to pay rent.
11. Well, I/to have/to think about it.	12. All right. I /to take care of/the suppliers then.

5 Read the dialogue and do the task which follows

<u>**Dialogue**</u> Frank Wilson is talking on the radio about his job as a sales manager with a company called "Singenta";

(Int – an interviewer; Fr – Frank Wilson)

Int.: On Jobwise this week, Frank Wilson is going to talk about his job. Welcome Frank.

Fr: Thank you.

Int: Now you work for a large seed company called "Singenta". How long have you been there?

Fr: I've worked there for three years. When I was at university I worked for a small company during the holidays. When I graduated from the University they offered me a job. I stayed there for six months and then I succeeded in getting a better job at Singenta seed company.

Int: What kind of work do you actually do?

Fr: Some people in our company deal with seeds and fertilizers. I work with farm producers or farm cooperatives. I am in charge of promoting and selling the company produce.

Int: Do you enjoy your job? Is it what you expected?

Fr: Yes, I do. I enjoy it. However, it's not really what I thought I would do. I planned to spend more time in the office and to manage salespeople.

Int: Are there any disadvantages to the job?

Fr: Well, some people don't like the long hours. That doesn't worry me because I love my work. What I find difficult is that I can't plan my free time. Sometimes there's an emergency or I have to travel to talk to someone. But I always look forward to having a holiday – we have six weeks off a year. So I can't really complain!

Int: Did you want to be a manager?

Fr: Not really, when I was at school I did not know much about it. At the University I learned more about management and marketing. Now I understand I've made the right choice.

Int: Frank, thank you for coming.

Fr: My pleasure.

Make the right choice

1. When did Frank get a job with "Singenta"?
   a. when he was a university student
   b. as soon as he graduated from the university
   c. six months after his graduation from the university
2. What is Frank responsible for?
   a. producing final products
   b. advertising and marketing
   c. training the staff
3. When Frank began to work for the company he thought he would
   a. have a lot of work in the office
   b. have a lot of business trips
   c. have to conduct negotiations with foreign partners
4. What is the disadvantage of Frank's job?

   a. he does not have a car
   b. it is not a 5-9 o'clock job
   c. he never has a holiday
5. Where did he learn about a manager's job?
   a. his friends share their experience
   b. he attended lectures and seminars
   c. he visited a web-site of "Singenta" company

6 Check your personal characteristics that might help you become a successful entrepreneur. Be honest with yourself.

1. Are you a self-starter?
   a. I do things my own way. Nobody needs to tell me to get going.
   b. If someone gets me started, I keep going all right.
   c. I am not in a rush until I have to do something.
2. How do you feel about other people?
   a. I like people. I can get along with about anybody.
   b. I have enough friends and I don't need anybody else.
   c. Most people irritate me.
3. Can you take responsibility?
   a. I like to take charge and see things through.
   b. I will take over if I have to. But I'd rather let someone else be responsible.
   c. There is always some eager beaver around waiting to show off. I say let him.
4. Are you a good organizer?
   a. I like to have a plan before I start. I am usually the one who lines things up.
   b. I do all right unless things get too complicated. Then I lose interest.
   c. I take things as they come.
5. Are you a good worker?
   a. I can keep going as long as necessary. I don't mind working hard.
   b. I can work hard but not for a long time.
   c. I can’t see that hard work gets you somewhere.
6. Can you make decisions?
   a. I can make quick decisions if necessary and they are usually good.
   b. I can if I have plenty of time. Usually I regret if I have to make up my mind fast.
   c. I don’t like to be the one who makes decisions.
7. Are you consistent and persistent?
   a. If I make up my mind to do something, I don't let anything stop me.
   b. Usually I finish what I start.
   c. If my work does not go right, I turn off. Why should I beat my brains out?
8. Can you keep records?

a. Since they are needed I will keep records even if I don't want to.
b. I can but it is more important to get the work done than to shuffle numbers.
c. I would rather hire someone to keep records for me.

7 Read and translate the dialogue

Jack Bauer, a financial manager, is talking to the President of the corporation about the results of the financial year.

Pres: Now, Jack, how about the inflow of funds this year?

Jack: Actually, we made a good start in January by selling a large amount abroad. However, we still нам довелося звертатися до банку за позиками.

Pres: Not bad. Let's pass on to the sales in spring.

Jack: In March we made 35% of this year's income. Завдяки рекламній кампанії взимку ми мали гарні успіхи в березні і квітні, and it still continues now.

Pres: Jack, will you briefly inform about our expenses, please.

Jack: Ads took 2 percent of the total income, a little more than usual, but it proved to be worthwhile, as you know. Ми витратили більше на заробітні плати службовцям і робітникам but the results were also worth the expenses – we worked out some new items that would sell. Rent and taxes as always, and we spent less on transportation and inventory. Eventually cash inflow exceeded cash outflow.

Pres: And what will we do with the new money?

Jack: At present я шукаю надійної інвестиції. I'm also thinking of expanding out advertising program.

Pres: It sounds great! As far as I can see, твоя роль у компанії швидко змінюється. You're very good at strategic planning. They say you are a financial miracle worker. And I hope pretty soon you will find yourself on the top of the corporate ladder.

Jack: Thank you, Mr. President. Я намагаюся робити все, що залежить від мене.

SPEAKING II

UKRAINE

Read and practice the dialogues, role-play them.

1. - Hello Ann! Where are you going?
   - Hi, Nick! To the reading-room. I have to get prepared for the seminar.
   - Oh really? What is the topic?
   - Ukraine, the country we all live in.
   - Can I help?
   - I don't think so. Thanks anyway.

2. - How can you characterize Ukraine in general?
   - I may say Ukraine is a large European country with the population of about 47 million people.
   - Has Kyiv always been the capital of Ukraine?

- As far as I know, Kharkiv used to be the capital of the country but not for a long period.
- I see. Is there anything special about the geographical position of Ukraine?
- Definitely yes. Ukraine borders on seven European countries and it has access to the Black Sea and the Sea of Azov.
- We may agree that Ukraine has favorable conditions for the development of good relations with other countries.
- That's right.

3. - What can you say about the territory of Ukraine?
- Let's look at the map of the country: 95% of it is flat and the rest is mountainous.
- And what about rivers? Are there many of them in Ukraine?
- I'd like to mention the major ones: the Dnieper, the Dniester, the Danube and the Donets. Besides, Ukraine is washed by the Black Sea and the Sea of Azov, and it has very important ports.
- Yes, I understand that the Black Sea is not only a means of communication with Trans-Caucasus and Turkey but also with the rest of the world through the Mediterranean Sea.

4. - Let's review some information about Ukraine for our next English lesson.
- I don't mind.
- I'd like to start with industrial raw materials.
- We should mention that Ukraine is rich in such mineral resources as iron, manganese, ore, salt and coal.
- Unfortunately, no oil and not enough gas.
- However, we may be proud of our scientists: they make their contribution to the world science.
- Oh yes, Paton Research Institute of Electric Welding, the Research Institute of Cybernetics, the Institute of Super-hard Materials are among the leading research institutions of Ukraine.
- How interesting!
- I will tell you even more. Last year my uncle arranged a guided tour for us in the Institute of Electric Welding. We saw and learned a lot of exciting things.
- Good for you.

5. - I have to admit that Ukraine has a very long and eventful history.
- Besides, it has rich culture and art.
- When did a new state, Ukraine, appear on the map of the world?
- Всі це пам'ятають. Це 1991 рік.
- Яка адміністративна структура України?
- The country consists of 24 administrative regions and the Autonomous Republic of the Crimea.

- А як виглядають державний герб та прапор України?
- The National emblem of Ukraine is a Golden Tryzub (trident) on a blue shield. The National flag is a rectangular cloth with two stripes: blue and yellow.
- When do Ukrainians celebrate the Independence Day?
- Державне свято День Незалежності святкується по усій країні 24 серпня. Багато музики, квітів, посмішок.

FARMER'S CORNER

VEGETABLES			
potatoes	картопля	dill, fennel	кріп, фенхель
tomatoes	томати	parsley	петрушка
cucumbers (gherkins)	огірки (корнішони)	celery	селера
cabbage	капуста	lettuce	салат
cauliflower	цвітна капуста	asparagus	спаржа
radishes	редиска	rhubarb	ревінь
egg-plants	баклажани	parsnip	пастернак
carrots	морква	cloves	гвоздика
squash, marrow, zucchini	кабачки, цукіні	canella (cinnamon)	кориця
pumpkin	гарбуз	vegetable garden	город
onion	цибуля	to water	поливати
garlic	часник	greenhouse	теплиця
kidney beans	квасоля		

ГРАМАТИЧНИЙ ДОВІДНИК

PROGRESSIVE TENSES

The Present Progressive вживається для позначення дії, що відбувається у момент мовлення; він утворюється із допоміжного дієслова to be в Present Simple та Participle I основного дієслова:

I	am	reading writing working doing translating listening playing	now at this moment
He She It	is		
We You They	are		

The Past Progressive вживається для позначення незакінченої дії, що відбувалася у якийсь момент у минулому. Цей момент може бути вказаний: а) точним часом б) іншою дією, вираженою the Past Simple.

The Past Progressive утворюється із допоміжного дієслова to be в Past Simple та Participle I основного дієслова:

I He She It	was	reading writing working doing	yesterday at … o'clock when …; while … the whole evening all day long
We You They	were	translating listening playing	from 5 till 6 at that moment

The Future Progressive вживається для позначення дії, що буде відбуватися у певний момент у майбутньому. Цей момент може бути вказаний: а) точним часом б) іншою майбутньою дією, вираженою the Present Simple.
The Future Progressive утворюється із допоміжного дієслова to be в Future Simple та Participle I основного дієслова:

I He She It We You They	will be	reading writing working doing translating listening playing	tomorrow at … o'clock when …; while … the whole evening tomorrow all day tomorrow from 5 till 6 at that moment

UNIT 3 COOPERATIVES, JOINT VENTURES (sub-unit 6)

Cooperation is probably as old as civilization

Starter	The task of cooperation. What a joint venture is. The purpose of non-profit organizations.
Reading Comprehension	Cooperatives (coops), joint ventures, non-profit organizations
Vocabulary Practice	Key vocabulary
Language Focus/Grammar	Exercises
Speaking Comprehension	I Talks on coops, joint ventures, non-profits II Kyiv
Farmer's Corner	Fruits
Grammar reference	Continuous/Progressive Tenses. Negatives and questions.

STARTER

1. Why did/do people need cooperation?
2. What kinds of cooperatives do you know?
3. What is a joint venture?
4. What is the main principle of a non-profit organization?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian translation

1. to own a business	a. одержувати послуги
2. to use services	b. наймати менеджера
3. to benefit from	c. володіти компанією/бізнесом
4. to receive services	d. продавати продукцію
5. to draw up by-laws	e. користуватися послугами
6. to elect a board of directors	f. гарантувати постачання
7. to hire a manager	g. обирати раду директорів
8. to run the day-to-day operation	h. вигравати від, одержувати користь від
9. to market products	i. розробляти статут
10. to secure supplies	j. керувати щоденною роботою

2 Match the synonyms

1. to use	a. to get, to acquire
2. to own	b. to develop, to work out
3. to receive	c. to supply, to give
4. to allocate	d. to sell and to buy
5. to draw up	e. to have, to possess
6. to market	f. to distribute
7. to provide	g. to facilitate
8. to help	h. to be, to stay
9. to trade	i. to sell
10. to remain	j. to utilize

3 Find suitable opposites to the following words and phrases

1. to create an entity	a. to utilize inputs
2. to put together	b. to waste
3. to speed up	c. to cancel an entity
4. to improve	d. to separate
5. a local company	e. to make worse
6. to sell commodities	f. rural residents
7. urban residents	g. to slow down
8. earnings	h. a foreign company
9. to use	i. to buy commodities
10. to provide inputs	j. spending

4 Match the nouns with the verbs to make phrases; use them in your sentences

1. to elect	a. products
2. to draw up	b. revenues, expenses
3. to market	c. a joint venture
4. to perform	d. access to
5. to create	e. a profit
6. to share in	f. a board of directors
7. to generate	g. inputs to producers
8. to get	h. by-laws
9. to exempt from	i. the day-to-day operations
10. to participate in	j. income
11. to run	k. economic activity
12. to provide	l. taxation
13. to distribute	m. a new entity

5 Find hidden English equivalents to the terms

c	u	a	c	b	d	c	b	m
h	o	s	e	o	f	u	e	a
a	l	o	e	g	s	s	n	n
r	a	h	p	i	s	t	e	a
i	o	w	n	e	a	o	f	g
t	g	e	c	x	f	m	i	e
y	s	c	c	e	e	e	t	r
s	a	k	o	m	t	r	l	m
n	t	o	n	p	y	u	p	s
t	u	o	t	t	v	c	z	w
i	m	p	r	o	v	e	x	y
k	l	m	o	e	p	s	t	u
p	u	b	l	i	c	d	b	f

Бізнес, кооператив, мета, вигода/зиск, володіти, податок, вартість, споживач, благодійність, доступ, звільняти від, використовувати, менеджер, безпека, магазин, гарантувати, покращувати, маркетинг, контроль, державний.

6 Complete the sentences below with words and phrases from the box

day-to-day	a geographical presence	a joint venture	share in
include	benefit from	a board of directors	consumer services
market their products	to solve problems		

1. When people work together it becomes easier _ _ _.
2. Members of a cooperative elect _ _ _.
3. Non-profit organizations _ _ _ public charity funds, volunteer organizations, and others.
4. Two or more parties can form _ _ _ to perform economic activity together.
5. Businesses use cooperatives _ _ _ successfully.
6. When a new entity is created, parties _ _ _ revenues and expenses.
7. As a business alternative, the company can offer a foreign company _ _ _.
8. Both rural and urban residents _ _ _ the use of cooperatives acquiring consumer services.
9. It is a manager who runs the _ _ _ operations.
10. People acquire _ _ _ using cooperatives.

7 Read the article and make the right choice (A, B, C, D)

Choosing a Job

One of the most difficult decisions is choosing what to do for a (1) _ _ _. For example, do you want a definite business, and (2) __ _ a low salary at the beginning, but have good prospects in a company that trains its (3) _ _ _? You may have to (4) _ _ _ the fact that a good job can be difficult to find. In that case, why not take a temporary one? You will gain some useful (5) _ _ _. Remember that even if you have the right qualifications, you may have to (6) _ _ _ lots of application forms before you are asked to (7) _ _ _ an interview. But don't worry if you don't know what you want to (8) _ _ _exactly. You will enjoy finding out!

1.	A salary	B living	C employee	D work
2.	A to earn	B to gain	C to win	D to take
3.	A employers	B crew	C staff	D persons
4.	A face up to	B go over	C come up with	D call off
5.	A experiences	B experienced	C experience	D experiencing
6.	A fall through	B get on	C turn down	D fill out
7.	A be	B attend	C make	D advertise
8.	A work	B job	C do	D employ

READING

Text A

COOPERATIVES (COOPS)

Cooperation is when people work together to solve common problems and get exciting opportunities.

A cooperative is a business owned and democratically controlled by the people who use its services and whose benefits are derived and distributed equitably on the basis of use.

The user-owners are called members. They benefit from the cooperative in two ways, in proportion to the use they make of it. First, the more they use the cooperative, the more service they receive. Second, earnings are allocated to members based on the amount of business they do with the cooperative.

The organizers draw up by-laws and other necessary legal papers. Members elect a board of directors. The board sets policy and hires a manager to run the day-to-day operations.

Today rural and urban residents use cooperatives to acquire consumer services such as housing, credit and other financial services (through credit unions), groceries, education and telecommunication. Franchisees, governmental units, hardware and grocery stores, florists' and numerous other businesses use cooperatives to market their products and secure the supplies they need at competitive prices.

There are several types of cooperatives:

- Consumer service cooperatives (housing, health care, child care)
- Business cooperatives (grocery and hardware wholesalers, restaurant supply)

- Farmer cooperatives:
  - Marketing coops handle/transport, process and sell agricultural commodities
  - Supply coops provide inputs to producers (chemicals, feed, fertilizer, seed, etc.)
  - Service coops provide trucking, artificial insemination services, storage, etc.

Cooperatives remain a major component of the food and agriculture industry, but now they are available to help people provide services for themselves in virtually all segments of the economy.

Text B

JOINT VENTURE

A joint venture (often abbreviated JV) is an entity formed between two or more parties to perform economic activity together. The parties agree to create a new entity by contributing equity. Then they share in the revenues, expenses and control of the enterprise.

A joint venture may be a corporation, a limited liability company, a partnership. Joint ventures are often cooperation between a local and foreign company (about ¾ of them are international). A joint venture is often seen as a very viable business alternative, as the company can complement its skill set while it offers the foreign company a geographical presence.

Joint ventures are practiced by joint venture brokers. These are people who often put together the two parties that participate in a joint venture. A joint venture broker makes a percentage of the profit that is made from the deal between the two parties.

There are some reasons for forming a joint venture:

- Internal reasons
  - to build on a company's strengths
  - to spread costs and risks
  - to improve access to financial resources
  - to get access to new technologies and customers
  - to get access to innovative managerial practices
- Competitive goals
  - to influence structural evolution of the industry
  - to create stronger competitive units
  - to speed to the market
  - to improve agility
- Strategic goals
  - synergies
  - transfer of technology/skills
  - diversification

Text C

NON-PROFIT ORGANIZATION

A non-profit organization is a group organized for purposes other than generating a profit and in which the organization's income is not distributed to its members, directors, or officers. It can take the form of a corporation, an individual enterprise (for example, individual charitable contributions), an incorporated association, a partnership, a foundation.

Non-profit organizations include churches, public schools, public charities, public clinics and hospitals, political organizations, legal aid societies, volunteer service organizations, labor unions, professional associations, research institutes, museums and some governmental agencies.

A non-profit organization is exempt from taxation if it is organized and operated exclusively for religious, charitable, scientific, literary and educational purposes, public safety, prevention of cruelty to children or animals, and/or to develop national or international sports.

VOCABULARY PRACTICE II

1 Replace the underlined words with the ones used in the text

1. A cooperative is a business possessed by those who use its service.
2. Businesses use cooperatives to sell their products.
3. Supply cooperatives send inputs to producers.
4. People use cooperatives to get consumers services.
5. Two companies agree to form a new entity.
6. The business partners share in incomes and expenses.
7. Two or more companies can take part in a joint venture.
8. A joint venture makes the access to financial resources better.
9. In a non-profit organization the income is not given to its members.
10. Non-profits are freed from taxation if they operate for charity aims.

2 Fill out the table and use the words in the sentences below

NOUN	VERB
a. a cooperative	
b.	to distribute
c. allocation	
d. a manager	
e.	to create
f. contribution	
g. participation	
h.	to improve
i. development	
k.	to compete

1. It is not easy for small business _ _ _ in the market.
2. Joint ventures help _ _ _ access to new technologies.
3. It is recommended to have an experienced _ _ _ to run the day-to-day operations.
4. _ _ _ are very popular in food and agriculture industry.
5. Two parties _ _ _ equity and create a new entity.
6. In a cooperative earnings are _ _ _ to its members.
7. Some non-profit organization concentrate their activity on the _ _ _ of national sports.
8. When it is a non-profit, the organizations' income is not _ _ _ to its members.
9. Two or more companies can _ _ _ in a joint venture.
10. A decision should be made what _ _ _: a joint venture or a cooperative.

3 Complete the sentences using the words in the box

an entity to own and control amount of business to acquire consumer services types of cooperatives sell farm commodities play an important role to contribute equity complement the skill set to take the form

1. _ _ _ _ _ _ _ _ _, rural and urban people use cooperatives.
2. One of the functions of marketing cooperatives is to _ _ _ _ _ _ _ _ _.
3. _ _ _ which is formed between two or more parties and aimed at doing business together is called a joint venture (JV).
4. A non-profit organization can _ _ _ _ _ _ _ _ _ an individual enterprise, a partnership, a foundation.
5. People _ _ _ _ _ _ _ _ _ a cooperative; they use its services.
6. When the parties decide to create a new entity they _ _ _ _ _ _ .
7. The earnings of the coop members depend on the _ _ _ _ _ _ _ _ _ they do with the cooperative.
8. Being part of a joint venture, a company can _ _ _ _ _ _ _ _ _ _ _ _.
9. We know several _ _ _ _ _ _ _ _ _ such as consumer service, business and farmer coops.
10. Cooperatives _ _ _ _ _ _ _ _ _ _ _ _ in the food and agriculture industry.

4 Read the text below and fill out the correct derivatives of the words in the box

advertisement profit resign employ (2) earn apply retire

Leaving a Job

Recently I have left my job in an (1) _ _ _ agency after a disagreement with my boss. She accepted my (2) _ _ _ but warned me that because of the economic situation I would possibly be (3) _ _ _ for a while. I thought she wanted me to regret. After I had made over fifty (4) _ _ _ to other companies, I realized that she was right.

Then I tried to work from home, but it was not very (5) _ _ _ . After that I became an (6) _ _ _ in a fast-food restaurant, even though my (7) _ _ _ were low. I wish I had accepted early (8) _ _ _ from my old job. Actually that was what I disagreed with my boss about!

5 Answer the questions using the phrases in the box

As far as I remember	I think/believe that	I'd like to say/comment
The point is	I'm sorry I can't answer the question, but	
Let me think	I am not sure, but	

1. What is cooperation?
2. Who benefits from the cooperative?
3. How can people use cooperatives?
4. What types of cooperatives do you know?
5. What is a joint venture?
6. What are the major principles of joint ventures?
7. What are the reasons for forming a joint venture?
8. What is a non-profit organization?
9. What do non-profits include?
10. How does a non-profit organization differ from other entities?

6 Fill out the table choosing the major features of the three types of entities

Cooperative	Joint Venture	Non-Profit Organization

a. it is exempt from taxation	h. the earnings are allocated to its members
b. the income is not distributed to its members	i. it is owned and controlled by the people who use its services
c. it is a business alternative	j. its members elect a board of directors.
d. the parties contribute equity	k. people get consumer services using them
e. it is the main component of the food and agriculture industry	l. it may be a partnership, a limited liability company, a corporation
f. they perform economic activity together	m. two or more parties do business together
g. they market their products and services	n. they include churches, charity funds, volunteer organizations, etc.

7 Translate the sentences

1. Члени кооперативу є його власниками і користувачами.
2. Рада директорів обирається членами кооперативу.
3. Спільне підприємство може бути у різних формах (корпорація, товариство тощо).
4. Церкви, державні та приватні благодійні фонди і волонтерські (добровільні) організації є прикладами установ, які не ставлять за мету одержати прибуток. Вони є неприбутковими/громадськими організаціями.
5. Малий бізнес (кооперується) використовує кооперативи, щоб краще збувати/реалізовувати свою продукцію.
6. Щоб вирішувати проблеми, людям краще працювати разом. Це називається кооперацією.
7. Створюючи спільне підприємство, ми маємо певні внутрішні причини, а також стратегічні та конкурентні цілі.
8. Засновники кооперативу складають юридичні документи, починаючи із статуту.
9. Міське і сільське населення надає перевагу кооперативам, коли потрібно придати споживчі послуги.
10. Сільське господарство залишається найпривабливішою галуззю для створення кооперативів.

8 Check yourself

1. … exempt from taxation.
   a. a local bakery
   b. a non-profit organization
   c. a supply cooperative
2. A joint venture broker makes a percentage of ….
   a. the profit
   b. the charity
   c. the business
3. Cooperatives are very popular in the ….
   a. education system
   b. health care system
   c. food and agriculture industry
4. A joint venture is created by two or more parties ….
   a. to attract investments
   b. to avoid tax payment
   c. to perform business activity together.
5. A non-profit organization is set up ….
   a. to generate a profit
   b. to make a bank loan
   c. for charity purposes
6. One of the reasons for forming a joint venture is ….

a. to get a profit
b. to pay taxes
c. to get access to new technologies and customers

7. … get consumer services through cooperatives.
a. Teachers and doctors
b. Rural and urban citizens
c. Students and soldiers

8. Coop members benefit from the cooperatives in proportion to …
a. the use they make of it
b. the amount of money they offer
c. the amount of work they do

9. The board of directors establishes the policy and … to run daily operations.
a. makes loans in the banks
b. hires a manager
c. controls advertising campaign

10. Small businesses use cooperatives
a. to provide chemicals
b. to service restaurants
c. to market their products

LANGUAGE FOCUS

1 Complete the sentences with the correct forms of the verbs

1. She usually *is taking/takes* part in students' conference.
2. The students *are preparing/prepare* for the test now.
3. The farmers are always busy in March and April: they *are planting/plant* farm crops.
4. Mary cannot join you; she *is checking/checks* her weekly report.
5. Where is Mr. Wilson? – He is *reading/reads* a lecture on farm cooperatives.
6. They *were selling/sold* flowers when it started to rain.
7. Last month they *transported/were transporting* all the apples to the storage.
8. A joint venture was a success and a broker *made/was making* a 5-percent profit.
9. The two parties agree they *will share/will be sharing* both revenues and expenses.
10. Coop organizers *were drawing/drew* up by-laws when the lawyers came in to help them.

2 Complete the sentences using the words form the box

was	were	are	is	will be

1. The manager _ _ _ making a report on input supply at 11 AM tomorrow.
2. We state that the access to new technologies _ _ _ not improving.
3. We _ _ _ doing business together the whole season next year.
4. That year the number of coops _ _ _ growing at a faster rate.
5. This joint venture _ _ _ making higher profits the whole year.
6. The students _ _ _ discussing the advantages of cooperatives when the bell rang.
7. We _ _ _ preparing to set up a charity fund: join us – we need help.
8. When the lawyer entered the office the board members _ _ _ discussing a general development plan.
9. Where is Tom? – He _ _ _ making some calculations in his office.
10. What _ _ _ you looking through? It is an annual report of our non-profit organization.

3 Open the brackets and use the correct tense

1. Where is Kate? She (to do) her homework. She always (to do) her homework in the evening.
2. Water (to boil) at 100^0C.
3. Mary (to dance) all modern dances very well. Look! She (to dance) with Peter.
4. His father (to read) a magazine when somebody (to knock) at the door.
5. It (to snow) when we (to go out). It was so nice everywhere that we decided to walk back home.
6. She (to write letters) the whole Friday evening. This is her old habit.
7. Few friends (to sit) in the shade of a large tree discussing their plans for summer.
8. Don’t' call in the afternoon: we (to pack) our things.
9. A big party is planned for Sunday. Mrs. Brown with her daughters (to cook) salads and sandwiches all Saturday afternoon.
10. At this time tomorrow they (to fly) to New York. There they will be met by their aunt.

4 Find a mistake and correct it

1. They walk along the street when I met them. They looked happy.
2. Don't be late, he will waiting for you at 11 at the University library.
3. The girl was nervous when she were reciting a poem.
4. I calls you at the 3 but nobody answered. Where were you?
5. Tom is making a report when his friend entered the lecture-room
6. I can't help you now because I watching an interesting program. Will you wait?
7. She was hurry to the station when the car stopped and her uncle offered a lift. It was kind of him.
8. Where is Bill? He is repairs his bike. Ask if he needs your help.
9. Children decorate a Christmas tree. You may join them. With pleasure.

10. Take you umbrella with you: it raining.

5 Complete the following story making the right choice

In the autumn of 1935 I (1) _ _ _ in the north-west of India. One evening, after hunting in the forest all day, I (2) _ _ _ alone to the place where I (3) _ _ _ my tent. It (4) _ _ _ dark, and I was walking along a narrow path. On my right there (5) _ _ _ a wide river; on my left – a thick dark forest. Suddenly I (6) _ _ _ two green eyes looking at me from among the trees. A man-eating tiger (7) _ _ _ to jump on me. What could I do? Should I jump into the river and hope to save my life by swimming? I (8) _ _ _ to the right. In the river there was an immense crocodile waiting to welcome me with its mouth wide open. I was so frightened that I shut my eyes. Branches (9) _ _ _ as the tiger jumped. I opened my eyes. The tiger (10) _ _ _ right over me and now it was in the jaws of the crocodile. What luck!

1	traveled	was traveling	will travel	travels
2	returned	will return	was returning	returns
3	had put up	will put up	was putting up	puts up
4	got	gets	will be getting	was getting
5	is	was	will	been
6	will be seeing	is seeing	saw	was seeing
7	was preparing	will prepare	is preparing	prepares
8	was looking	will be looking	is looking	looked
9	are moving	will be moving	were moving	moves
10	is jumping	jumped	will be jumping	was jumping

6 Read and translate the text, then change it into the past

The Boy and the Cakes

A train stops at a small station. A passenger looks out of the window and sees a woman who is selling cakes. The gentleman wants to buy a cake but the woman is standing too far away from the carriage.

The gentleman does not want to go and get the cake himself, so he calls a little boy who is on the platform near the carriage and says, "How much does a cake cost?" "Three pence, sir," answers the boy. The gentleman gives him sixpence and says, "Buy one for me and with the other three pence get another for yourself."

A few minutes later the boy comes back eating a cake. He gives the gentleman three pence change and says, "There was only one cake left, sir."

SPEAKING I

1 Which of these companies would you like to work? Why or why not?

* a cooperative
* a joint venture
* a non-profit organization

2 Read and translate the dialogue, learn it by heart

Nick: Hello Peter. It's so nice to see you. How are you getting on?
Pete: Quite all right, thank you. And what about you? Haven't seen you for a long time. What have you been busy with?
Nick: I've been pretty busy. In fact I want to tell you about my business.
Pete: Oh, I'll be glad to help you out.
Nick: I'm glad you are not in a hurry and we have time to talk today.
Pete: Sure.
Nick: Well, Pete. I need some legal advice. John and I are thinking of a cooperative.
Pete: Really? It sounds interesting. It means that your partnership has been doing very well.
Nick: Oh yes, we are a success. Now some businesses are interested in setting up a cooperative with us.
Pete: Let me get it straight. You want to create a cooperative where you will control the business and use its services. I have to tell you that benefits will be distributed equitably on the basis of use.
Nick: Will you be more specific about benefits, please.
Pete: Yes, because it is important to know: the user-owners, called members, benefit from the coop in two ways. First, the more they use the cooperative, the more service they receive.
Nick: Let me guess… Second, earnings are allocated to members based on the amount of business they do with the coop.
Pete: That's right. And a few words about obligations.
Nick: What are they?
Pete: The organizers draw up by-laws and other legal papers. Members of the cooperatives elect a board of directors and …
Nick: The board sets policy and hires a manager to run the day-to-day operations.
Pete: I am glad you understand the basic principles of setting up a cooperative. Good luck!
Nick: I really appreciate your help. Thanks a lot.

3 Make up your dialogues about a joint venture and/or a non-profit organization using the following phrases

to perform economic activity together	to generate a profit
to share in the revenues and expenses	to distribute an organization's income
a local and a foreign company	to take the form of
a viable business alternative	a volunteer service organization
joint venture brokers	to include churches, public charities, etc.
to make a percentage of the profit	to be exempt from taxation
reasons to form a joint venture	to be organized and operated for … purposes

SPEAKING II

KYIV

Read and practice the dialogues, role-play them.

1. - Hello Ann! Where are you going?
   - Hi, Nick! To the Internet-cafe. I'd like to find some information about Kyiv.
   - Oh really? What do you want to know?
   - To begin with, I am interested in the history of the city.
   - Believe me, there is a lot to learn. Can I help you?
   - I don't think so. However you can join me if you have time. Together we can google the most interesting historic pages of Ukraine's capital.
   - I like the idea. I am in.

2. - Where and when was Kyiv founded?
   - On the banks of the river Dnieper and it was more than 200 years ago.
   - I am sure there is a nice legend behind it.
   - Yes, there is. And it tells about the three brothers and their sister.
   - I see. What can you say about the development of the city?
   - Kyiv attracted many people from everywhere: rich people settled on the hills, common people lived in the lower part of the city.
   - I came to know that Kyiv had become the capital of Kyiv Rus in the 9th century.
   - That's right.

3. - Що можна сказати про X століття?
   - Prince Volodymyr expanded the city, and his son Yaroslav the Wise built many beautiful churches.
   - Was the famous St. Sofia's Cathedral erected at that time?

- Це саме так.
- Ще одне місце варте уваги – Золоті Ворота, one of the entrances to the city in ancient times.
- Зрозуміло, що зараз це цікавий музей, по якому можна прогулюватися, уявляючи себе у середньовічному Києві.

4. - Let's review some information about Kyiv for our next English lesson.
- I don't mind.
- I'd like to start with the main street of the capital.
- У такому разі ми повинні говорити про Хрещатик, який не завжди був таким гарним.
- Відчувається, що ти знаєш щось із історії цієї відомої вулиці.
- Yes, I do. Initially it was Khreschata Dolyna covered with forests and ravines. Wooden and then stone houses were ruined during the Great Patriotic War.
- Так, я чимало читав про героїчну працю жителів міста, які змогли відновити зруйновані будівлі та вулиці столиці за відносно короткий термін.
- How interesting!
- The street leads to Independence Square which together with Khreschatyk is a favorite entertainment place for Kyiv residents and numerous guests of the capital.
- Look forward to visiting the place.

5. - Тим, хто любить мистецтво, буде дуже цікаво у Києві. Тільки музей українського живопису налічує 21 зал: ікони, картини, скульптури від 14 до 20 століття.
- What about theater-goers?
- Everyone can find a theater for his/her liking. And of course you can't help visiting Shevchenko National Opera and Ballet House.
- I believe, young people those who finish schools and want to get university education have a wide choice of educational institutions.
- That's right. The most prestigious universities are Shevchenko National University, Kyiv Polytechnic University and University "Kyiv-Mohyla Academy".
- Київ є цікавим містом для всіх: місцевим жителям і гостям столиці.
- You are right. And the explanation is simple: it combines the present and the past?
- Both who are interests in the history and those who are fond of present-day life will enjoy their stay in the capital of Ukraine.
- I totally agree with you.

FARMER'S CORNER

FRUITS			
fruit tree	плодове дерево	rake	граблі
orchard	сад	hoe	сапка
bush	кущ	fork	вила
berry (berries)	ягода	water can	бідон для води
apple-tree (juice)	яблуня (сік)	hose	шланг
pear-tree	груша (дерево)	scissors	ножиці
plum	слива	basket	корзина
peach	персик	box	ящик, коробка
apricot	абрикос	bag, sack	пакет, мішок
cherry (cherries)	вишня	bucket	відро
quince	айва	flower pot	горщик для квітів
mulberry	шовковиця	scion	прищепа
strawberry	суниця	rootstock	підщепа
raspberry	малина	branch	гілка
currants	смородина	leaf (leaves)	листок
gooseberry	аґрус	bud	брунька
grapes	виноград	to prune/cut	обрізати
almond	мигдаль	to graft	прищеплювати
walnuts	грецький горіх	to spray	обприскувати
hazelnuts	ліщина	caterpillar	гусінь
tools	знаряддя	butterfly	метелик
spade	лопата	beetle	жук

ГРАМАТИЧНИЙ ДОВІДНИК

PROGRESSIVE TENSES

У питальній формі допоміжне дієслово ***to be*** ставиться перед підметом.

e.g. Is he reading now? Yes, he is. He is reading now.

Is he writing now? No, he is not. He is not writing now.

Am	I	reading	
Is	He She It	writing working doing	now
Are	We You They	translating listening playing	at this moment

Was	I He She It	reading writing working doing	yesterday at … o'clock when …; while … the whole evening all day long
Were	We You They	translating listening playing	from 5 till 6 at that moment

<table>
<tr><td>Will</td><td>I
He
She
It
We
You
They</td><td>be</td><td>reading
writing
working
doing
translating
listening
playing</td><td>tomorrow at … o'clock
when …; while …
the whole evening tomorrow
all day tomorrow
from 5 till 6
at that moment</td></tr>
</table>

У заперечній формі частка ***not*** ставиться між допоміжним дієсловом **to be** та смисловим дієсловом.

<table>
<tr><td>I</td><td>am not</td><td rowspan="3">reading
writing
working
doing
translating
listening
playing</td><td rowspan="3">now

at this moment</td></tr>
<tr><td>He
She
It</td><td>is not (isn't)</td></tr>
<tr><td>We
You
They</td><td>are not (aren't)</td></tr>
</table>

<table>
<tr><td>I
He
She
It</td><td>was not
(wasn't)</td><td rowspan="2">reading
writing
working
doing
translating
listening
playing</td><td rowspan="2">yesterday at … o'clock
when …; while …
the whole evening
all day long
from 5 till 6
at that moment</td></tr>
<tr><td>We
You
They</td><td>were not
(weren't)</td></tr>
</table>

<table>
<tr><td>I
He
She
It
We
You
They</td><td>will not
(won't)</td><td>be</td><td>reading
writing
working
doing
translating
listening
playing</td><td>tomorrow at … o'clock
when …; while …
the whole evening tomorrow
all day tomorrow
from 5 till 6
at that moment</td></tr>
</table>

UNIT 4 TAXES AND TAX POLICY (sub-unit 7)

It would be nice if we could all pay our taxes with a smile, but normally cash is required.
Anonymous.

Starter	What do you know about taxes? What is a tax? Do people and businesses pay taxes? Why or why not?
Reading Comprehension	Taxation. Principles of taxation. Other principles of taxation.
Vocabulary Practice	Key vocabulary
Language Focus/Grammar	Exercises
Speaking	I Talks on principles of taxation
Comprehension	II Great Britain
Farmer's Corner	Animals
Grammar reference	Perfect Tenses

STARTER

1. What do you know about taxes?
2. What is a tax?
3. Do all people and businesses pay taxes?
4. Why do people and businesses pay taxes?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian translation

1. to finance services	a. запобігати інфляції
2. to pay taxes	b. впливати на економічні рішення
3. to use tax revenue	c. використовувати податкові надходження
4. to levy	d. фінансувати послуги
5. to borrow money	e. заохочувати економічний ріст
6. to limit inflation	f. позичати гроші
7. to encourage economic growth	g. ігнорувати принцип
8. to affect economic decisions	h. платити податки
9. to defy a principle	i. обкладати податком, оподатковувати
10. to prevent inflation	j. обмежувати інфляцію

2 Match the synonyms

1. to levy	a. to imply, to mean
2. to generate a revenue	b. to ignore a principle
3. to have a debt	c. to impose on
4. to refer to	d. to make the payment
5. an elastic system	e. to make a profit
6. to defy a principle	f. to encourage economic growth
7. to cover the payment	g. to owe money
8. to support economic growth	h. to gather
9. an equitable system	i. a flexible system
10. to collect	j. a fair system

3 Find suitable opposites to the following words and phrases

1. to generate a profit	a. unfair
2. to borrow money	b. to pay in-kind
3. to satisfy a principle	c. to lose a profit
4. to support inflation	d. to lend money
5. elastic, flexible	e. to fail
6. to pay a tax	f. to spend money
7. to manage, to succeed	g. to defy, to ignore a principle
8. to pay in money	h. firm, stable, fixed
9. to save money	i. to prevent inflation
10. equitable	j. to avoid, to evade a tax

4 Match the nouns with the verbs to make phrases; translate them and use in your sentences

1. to pay	a. economic decisions
2. to use	b. inflation
3. to achieve	c. the economic growth
4. to satisfy⁄defy	d. the tax revenue
5. to support	e. the economy
6. to affect	f. taxes
7. to limit⁄prevent	g. the revenue
8. to stabilize	h. principles
9. to encourage	i. tax equity
10. to generate	j. money
11. to spend⁄save⁄invest	k. taxing
12. to consist of	l. taxing
13. to support	m. direct and indirect taxes

5 Match words and phrases with their definitions

1. taxation	a. using money
2. in kind	b. a business gets after selling its output (income, profit)
3. a flexible system	c. something you owe
4. in cash	d. a system of raising money to finance services
5. the wealthy	e. rapid price increases
6. a debt	f. a fixed amount of money imposed on an individual or a business
7. inflation	g. using goods and services
8. a tax rate	h. a public body which is responsible for economic and social life of a community
9. revenue	i. a system which can be easily changed
10. a government	j. rich people

6 Find hidden English equivalents to the terms

p	f	t	g	h	r	j	k	платити
r	a	t	e	a	e	m	l	борг
x	q	y	d	y	v	o	p	гроші
w	p	r	e	v	e	n	t	ставка
e	r	n	b	t	n	r	u	податок
i	o	k	t	l	u	s	e	надходження
m	g	h	j	m	e	n	b	використовувати
z	x	c	v	b	n	g	f	запобігати

7 Complete the sentences with the correct form of the word

<u>to use</u>

1. The tax revenue is _ _ _ to pay the cost of health programs and other public services.
2. _ _ _ the collected revenue, the government can finance services for the poor.

<u>to require</u>

1. People and businesses are _ _ _ to pay taxes.
2. It is necessary to follow the _ _ _ of a tax system.

<u>to satisfy</u>

1. Women are more _ _ _ with their jobs than men, but not always.
2. Low wages and poor working conditions make workers feel _ _ _.

<u>to depend</u>

1. A tax rate should always _ _ _ on the sum it refers to.
2. The Day of _ _ _ is the greatest holiday for every country.

8 Complete the summary with the words below and add something at your discretion

intuitively clear confidence logically

The business plan needs to be (1) _ _ _ and presented (2) _ _ _. The presenter should speak with (3) _ _ _ to persuade the investor that the project is worthwhile. However, at the end of the day, the investor may feel (4) _ _ _ that the project is not worth investing in.

READING

Text A
Taxation

Taxation is a system of raising money to finance government services and activities. Governments at all levels – local, state, and nation – require people and businesses to pay taxes. Governments use the tax revenue to pay the cost of police and fire protection, health programs, schools, roads, national defense, and many other public services.

A tax (also known as a "duty") is a financial charge or other levy imposed on an individual or a legal entity by a state or a functional equivalent of a state. Taxes could also be imposed by a sub-national entity.

Taxes consist of direct tax and indirect tax, and may be paid in money or as corvée (forced and unpaid) labor. In modern, capitalist taxation systems, taxes are levied in money, but in-kind and corvée taxations are characteristic of traditional or pre-capitalist states and their functional equivalents.

Text B
Principles of taxation

A good tax system must satisfy several general principles of taxation. The main principles include productivity, equity, and elasticity.

Productivity

The chief goal of a tax system is to generate the revenue a government needs to pay its expenses. When a tax system produces such revenue, it satisfies the principles of productivity. If a tax system fails to produce the needed revenue, the government may have to add to its debt by borrowing money.

Equity

Most people agree that a tax system should be equitable (fair) to the taxpayers. Economists refer to two kinds of equity – horizontal and vertical. Horizontal equity means that taxpayers who have the same amount of income should be taxed at the same rate. Vertical equity implies that wealthier people should pay proportionately more taxes than poorer people. This is sometimes called the principle of ability to pay. Governments often

try to achieve tax equity by making their taxes progressive. A progressive tax has a rate that depends on the sum to which it is applied. The rate increases as that sum increases. For example, the U.S. individual income tax is a progressive tax because it applies a higher rate
to larger taxable incomes than it does to smaller ones.

Elasticity

A tax system should b elastic (flexible) so that it can satisfy the changing financial needs of a government. Under an elastic system, taxes help stabilize the economy. For example, taxes increase during periods of economic growth and thus help limit inflation (rapid price increases). Increasing taxes would leave less money for consumers to spend to send prices up. Similarly, taxes decrease during a decline in economic activity to help prevent a recession. This action would leave consumers more money to spend and encourage economic growth.

Text C

Other principals of taxation

People agree that taxes should be convenient and easy to pay, and that they should be inexpensive for governments to collect. In addition, taxpayers should know in advance when a tax has to be paid, so that they can save enough money to cover the payment. Some economists believe a tax system should also satisfy the principle of neutrality. According to this principle, tax laws should not affect taxpayers' economic decisions, such as how to spend, save, or invest their money. But other economists believe a tax system must defy the principle of neutrality to achieve tax equity or to stabilize economic growth. Still other economists believe a tax system should play an active role in redistributing wealth. They support taxing the wealthy at highly progressive rates and using the collected revenue to finance services for the poor.

VOCABULARY PRACTICE II

1 Replace the underlined words with the ones used in the text

1. Taxes <u>include</u> direct tax and indirect tax.
2. Taxation is a system of raising money <u>to pay for</u> government services.
3. A tax system is aimed at <u>producing</u> the revenue.
4. Taxpayers with similar incomes should be taxed at the same <u>level</u>.
5. Governments make efforts <u>to reach</u> tax equity by making taxes progressive.
6. Tax laws should not <u>influence</u> taxpayer's economic decisions.
7. Some economists <u>agree to</u> taxing the wealthy at high progressive rates.
8. The <u>gathered</u> revenue is used to finance services for the poor.
9. Taxes decrease during a decline in economic activity to help <u>avoid</u> a recession.
10. The government tries <u>to support</u> economic growth using various ways.

2 Match the prepositions with the verbs and use them in the sentences

from in to for of on	
a. borrow	f. refer
b. benefit	g. succeed
c. approve	h. belong
d. result	i. depend
e. believe	j. report … somebody

1. In the purchasing department there is a manager, and five employees who _ _ _ _ _ _her.
2. In this company, we firmly _ _ _ _ _ _the value of creativity and innovation.
3. The development of computer technology has _ _ _ _ _ _enormous changes in the way that people work.
4. Whether or not we succeed in creating and selling new products _ _ _ _ _ _a number of factors.
5. Most of our staff _ _ _ _ _ _ at least one of the company's sports or leisure clubs.
6. The Personnel Manager thinks that we would all _ _ _ _ _ _further training in how to use the office software.
7. Economists _ _ _two kinds of equity – horizontal and vertical.
8. It is a common practice for businesses _ _ _ financial institutions the required amount of money.

3 Find noun phrases in the text which have similar meanings to the phrases below

1. to pay for government programs
2. to ask individuals and companies to pay taxes
3. to use cash and goods or services
4. to follow common standards of taxation
5. to produce the earnings⁄incomes
6. not to be able to produce the revenue
7. to levy a tax at the same level
8. to reach tax fairness
9. to restrict⁄curb inflation
10. to promote⁄favor economic growth

4 Complete the beginnings of sentences with the appropriate endings

1. This mining area was incredibly	a. disastrous", said one bank manager. "It couldn't be worse."
2. Bank deposits are disappearing as nervous investors deny their	b. badly hit by the closure of the mines, which cost 10,000 jobs.

money abroad. "The situation is absolutely	
3. The organization's systems have been severely	c. stable, secure and hopeful.
4. The finance minister said the budget was totally	d. difficult, but much easier than it was before.
5. The new management techniques were found to be highly	e. criticized by auditors, who found corruption and mismanagement.
6. Making films in Britain is unbelievably	f. unrealistic, and a new budget will have to be presented to parliament next week
7. The country's international position is now exceptionally	g. successful in 30% of companies and moderately successful in 45% of cases.

5 Answer the questions using the phrases in the box

As far as I remember	I think/believe that	I'd like to say/comment
The point is	I'm sorry I can't answer the question, but	
Let me think	I am not sure, but	

1. What is a tax?
2. What is taxation?
3. What do the main principles of taxation include?
4. What is the main goal of a tax system?
5. How do governments use the tax revenue?
6. What kind of a tax system is most preferable?
7. What helps limit inflation?
8. How can economic growth be encouraged?
9. Should a tax system satisfy the principle of neutrality?
10. What does a progressive tax mean?

6 Make up your sentences using the following phrases

to pay taxes	to pay in money/in kind
to use the tax revenue	to generate the revenue
to have a debt	to borrow money
to raise money	to stabilize the economy
to prevent inflation	to encourage economic growth
to save/spend money	to use collected revenue
to satisfy the changing financial needs	to fail to produce the revenue

7 Check yourself

1. A system of raising money is
a. pricing
b. taxation
c. borrowing

2. At present taxes are paid
a. in kind
b. in goods and services
c. in money

3. The main goal of a tax system is
a. to generate the revenue
b. to help the poor
c. to deal with the rich

4. _ _ _ should satisfy the financial needs of a government.
a. A bank system
b. A budget
c. A tax system

5. Governments try to achieve tax equity
a. by reducing taxes
b. by making their taxes progressive
c. by increasing taxes

6. Under an elastic system, taxes help
a. stabilize the economy
b. limit inflation
c. prevent a recession

7. Tax laws should not affect taxpayers'
a. style of life
b. choice of profession
c. economic decisions

8. When a tax system produces the revenue, it satisfies
a. the principle of equity
b. the principle of productivity
c. the principle of elasticity

9. Vertical equity implies that wealthier people should pay proportionately
a. more taxes than poorer people
b. fewer taxes (less amount) than poorer people
c. the same taxes as poorer people do

10. Taxes increase during periods of economic growth and help
a. increase inflation
b. encourage inflation
c. limit inflation

CASE STUDY

Read the following passage and choose the best answer (a, b, c or d)

On November 25th, Peter Brooke celebrated his much deserved retirement after thirty-seven years of dedicated service with the company. Peter began his career in March 1972 as a trainee buyer and over the years he worked his way up to the position of Purchasing Manager.

Throughout his career he has seen many changes and watched the company grow immensely – from sales 3.5 million dollars and 100 employees to 600 million dollars in sales and 4,000 employees today.

Looking to the future, Peter will be moving to Pasadena California where he plans to spend time with his grandchildren; he will also play tennis with his friends. Here at the Tesco in-house newsletter, we hope that he will keep in touch with the many friends that he has among the staff and we all wish him a very happy retirement.

1. Where did this text appear?
    a. In a company magazine.
    b. In a local newspaper.
    c. In an employee's handbook.
    d. In a company's annual report.

2. Which of the following things did Peter Brooke NOT do?
    a. He worked for the same company throughout his career.
    b. He was responsible for the purchasing department.
    c. He joined the company in a junior position.
    d. He spent several years in a subsidiary in Florida.

3. What is Peter planning to do?
    a. To travel around the world.
    b. To see more of his grandchildren.
    c. To train young people to play tennis.
    d. To help in a local library.

4. What is the purpose of this text?
    a. To announce a promotion.
    b. To advertise a position that has become vacant.
    c. To inform staff of the departure of a manager.
    d. To draw attention to new procedures.

LANGUAGE FOCUS

1 Complete the sentences with the correct forms of the verbs

1. They *have just started/started* the negotiation.
2. The students *finished/have already finished* writing their test.

3. He *has never been/was not* to any museum of art.
4. The students *have passed/passed* all the exams this month.
5. The manager *has not read/did not read* the report yet.
6. They *had walked /walked* three blocks when it started snowing.
7. It has been a long time since I *have met/met him*.
8. By the end of the next month we *will sign/will have signed* the contract.
9. Yesterday he *watched/has watched* an interesting sport event on TV.
10. Kate *had found/found* her copy-book before her brother offered help.

2 Use the Past Simple or the Present Perfect of the verbs

1. In the past many firms (to operate) on a cash basis.
2. Our company already (to extend) its resources through the use of credit.
3. The travel agency (not to construct) its buildings yet.
4. The company (to pay) the mortgage recently.
5. The firm (to triple) the revenue last year.
6. The use of credit (to increase) our income last year.
7. We (not to produce) services for sale since 2006.
8. At last our company (to decide) to reduce transportation expenses today.
9. The reserve cash (to help) our company avoid bank charges last spring.
10. The company to find) itself with excess funds recently.

3 Complete the dialogs with a suitable adverb

extremely	highly	quite	slightly	totally	very	entirely

1. - What were your results like last year?
   - _ _ _good. We increased profits by over 40%.
2. - How was the launch of your new product?
   - _ _ _successful. We've been flooded with orders ever since.
3. - Do you really think we should try to enter that new market?
   - It's _ _ _risky but on balance I think we should go ahead.
4. - What did you think of the presentation?
   - It was _ _ _useless. Most of the audience lost interest after five minutes.
5. - Are you confident about those sales projections?
   - _ _ _confident, although it's going to be tough.

4 Complete the company profile with either the Present Perfect or Past Simple

William Colgate _ _ _(found) the Colgate Company in 1806 as a starch, soap and candle business in New York City. For the first hundred years, the company _ _ _ (do) all its business in the United States. However, in the early 1900s, the company _ _ _(begin) an aggressive expansion program that _ _ _(lead) to the establishment of Colgate operations in countries throughout Europe, Latin America and the Far East. In more recent years it _ _ _(set up) operations in Turkey, Pakistan, Saudi Arabia, Eastern Europe and China. Colgate-Palmolive _ _ _(become) a truly global consumer products company, worth $8.7 bn and selling in more than 200 countries.

Colgate-Palmolive has five main sectors of business. In the area of Oral Care, the company is the world leader in toothpaste. As a result of its heavy investment in research and technology, the company _ _ _ (develop) many successful toothpastes and toothbrushes. To strengthen its presence in professional products, Colgate-Palmolive _ _ _(buy) the Oral Pharm Company of Australia and the dental therapeutics business of Scherer Laboratories in the USA in 1990. For many years, the company _ _ _ (have) a strong dental education program in schools throughout the world and _ _ _(maintain) a close partnership with the international dental community. Recently it _ _ _ (create) a web site for dental professionals.

5 Complete the following story with passive forms of the verbs in brackets

Several surveys _ _ _[1](conduct) recently concerning the relationship between work and tax payment. According to psychologists, activities are more likely to _ _ _[2](perceive) as play – and therefore attractive – rather than work – and therefore unattractive – if they _ _ _ [3](enter) into voluntarily.

In one experiment, for example, volunteers _ _ _[4](give) a problem-solving game to perform: some _ _ _[5](pay) to perform the game and some were not.

Those who _ _ _ [6](pay) spent less free time performing than those for whom the only motivation was the pleasure of the game. Thus, motivation to play springs from within and the readiness to perform activities _ _ _[7](reduce) by external rewards.

6 Use the Past Indefinite or the Past Perfect Tense

1. Our company (decided) to apply for a loan after it (spend) most of its funds.
2. The firm already (sell) its machinery when the bank (demand) to repay the loan.
3. When the company (order) goods the supplier (not produce) them yet.
4. The bank (offer) a customer a loan after he (sign) a note promising to repay it on a certain date.
5. I (notify) the bank about borrowing from the line of credit after I (find out) that I (need) money badly.

7 Find a mistake and correct it

1. The students have discussed the principles of taxation yet.
2. By the time Ann prepared a report, her friend was cooking dinner.
3. By 3 o'clock the film will not finishing.
4. Last year the government increase sales taxes.
5. By the time they got to the station it has stopped snowing.
6. What will you have learn by the next lesson?

7. His grandfather had lived in a small village when he was a child.
8. The tourist have asked a passer-by where the post-office is.
9. His friend didn't graduate from the university yet.
10. During the time you receive this letter I will have finished my final exam.

SPEAKING I

1 Explain the meaning of the term *taxation* to your group-mates

2 Make up short dialogues about *a tax* (work in pairs)

3 Read the interview with Rick Steinberg.

Rick Steinberg is an executive director of ABC Private Bank Ltd. He lends money to businesses. In this interview he describes three important factors to consider when deciding whether to make a loan. After reading the interview answer the questions:

1. What does he say about them?
2. What big opportunity did Rick miss?

(I = Interviewer, RS=Rick Steinberg)

I : Rick, how do you decide who to lend money to and who not to?

RS: One of the most important elements is to consider the individual or individuals. Frankly, if they're prepared and know what they want and can demonstrate an understanding of those requirements, it's far more impressive when they explain

with clarity the purpose for which the money is required. It is essential that they're confident, not brash, just confident – usually the sign of someone who is well prepared.

I : And is that all?

RS: Not really. The individual alone isn't the only important factor. The business itself is extremely important in deciding whether it can provide the means of repaying money that it's borrowed. A quality business plan should be capable of demonstrating this.

It should include the details of the business structure as well as financial information. It's often clear that logically thought processes produce good financial structures.

The third key element is intuition. Frankly, if it doesn't sound right, it probably isn't.

I : Can you give me some examples from your experience?

RS: Well, yes, someone who has demonstrated in the past that they have been successful is often quite important in agreeing a future structure. One such occasion was a gentleman who had financed his business in the past, he'd been successful and had then had the opportunity to leave the business to someone else, having sold on his interest. Sometime later, when the business had not been successful, he returned and wanted to buy the business back, even though in his absence it had deteriorated.

I : What a step! Do you think it was wise of him?

RS: Yes, it was. Our faith in him was rewarded and the second time around the business was more successful and more profitable than it had been previously. Sometimes, you also just feel that a transaction is right even though it may be presented badly. Once such an opportunity arose on the financing of an entirely new product which was extremely badly presented. With considerable assistance a successful business structure was created and today the firm is a well-known UK company.

I : Have you ever missed any really big opportunities?

RS: Yes, some years ago I was given the opportunity of financing a business which screen-printed business logos on umbrellas. This was before the current craze for golf umbrellas and although the individual was impressive, and, although the business plan also showed considerable foresight, I thought intuitively that no one would ever buy an umbrella with a business logo on and therefore turned down the opportunity.

4 Read and translate the dialogue

Two group-mates are preparing for the seminar. They obviously need your help

Nick: Hi, how are doing, my friend? You look sad.

Pete: Honestly, I feel I am getting in trouble.

Nick: What makes you think so? What sort of problem do you worry about?

Pete: The seminar is scheduled for tomorrow; the subject for discussion is taxation and taxes.

Nick: So?!

Pete: Це мене і лякає. Про податки я знаю одну річ – вони погані.

Nick: Ти припускаєшся великої помилки, коли дивишся на проблему з однієї сторони.

Pete: Може, спочатку прочитаємо у підручнику чи у конспекті про оподаткування?

Nick: Гарна думка. Там також є визначення податку та наведені види найпоширеніших з них.

Continue the discussion between Pete and Nick

Pete:

Nick:

Pete:

SPEAKING II

GREAT BRITAIN

Read and practice the dialogues, role-play them.

1. - Hello Ann! Where are you going?
   - Hi, Nick! To the reading-room. I have to get prepared for the seminar.
   - Oh really? What is the topic?
   - Great Britain, one of the English-speaking countries.
   - Can I help you?
   - I don't think so. Thanks anyway.

2. - How can you characterize Great Britain in general?
   - I may say Great Britain is a large European country with the population of over 60 million people.
   - Is London the capital of England?
   - As far as I know, London is both the capital of England and that of the whole Great Britain
   - I see. Is there anything special about the geographical position of Great Britain?
   - Definitely yes. Great Britain is an island country; it is washed by the Atlantic Ocean in the north-west. It is separated from the continent of Europe by the English Channel.
   - We may agree that the climate of the British Isles is determined by the Atlantic Ocean.
   - That's right.

3. - What can you say about the territory of Great Britain?
   - Let's look at the map of the country: the British Isles have no high mountains. The highest mountain, Ben Nevis, is in Scotland.
   - And what about rivers? Are there many of them in Great Britain?
   - I'd like to mention the major ones: the Severn, the Thames, the Tyne and the Avon. Besides, the west coast is washed by the Atlantic Ocean and the Irish Sea; its east coast is washed by the North Sea, the south coast – by the English Channel.
   - I understand that Ireland and Scotland have many beautiful lakes.
   - You are right. There are many lakes in the Lake District which is situated in the west of England, Loch Lomond being the largest one.

4. - Let's review some information about Great Britain for our next English lesson.
   - I don't mind.
   - I'd like to start with the main branches of industry.
   - We should mention coal-mining, textile, ship-building, electronics,

aircraft industries.

- Almost all of them have their enterprises in such big cities as Glasgow, Manchester and Liverpool.
- However, найважливіші галузі текстильної промисловості є виробництво вовни та бавовнику.
- Oh yes, британські вовняні вироби відомі своєю якістю в усьому світі.
- How interesting!
- I will tell you even more. Минулого року я відвідала виставку-продаж і придбала декілька чудових речей.
- Good for you.

5. - I have to admit that the system of education in Great Britain is based on tradition.
- How many stages of education are there?
- Три: початкова, середня і вища (університет). Діти починають навчання досить рано – у п’ять років.
- Яка адміністративна структура Великої Британії?
- Велика Британія – це парламентська монархія. Королева стоїть на чолі держави, парламент керує країною.
- А як виглядає парламент Великої Британії?
- The British Parliament consists of two Houses: the House of Commons and the House of Lords.
- Як формується уряд країни?
- The party which wins the most seats in the general elections forms the government. Лідер цієї партії очолює уряд. He/She becomes Prime Minister.

FARMER’S CORNER

ANIMALS

body	корпус, тулуб	breed	порода
head	голова	to dehorn	видаляти роги
eye	око	to castrate	кастрували
ear	вухо	to brand	таврувати
nose	ніс	to vaccinate, inoculate	робити щеплення, вакцинувати
mouth, muzzle, snout	морда, рило	in heat	у статевому полюванні
tongue	язик	to serve, cover, mate	покривати, запліднювати
jaw	щелепа	pregnant (in-calf, in-foal)	вагітна, тільна, супоросна
tooth (teeth)	зуб (зуби)	gestation	вагітність, тільність

molar	корінний зуб	to suckle	годувати
neck	шия	to suck	ссати
withers	загривок, холка	to wean	відлучати від
belly	живіт	to breed (animal)	розводити
flank	бік, пах (-вина)	breeding, stock breeding	розведення
loin	поперек	animal/stock breeder	тваринник
rib	ребро	relationship	родинні стосунки
udder, bag	вим'я	ancestors	попередники, прабатьки
milk vein	молочний протік	progeny, offspring, descendants	потомство
teat	сосок	brothers and sisters, siblings	потомство від одних і тих самих батьків
tail	хвіст	hereditary, heritable	спадковий
fore leg	передня нога/лапа	heredity, heritability	спадковість
hind leg	задня нога/лапа	to inherit from	успадковувати від
hind quarters	зад, задня частина	crossbreeding	кросбридинг, перехресне запліднення
croup	хрестець, круп	inbreeding	інбридинг (у межах однієї лінії)
knee	коліно	selection, selective breeding	селекція, відбір
chest, breast	груди	judging	оцінка
back	спина	conception rate	показник запліднення
male, female	самець, самка	mortality	смертність, падіж
sire, male	батько, відтворювач, виробник	veterinary/surgeon, veterinarian, vet	ветеринар
dam, female	мати,	inseminator	технік-запліднювач

ГРАМАТИЧНИЙ ДОВІДНИК

PERFECT TENSES

The Present Perfect вживається для позначення дії, що відбулася у минулому, але пов'язана з теперішнім часом своїм результатом мовлення; він утворюється із допоміжного дієслова to have в

Present Simple та Participle II основного дієслова:

I	have	sent written worked done translated spoken paid	already, just never, ever, lately, yet this week, this year since
He She It	has		
We You They	have		

The Past Perfect вживається для позначення дії, що відбулася раніше певного моменту в минулому. Цей момент може бути вказаний: а) обставинними словами (by 7 o'clock, by Friday); б) іншою минулою дією, вираженою the Past Simple.

The Past Perfect утворюється із допоміжного дієслова to have в Past Simple та Participle II основного дієслова:

I He She It We You They	had	sent written worked done translated spoken plaid	by the 2nd of June by 5 o'clock by last Tuesday when you came when he called

The Future Perfect вживається для позначення дії, що закінчиться до певного моменту в майбутньому. Цей момент може бути вказаний: а) обставинами часу (by 4 o'clock, by the end of the week) б) іншою майбутньою дією, вираженою the Present Simple (before he comes, before she calls).

The Future Perfect утворюється із допоміжного дієслова to have в Future Simple та Participle II основного дієслова:

I He She It We You They	will have	sent written worked done translated spoken plaid	by this (that time), by four o'clock, by the end of the month; before he calls, before she comes

UNIT 4 TAXES AND TAX POLICY (sub-unit 8)

The best things in life are free,
but sooner or later the government
will find a way to tax them. - Anonymous

"The hardest thing in the world
to understand is the Income Tax."
- Albert Einstein

Starter	What kinds of taxes exist. What an income tax is. How a value-added tax is determined.
Reading Comprehension	Kinds of taxes: income tax, property tax, value-added tax, sales tax, excise tax
Vocabulary Practice	Key vocabulary
Language Focus/Grammar	Exercises
Speaking Comprehension	I Talks on taxes, its kinds II London
Farmer's Corner	Apiculture. Viticulture.
Grammar reference	Perfect Tenses

STARTER

1. What kinds of taxes do you know?
2. What is an income tax? Who pays it?
3. What can you say about a value-added tax?
4. Do all people pay an excise tax? Why or why not?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian translation

1. to levy a tax	a. податок з обороту (на продаж)
2. a property tax	b. піддавати сумніву
3. an income tax	c. обкладати податком
4. a value-added tax	d. акції і облігації
5. a sales tax	e. встановлювати річну податкову ставку
6. an excise tax	f. податок з прибутку
7. to question	g. оцінена вартість
8. stocks and bonds	h. акциз, акцизний збір
9. to set an annual tax rate	i. податок на майно (власність, нерухомість)

10. an assessed value	j. податок на додану вартість

2 Find suitable opposites to the following words and phrases

1. to levy a tax	a. deduction
2. to question, to debate	b. to subtract (take away)
3. rising prices	c. to exempt from taxation
4. raw materials	d. falling prices
5. revenue	e. a flexible percentage rate
6. a burden of a tax	f. finished goods
7. a fixed percentage rate	g. the same/stable rates
8. a wholesaler	h. to be sure/confident
9. to add to the price	i. a retailer
10. different rates	j. a tax relief

3 Find hidden English equivalents to the terms

i	v	a	l	u	e	a	b	c
d	n	o	b	s	t	o	c	k
e	x	c	i	s	e	d	e	f
d	p	r	o	p	e	r	t	y
u	g	h	i	m	a	j	k	l
c	c	o	s	t	e	l	m	e
t	n	d	e	p	e	n	d	v
i	r	o	y	a	p	p	l	y
o	p	a	q	r	r	s	t	u
n	v	w	d	x	y	n	z	a
h	t	l	a	e	w	b	c	d
e	f	s	e	l	a	s	g	h
s	t	a	b	i	l	i	z	e

Прибуток, акциз, власність, ставка, облігація, підвищуватися, Відрахування (видатки), акція, заробляти, залежати, стабілізувати, торгівля, закон, добробут, застосовувати, обкладати, платити, вартість (витрати), продаж, цінність.

4 Complete sentences with an appropriate fixed pair from the box; the words in brackets will help you

by and large	give and take	hard and fast	on and off
pros and cons	touch and go	ups and downs	wine and dine

1. I have been writing this report _ _ _ (occasionally), not continuously) for the last tow weeks, but it has to be in tomorrow.

2. There isn't any _ _ _(strict, fixed) rule about how we are going to proceed in this negotiation.
3. You won't win this negotiation through bullying. There needs to be some _ _ _ (compromise).
4. We have had a few _ _ _ (mixture of good and bad things) in recent years.
5. It was _ _ _ (very unsure that something will happen) whether we would get to the meeting on time.
6. If this contract is important, we will have to _ _ _ (entertain) their management team.
7. Full employment was _ _ _ (mostly true, in general) achieved.
8. The union discussed the _ _ _ (advantages and disadvantages) of strike action.

5 Read the article and make the right choice (a, b, c)

Recent research at business schools in the USA has shown that traditional management styles are rapidly becoming obsolete. In the traditional model, senior management exercises its (1) _ _ _ to ensure that decisions are carried out by (2) _ _ _ at lower levels of the company (3) _ _ _. However, in today's rapidly evolving business environment, it has become clear that (4) _ _ _ is something that all managers will have to live with and adapt to. In a modern organization (5) _ _ _ is no longer restricted to senior managers, and employees are not expected to blindly (6) _ _ _ orders from above. Because of the increasing complexity of business, managers have to (7) _ _ _ tasks to people al lower levels and to (8) _ _ _ them to take the necessary decisions. It has become a system where what you achieve, in other words your (9) _ _ _, is what determines not only the respect that other people in the organization have for you but also how you are (10) _ _ _ for the work that you accomplish. As one manager puts it, "Today you have to be very careful about what you say to someone who works for you because tomorrow that same person could be your boss!"

1.	a. custom	b. gesture	c. authority
2.	a. bosses	b. subordinates	c. partners
3.	a. culture	b. hierarchy	c. headquarters
4.	a. initiative	b. change	c. etiquette
5.	a. knowledge	b. communication	c. decision-making
6.	a. obey	b. operate	c. value
7.	a. reward	b. signal	c. delegate
8.	a. empower	b. infer	c. familiarize
9.	a. relationship	b. education	c. performance
10.	a. rewarded	b. scheduled	c. measured

READING

Text A

KINDS OF TAXES

Governments levy many kinds of taxes. The most important kinds include a property tax, an income tax, a value-added tax, a sales tax, an excise tax.

Income tax is a tax on the earnings of individuals, corporations, estates, and trusts. Nearly all nations levy income taxes. Various levels of government use income taxes. In the United States, income taxes are levied by the federal government, most state governments, and some local governments. In Canada, the federal government and all 10 provinces levy income taxes.

The income tax came into wide use during the early 1900's. Since then, many people have questioned the fairness of income taxes and their effect on economic activities. Today, people still debate these issues.

Property tax is collected from the owners of buildings, land, and other taxable property, including business equipment and inventory. Some governments also collect taxes from the owners of such property as stocks and bonds.

Property taxes provide much of the income of cities, counties, towns, and school districts in the United States, Canada, and many other countries. Local governments depend on these taxes to help finance education, police and fire protection, street repair, and other services. Some state and provincial governments also collect property taxes.

The government of a community sets an annual tax rate to determine each property owner's tax bill. The rate is a percentage of the assessed (estimated) value of the property. In many cases, the assessed worth is less than the property's market value.

The major problem with property taxation is that much property is not assessed fairly and uniformly. Another drawback is that assessments and rates change too slowly to keep up with rising prices. In countries with high rates of inflation, assessments have often fallen far behind market values. Some people oppose property taxes because they believe property ownership is a poor measurement of ability to pay. But others argue that property owners are the people who benefit most from community services, and so they should pay more for these services.

Text B

Value-added tax is a tax imposed by a government at each stage in the production of a good or service. The tax is paid by every company that handles a product during its transformation from raw materials to finished goods. The amount of the tax is determined by the amount of the value that a company adds to the materials and services it buys from other firms.

Most firms that pay a value-added tax try to pass this expense on to the next buyer. As a result, most of the burden of this tax in time falls on the consumer. In this sense, the final effect is equal to that of a retail sales tax. The tax is levied at a fixed percentage rate and applies to all goods and services. However, many nations use different rates. In these nations the less necessary a product is, the higher the rate will be.

Sales tax is levied on the sale of goods and services. The tax is a certain percentage of the sale. The main kinds are general sales tax and excise taxes. General sales taxes levy a single rate on the sales of many types of consumer goods. Governments that use them include local and state governments in the United States and the federal and provincial governments in Canada. Excise taxes are levied on a specific product or service. They include state and federal excise taxes on gasoline and tobacco. The sales tax can be collected by the producer, wholesaler or retailer – or by all of them.

The main objection to most sales taxes is that they may fall heavily on low income groups. People with low incomes must spend much of their wages on consumer goods. So they pay more sales tax in relation to their incomes than wealthy people do. The main advantages of the sales tax are that it produces a great deal of money, it reduces government reliance on income taxes, and it is relatively easy to administer.

Excise tax is a tax on the manufacture, sale, or use of goods or services levied by local, state, or national governments. It is usually levied on one or a few products. But the taxed party usually adds the amount of the tax to the price of the goods or services, making the buyer the real taxpayer. Many cities and states place a general tax called a sales tax on the sale of all products. Excise taxes also include fees paid for business licenses. Most excise tax revenue comes from the sale of tobacco, alcohol, and gasoline.

VOCABULARY PRACTICE II

1 Complete the beginnings of sentences with the appropriate endings

1. She had a sound business specializing	a. on my investment.
2. Self-employment may be the only alternative	b. of the risks facing European companies
3. Researchers say this results	c. of finance, beyond his grasp.
4. Why do women still have limited access	d. in lower failure rates.
5. Once you understand the mindset of your investors, you can profit	e. from their suggestions.
6. He can see opportunities which	f. in renovating and refurbishing

lie, through lack	buildings.
7. The document contained an assessment	g. to starvation in poorer countries.
8. I want a return	h. to venture capital?
9. We are very focused	i. to any further investment.
10. They are strongly opposed	j. on transferring ideas from the hard world of industrial economics to the dot-coms.

2 Make the right choice

1. All countries in the world levy income taxes.
   a. true b. false
2. The income tax appeared at the beginning of the XIX century.
   a. true b. false
3. You can read about it in the text:
   a. people discuss the issue of an income tax
   b. people do not support the issue of a property tax
   c. people vote to pay a sales tax
4. You can find the information about it in the text:
   a. ten taxes exist in every economy
   b. property is not assessed fairly
   c. property owners make money on community services
5. You cannot read about it in the text:
   a. taxes are collected from stock- and bond-holders
   b. businesses do not pay taxes in Canada
   c. low income groups suffer from sales taxes
6. Nothing is said about it in the text:
   a. farmers do not spend much of their income on consumer goods
   b. it is not difficult to administer sales taxes
   c. producers collect sales taxes
7. Finish the sentence "A positive side of a sales tax is that":
   a. it spends government's money
   b. it produces a lot of money
   c. it is difficult to administer
8. Begin the sentence "… comes from selling gasoline, alcohol and tobacco":
   a. Part of a value-added tax
   b. A little bit of a property tax
   c. Most excise tax revenue
9. Change the underlined phrase "A value-added tax is imposed by a government and is paid by every company in the process of transforming raw materials into final output".
   a. is given, finished output
   b. is levied, finished goods
   c. is taken, final goods

10. Find the best answer to the question "Who feels most of the burden of a value-added tax?"
    a. Consumers feel the burden of this tax.
    b. Producers do not benefit from this tax.
    c. Retailers ignore this tax.

3 Complete the second sentence so that it has a similar meaning to the first one

1. This is the best offer for sale the company has ever been given.
   The company has _ _ _
2. The company began to produce this line seven years ago.
   The company has _ _ _
3. This tax is not levied on such businesses as ours.
   We don't have _ _ _
4. Who does this building belong to?
   Whose property _ _ _
5. The accountant is glad that they have made all the payments.
   He is glad that all _ _ _
6. They haven't invested in this business for two years now.
   The last time _ _ _
7. A lot of consumers were not attracted to this sales tax rate.
   A lot of consumers found _ _ _
8. He was so experienced that he couldn't believe in the estimated value of the property.
   He was too _ _ _
9. The excise tax (fee) for business license was so low that we could plan on starting up a small business.
   The excise tax was low _ _ _
10. Would you like to discuss the issue of a property tax?
    Are you interested in _ _ _

4 Answer the questions using the phrases in the box

As far as I remember	I think/believe that	I'd like to say/comment
The point is	I'm sorry I can't answer the question, but	
Let me think	I am not sure, but	

1. What are the most important kinds of taxes?
2. What is an income tax?
3. Is it fair to pay an income tax?
4. Who should pay a property tax?
5. How do local governments use taxes?
6. How is a tax rate calculated?
7. What tax is imposed by a government at each stage in the production of a good or service?

8. What tax is a certain percentage of the sale?
9. How do you understand an excise tax?
10. Where does most excise tax revenue come from?

5 Fill out the table with the information about taxes

property tax	income tax	value-added tax	sales tax	excise tax

6 Find a mistake

1. The raise (a) in the price (b) of coffee is due (c) to bad weather conditions (d).
2. Despite (a) an increase in (b) costs, we are still (c) the most profitable society (d) in our sector.
3. We are offering (a) our regular clients a range of goods (b) that have been (c) certified as environmental (d) friendly.
4. In spite (a) the concern over the impact of certain materials (b), most companies have no policy (c) to minimize the damage that their products may do (d).
5. If I waited (a) until the merger was announced before selling (b) my shares, they would been (c) worth much more (d).
6. During (a) the meeting the chairman pointed up (b) that the company's shares had increased in value by (c) more than 25% over (d) the year.
7. We are actively (a) in a number of business sectors such (b) as the transportation (c) and disposal of hazardous waste (d).
8. Our company will be representing (a) at the conference by (b) our environmental officer (c) who will be making (d) the opening speech.
9. If (a) the products are delivered by (b) the end of this week, the stores would (c) be able to put (d) them on sale before the start of the holiday.
10. Judging from what have happened (a) over (b) the last two years, the demand (c) for this type of product will continue (d) to grow.

CASE STUDY

Read the texts (three groups) and do the tasks which follow

The South Sea Bubble

The South Sea Bubble is the name given to a speculation in 1720, and associated with the South Sea Company in London. People bought shares in the company expecting to make a huge profit, but the boom in shares collapsed and many investors lost all their money.

The South Sea Company was founded in1711 to trade with Spanish America. The company's stock offered a guaranteed interest of 6% and it sold well. Unfortunately, however, Spain allowed the company to send only one ship a year to trade in the area.

The first voyage in 1717 was a success. Then King George I became governor of the company in 1719. This created confidence in the business, and soon it was paying 100% interest.

In 1720, there was a boom in the South Sea Company's shares because it agreed to take over the country's national debt. It expected to get back its money by increased trade and a rise in the value of its shares.

The shares did, in fact, rise dramatically. The stock of the company, which had been around £128 in January 1720, reached £1,000 in August. However, by September the market had collapsed, and the price fell back to £124. Eventually, with the support of the Government, the shares leveled off at around £140.

The South Sea Bubble had burst and it led to an economic depression in the country.

Tulipomania

The first modern stock market appeared in Amsterdam at the beginning of the 17^{th} century. In Holland in the 1630s, there was one of the first and most extraordinary speculative explosions in history. It was not in stocks and shares, in real estate or in fine paintings, as you might expect, but in tulip bulbs. It has become known by the name Tulipomania.

People from all classes invested in the bulbs. Many sold their property so that they could pay for the bulbs they had bought in the tulip market. Foreigners joined in the rush to buy the flowers and money poured into Holland from other countries.

In 1637, the boom in the market ended. No one knows why, but people began to sell. Others followed suit. Soon there was a panic among investors and the tulip market collapsed. Many people who had offered their property as security for credit went bankrupt. People who had agreed to buy tulips at inflated prices were unable to pay their debts. When sellers took legal action to recover their money, the courts were not helpful because they saw such investment as a kind of gambling.

It is not surprising that the collapse in prices led to a severe economic recession in Holland.

The Wall Street Crash

The stock market crash in the United States in1929 was huge and it led to a severe and lasting economic crisis in the world. Many bankers and industrialists lost their money and reputations. Some went to prison and others committed suicide.

Share prices on the New York stock exchange had begun rising in 1924, and in 1928 and 1929 they rocketed to unbelievable levels. In spring 1929 there was a break in the rising prices when the Federal Bank said it might raise interest rates to slow down the boom. However, a major bank, the National City Bank, assured investors that it would continue to lend money to them at affordable rates.

Soon the market took off again. People could buy stock for 10% of its value and borrow the remaining 90%. The lending rate varied from 7% to 12%. Almost everyone was optimistic. One economist, at the peak of the boom, said that people generally agreed "stocks are not at present overvalued".

It all ended on 21 October, 1929. The market opened badly and there was heavy selling. Confidence in the market disappeared. There was a rumor that the big bankers were getting out of the market. Share prices fell dramatically and kept on falling. The boom was over. But its consequences would last for years to come.

a) Find words or phrases in the texts which are similar in meaning to the definitions below

South Sea Bubble	Tulipomania	Wall Street Crash
1. a very big amount of money	1. great increase in buying and selling, usually of shares	1. a powerful business person controlling large companies
2. to set up	2. land and buildings	2. to go up very fast
3. sudden increase in buying and selling	3. to flow quickly	3. a change for a short period
4. to accept responsibility for	4. to copy	4. to become very active
5. to go up very fast	5. to end suddenly	5. the highest point
6. in the end	6. to offer to a lender when you borrow money	6. to sell at too high a. price
7. remained stable	7. unable to pay their debts	7. to sell all of their shares

b) Complete the chart

	South Sea Bubble	Tulipomania	Wall Street Crash
Where did it happen?			
When did it happen?			
Who was involved?			
What happened			
Why did it happen			
What were the consequences?			

c) Discuss the questions

1. What are the similarities and differences in the three speculations?
2. What do you think people will speculate in during the next 15-20 years?

LANGUAGE FOCUS

1 Complete the story with prepositions of time

_ _ _the summer last year, I think it was _ _ _August, my car kept breaking down. I bought it second hand. I went to the same garage that I'd bought it from. The car salesman said that it would take five days to get it fixed. This was _ _ _ Monday and we agreed that I would be back to pick it up _ _ _ Friday. So I went to pick the car up _ _ _ Friday – and I had to take time off work. I turned up _ _ _ 9:30 in the morning. The salesman hadn't arranged for any of the work to be done and he was on holiday _ _ _ a week. So we agreed that the work would be done the following Tuesday. I dropped the car off _ _ _Tuesday _ _ _9:30 on the way to work. Fortunately, when I turned up _ _ _ the evening, all the repairs had been finished. Three weeks later, they had the cheek to send me a customer service evaluation questionnaire – and they wanted the answers _ _ _the end of the week!

2 Put the verb into the Present Perfect or the Past Indefinite; be careful with negatives

help see be finish have go happen be do see eat

1. Kate's car looks very old. How long _ _ _ she _ _ _ it?
2. The non-profit organization _ _ _ hundreds of disabled children.
3. I _ _ _ you for ages. What _ _ _ to you?
4. Why _ _ _ you _ _ _ your homework? I told you it was necessary.
5. _ _ _ you ever _ _ _ to China?
6. Where is Jennifer? She just _ _ _ to the library.
7. If you _ _ _ that film before, I recommend you to see it.
8. He _ _ _ Italian food since 2007.

9. There you are at last! Where _ _ _ you _ _ _all this time?
10. The students _ _ _ the test yet.

3 Use the Perfect Tenses

1. He told them he _ _ _ at the farm before entering the University.
2. She _ _ _ three documents by 11 o'clock and the manager was glad.
3. The students _ _ _ the textbooks form the library before the meeting started.
4. The students _ _ _ very well this term. I hope they will get good results.
5. I wanted to know what story she _ _ _ .
6. The department manager _ _ _ his presentation before the discussion starts.
7. The accountant _ _ _ the financial documents by tomorrow afternoon.
8. He said he _ _ _ all the payments. I believe him.
9. The income tax _ _ _ into wide use before people began to question its fairness.
10. The amount of the tax was determined by the amount of the value the company _ _ _ to the materials and services it bought from other firms.

4 Paul Newman, President of a clothing company, is in a meeting with his Sales Director John Updike, and his Financial Director, Sue Cage. Complete their conversation with appropriate forms of the verbs in brackets. Sometimes more than one tense is possible

Paul: I'm glad you managed to make it today. I'd like to start by taking a look at the year's sales and profit figures. First of all John, could you summarize the sales figures?

John: Well, we had a good January – 5.2 million. January's a difficult month, because sales always _ _ _ [1](drop) after Christmas. In February we launched the new children's line and it went very well. Total sales _ _ _ [2](rise) to almost 8 million, which was nice. Unfortunately they then _ _ _ [3](plummet) after the fire in the main factory. But by the end of April we _ _ _ [4](recover) – 10.2 million was the figure – and since then sales _ _ _ [5](go up) steadily month by month. The December figures aren't in yet, but it looks like we _ _ _ [6](probably reach) 15 million this month.

Paul: Good. I've got a couple of questions, but I'll save them for later. Kate, Sales have increased, but has that meant higher profits?

Sue: Yes, it has. We're waiting for the final figures, but we already know that overall, in the first three quarters of the year, profits _ _ _ [7](rise) by 5% compared to last year, from 960,000 to 1.1 million. In fact since April, profits _ _ _ [8](increase) every single month and they _ _ _ [9](still go up).

Paul: What about next year?

Sue: Well, as you know, next year we're going to centralize distribution, so costs _ _ _[10](decrease). Even if sales _ _ _ [11](level off), profits _ _ _ [12](improve).

5 Complete the following company profile with either the Present Perfect or Past Simple Tense of the verb in brackets

Procter & Gamble (1) has been in the soap business since William Procter and James Gamble (2)_ _ _ (form) their partnership in 1837. In order to raise capital for expansion, the partners (3)_ _ _ (set up) a corporate structure in 1890, with an appointed president at the helm of the company. It (4)_ _ _ (undergo) further restructuring in 1955, with the creation of individual operating divisions to better manage their growing lines of products. John E. Pepper (5)_ _ _ (lead) the company since 1995, when he was elected Procter & Gamble's ninth Chairman and Chief Executive Officer. The same year, the company (6)_ _ _ (move) from managing the business under two geographic areas, US and international, to four regions – North America, Latin America, Asia, and Europe/Middle East/Africa.

Ivory soap, which (7)_ _ _ (become) a common household name, (8)_ _ _ (come) onto the market in 1879. With the introduction and instant success of Tide laundry detergent in 1946, Procter & Gamble (9)_ _ _ (embark) on a strategy of rapid growth into new product lines as well as new markets around the world. The firm's commitment to innovation in technology (10)_ _ _ (help) Tide to remain their single largest brand over the years. Perhaps the product that (11)_ _ _ (have) the greatest impact, however, is Pampers, the disposable nappy which they (12)_ _ _ (launch) in 1961.

As a result of their aggressive expansion policy, Procter & Gamble sales (13)_ _ _ (reach) $10 billion in 1980. Since then the company (14)_ _ _ (quadruple) the number of consumers it can serve with its brands – to about five billion people around the world. In 1998 sales (15)_ _ _ (rise) to 37.2 billion.

SPEAKING I

1 Read and translate the dialogue, learn it by heart

Nick: Haven't seen you for a long time. What are you busy with?

Pete: I am getting prepared for my exam in economics. I know you are competent in the issue of inflation. Will you help me understand the difference between inflation and price increase for specific goods?

Nick: I can do this. The first thing you should take into account is that inflation is an increase in the average level of prices not a change in any specific price.

Pete: And what about deflation? How can you explain it?

Nick: Well, deflation occurs when price decreases of some goods and services outweigh price increases of all others.

Pete: Thank you, Nick. There is one more issue I want to make it clear: the difference between nominal income and real income.

Nick: To the best of my knowledge, nominal income is the amount of money you receive in a particular time period, and real income is the purchasing power of that money as measured by the quantity of goods and services your hrivnias will buy.

Pete: I see you are a real expert in major issues of economics.

Nick: Thanks for the good words said. However I'd like to draw your attention to the fact that there are two basic lessons about inflation to be learned: not all prices rise at the same rate during inflation and not everyone suffers equally from inflation.

Pete: Could you be more specific?

Nick: I sure can. Typically prices rise at various rates. People who consume goods and services whose price rises faster bear a greater burden of inflation; other consumers suffer less, depending on how fast the prices of the goods they enjoy rise.

Pete: Can you tell me about the measure of inflation?

Nick: Let me say this. The most common measure of inflation is the Consumer Price Index which is a mechanism for measuring changes in the average price of consumer goods and services.

Pete: Thanks to your help I feel much more confident.

Nick: Glad to hear it. Good luck!

Pete: Why don't we go to the café and have a snack together?

Nick: Good idea.

2 Read and translate the dialogue, learn it by heart

N: The efficiency of active stabilization policies, either fiscal or monetary, depends on the expectations of individual consumers and companies.

P: I see, but this is an area of considerable dispute since it is difficult to know precisely how individuals form expectations and how expectations, once formed, change. What do expectations depend on?

N: They depend on the availability and costs of gathering information. For example, how rapidly the labor market returns to equilibrium depends upon how stable/constant nominal wages are.

P: And what are nominal wages adjusted to?

N: Adjustments in nominal wages depend greatly upon the expectations that individuals have about the effect of changes in aggregate demand and policy responses to the price level.

P: Even if people knew that the price level would decline (or increase), to know the degree of this decline may still be a difficult issue.

N: Yes, if the price level declines a lot, nominal wages will also have to decline a lot in order to move the labor market back to full employment. If some people believe that the price level will only decline a little or perhaps not at all, unemployment will persist until these expectations change.

P: This is a very interesting area because some disagreement exists among economists.

N: Oh, economists are notorious for their disagreements on policy matters.

P: What is it all about?

N: Some economists believe that the best way to maintain a steady growth in aggregate demand is for the government to pursue steady fiscal and monetary policies. They think that aggregate demand is stable and they are in favor of nonactivist policy.

P: What are they called?

N: These economists are called "Monetarists" or "The New Classical Economists". Other economists (called "Keynesians") believe that aggregate demand is quite unstable. They are in favor of active stabilization policy.

P: Will you summarize our discussion, please?

N: In spite of these disputes/arguments, there is an agreement that optimal stabilization policy tends to strengthen nominal GNP.

3 Read and translate the dialogue

Tom: Let's talk about taxes. This will help us understand them better.

Jack: Не дуже весело, проте…

Tom: We can't have fun all the time. Let' go serious.

Jack: As you say. Я знаю, що існує декілька видів податків.

Tom: Це так: a property tax, an income tax, a value-added tax.

Jack: Слід додати ще два: податок з продажу і акцизний збір.

Tom: Хто платить податок на власність?

Jack: The name speaks for itself: власники будівель, землі та іншого майна.

Tom: А як використовується податок на власність?

Jack: Local governments finance education, police and fire protection, street repair and other services with help of this tax.

Tom: What do you know about a value-added tax?

Jack: Всі компанії, що виробляють товар чи створюють послугу, платять цей податок.

Tom: Лише зазначу, що розмір податку визначається обсягом вартості, яку компанія додає до сировини чи послуг, які вона купує у інших компаній.

Jack: To make it clear: most of this tax burden falls on the consumer, doesn't it?

Tom: Yes it does.

4 Make up your dialogues about taxation and kinds of taxes using the following phrases

to raise money	taxpayers' economic decisions
to pay taxes	to use the collected revenue
in money/in kind	to levy/impose/collect a tax
to generate the revenue	to determine a tax rate
to achieve tax equity	a property/income/sales/value-added/excise tax
to stabilize the economy	tax burden
to encourage economic growth	to benefit from

SPEAKING II

LONDON

Read and practice the dialogues, role-play them.

1. - Hello Kate! Where are you going?
   - Hi, Pete! To the Internet-cafe. I'd like to find some information about London.
   - Oh really? What do you want to know?
   - To begin with, I am interested in the history of the city.
   - Believe me, there is a lot to learn. Can I help you?
   - I don't think so. However you can join me if you have time. Together we can google the most interesting historic pages of the British capital.
   - I like the idea. I am in.

2. - Where and when was London founded?
   - Відверто кажучи, я не знаю. Треба почитати про це.
   - I am sure there is a nice legend behind it.
   - It goes without saying. Відомо, що місто розташоване на річці Темзі, його населення – вісім мільйонів.
   - It explains why London is the largest city in the world after Tokyo and New York.
   - З яких частин складається Лондон?
   - На це питання легко відповісти: the City, the West End, the East End and Westminster.
   - Цікаво побувати в Сіті у робочі дні.
   - And I would prefer to spend some time in the West End.

3. - Що можна сказати про цікаві місця у Лондоні?
   - Їх багато, але найвідоміше і найстаріше з них є Лондонська Вежа.
   - That's right. In the course of history it has been a fortress, a royal palace, a state prison, a citadel.
   - And nowadays?
   - Тепер це унікальний музей, де можна побачити багато цікавого з минулих століть.
   - Що ти можеш розказати про Будинок Парламенту?
   - Його варто подивитися і дізнатися про цікаву історію. It was built in the 14^{th} century; not it stands on the site of the burnt Palace of Westminster.

4. - Let's review some information about London for our next English lesson.
   - I don't mind.
   - I'd like to start with Big Ben, a huge clock and a bell.

- Кожну годину можна почути його дзвін і помилуватися прекрасною архітектурою.
- А тепер про Букінгемський палац.
- Yes, it is the official London residence of the sovereign. Numerous visitors of London enjoy watching the weekly ceremony of the Changing of the Guard.
- Так, я чимало читав про це історичне місце.
- How interesting! What about squares of London?
- Тоді слід згадати про Трафальгарську Площу - головну площу і географічний центр міста. It is not as old as some other places of the capital.
- Проте вона має свою історію: it was designed to commemorate the victory of the British fleet headed by Admiral Nelson in 1805.
- That's right. There is Nelson's column in the center of the square. British people think of him as their national hero.

5. - Тим, хто любить мистецтво, буде дуже цікаво у Лондоні.
   - Що ти маєш на увазі?
   - The following places are worth mentioning: the British Museum with its unique archeological collections, the National Portrait Gallery, the Royal Academy of Arts, the Victoria and Albert Museum with collections of fine arts.
   - Я хочу додати Музей Науки із його просвітницькою метою та Галерею Мадам Тюссо.
   - З усього видно, що у Лондоні можна гарно провести час.
   - А скільки парків та театрів!
   - You are right. And the explanation is simple: parks are often called "the lungs" of London. They are beautiful in every season; their trees, flowers and ponds please the eye of Londoners and numerous guests of the city.
   - Не забуваймо про Гайд-Парк. It is quite an interesting place.
   - I totally agree with you.

FARMER'S CORNER

BEEKEEPING, APICULTURE			
beekeeper	бджоляр, пасічник	wooden/straw hive	вулик
bee	бджола	colony of bees	колонія бджіл
worker/bee	робоча бджола	honey	мед
drone	трутень	honeycomb	медові сотки
queen bee	бджоломатка	swarm of bees	рій бджіл

VITICULTURE, VINE GROWING			
vine grower	виноградар	vintage	збір винограду
vineyard	виноградник	wine press	виноградний прес
vine	виноградна лоза	vat, tub	діжка, діжечка
grape	виноградина, виноград	to ferment	бродити
tendril	лоза, вус	fermentation	бродіння
prop	кілочок, підпора	cask, barrel	бочка, діжка
bunch, cluster	гроно	wine store	винний склад
to graft	прищеплювати, черешкувати	wine cellar	винний підвал, погріб
to prune	обрізати, підрізати	to taste, sample	пробувати, дегустувати
to thin/pinch out	проріджувати	red/white wine	червоне/біле вино
shoot	пагін	sweet	солодкий
to spray	обприскувати	sour	кислий
bordeaux mixture	бордоська суміш	to blend	змішувати, купажувати

ГРАМАТИЧНИЙ ДОВІДНИК

PERFECT TENSES

У питальній формі допоміжне дієслово ***to have*** ставиться перед підметом.

e.g. Has he read the report yet? Yes, he has. He has read it.

Has he written it? No, he has not. He has not writte it yet.

Have	I	read written worked done translated listened played	yet
Has	He She It		
Have	We You They		

Had	I He She It	read written worked done translated listened played	yesterday by … o'clock before… when … by that time by the time they came by that moment
	We You They		

<table>
<tr><td>Will</td><td>I
He
She
It
We
You
They</td><td>have</td><td>read
written
worked
done
translated
listened
played</td><td>tomorrow by … o'clock
when …;
by this time tomorrow
by tomorrow
before you come
by that moment</td></tr>
</table>

У заперечній формі частка ***not*** ставиться між допоміжним дієсловом **to have** та смисловим дієсловом.

<table>
<tr><td>I</td><td>have not</td><td rowspan="3">read
written
worked
done
translated
listened
played</td><td rowspan="3">yet</td></tr>
<tr><td>He
She
It</td><td>has not (hasn't)</td></tr>
<tr><td>We
You
They</td><td>have not
(haven't)</td></tr>
</table>

<table>
<tr><td>I
He
She
It</td><td>had not
(hadn't)</td><td rowspan="2">read
written
worked
done
translated
listened
played</td><td rowspan="2">yesterday by … o'clock
when …;
before …
by the time …
by last week
by that moment</td></tr>
<tr><td>We
You
They</td><td></td></tr>
</table>

<table>
<tr><td>I
He
She
It
We
You
They</td><td>will not
(won't)</td><td>have</td><td>read
written
worked
done
translated
listened
played</td><td>tomorrow by … o'clock
when you come;
before you come
by that time tomorrow
by the time you come
by that moment</td></tr>
</table>

UNIT 5 MONEY (sub-unit 9)

Money is only a tool. It will take you wherever you wish, but it will not replace you as a driver. - Ayn Rand (Russian-born American writer and novelist, 1905-1982)

Money never starts an idea. It is always the idea that starts the money. Owen Laughlin.

Starter	Why do we need money? What do you think the functions of money are? Can you guess what IOU means? What can serve as a medium of exchange: empty soft drink cans, four-leaf clover, IOU written on cards with the name and address of the writer, fresh fish?
Reading Comprehension	Money, its functions
Vocabulary Practice	Key vocabulary
Language Focus/Grammar	Exercises
Speaking Comprehension	I Talks on money, its functions II Farming in Ukraine
Farmer's Corner	Pig, hog
Grammar reference	Passive Voice

STARTER

1. Why do people need money?
2. What do you think the functions of money are?
3. Can you guess what IOU means?
4. What can serve as a medium of exchange: empty soft drink cans, four-leaf clovers, IOU written on cards with the name and address of the writer?

Do the quiz

1. How much cash do you have with you at the moment? Do you:
   a. know exactly?
   b. know approximately?
   c. not know at all?
2. Do you normally check:
   a. your change?
   b. your receipts when shopping?
   c. prices in several shops before you buy something?
3. Do you:

   a. give money to beggars?
   b. give money to charities?
   c. give away used items, such as clothing?
4. If you go for a meal with someone you don't know well, do you:
   a. offer to pay the whole bill?
   b. suggest dividing the bill into equal parts?
   c. try to avoid paying anything?
5. What do you think about people who do not pay the correct amount of tax? Is this:
   a. a serious crime?
   b. morally wrong but not a crime?
   c. excellent business practice?
6. If you lend a colleague/friend a small amount of money and they forget to pay it back, do you:
   a. say nothing?
   b. remind them that they owe you money?
   c. arrange to go for a drink/lunch with them and say you've forgotten your wallet or purse?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian translation

1. a demand deposit	a. установа, де зберігають кошти
2. an ATS account	b. акція, пай
3. a depositary institution	c. автоматичний рахунок трансферних послуг
4. a certificate of deposits	d. депозит за вимогою
5. a share	e. депозитний сертифікат

2 Match the synonyms

1. a loan	a. to move, transmit, convey
2. to transfer	b. to exchange, to swap
3. to barter	c. an operation
4. a circulation	d. a credit
5. a unit of measurement	e. a checking account
6. a demand deposit	f. a turnover
7. a transaction	g. a peg, a tie
8. a link	h. a standard value

3 Match words and phrases with their definitions

1. currency	a. a written order to a depositary institution to pay a person or an

	institution named on it a specified sum
2. liquidity	b. savings and loan bank customer accounts on which checks can be drawn
3. check	c. liabilities of depositary institutions to their customers that are not transferable by check and for which the institution may require an advance notice before withdrawal
4. demand deposits	d. the degree of ease with which an asset can be converted into money without a significant loss in value
5. negotiable order of withdrawal (NOW) accounts	e. liabilities of depositary institutions to their customers that are payable on demand
6. check (debit) cards	f. a deposit of a specified sum of money for a specified period of time that cannot be redeemed prior to the date specified (without penalties for early withdrawal)
7. automatic transfer services (ATS)	g. an investment fund that pools the assets of investors and puts the assets into debt securities that mature in less than 1 year: short-term bank CDs, corporate bonds, and 6-month Treasury bills
8. a certificate of deposit (CD)	h. a type of account that provides for the depository institution to automatically transfer funds from the depositor's savings account to her or his checking account when it has been drawn down
9. savings deposit	i. the part of the money supply which consists of coins and paper bills
10. money market mutual fund	j. cards that can be used to make the purchase when the price is deducted from the card user's checking account balance

KEY VOCABULARY

demand deposit	депозит за вимогою
checkable deposit	чековий вклад
saving deposit	депозитний рахунок
negotiable order of withdrawal	платіжний наказ з використанням коштів з ощадного рахунку клієнта
ATS account	автоматичний рахунок трансферних послуг

depositary institutions	установи, де зберігають кошти
check (debit) card	чек, чекова картка
financial assets	фінансові засоби (кошти)
credit union	кредитна спілка
certificate of deposit	депозитний сертифікат
share	пай, акція
money market mutual fund	пайовий фонд, спільний фонд, який діє на ринку короткострокових капіталів
a promissory note	простий вексель, боргове зобов'язання
a bank draft	тратта (чек, вексель), виставлена банком на інший банк

READING

Text A

MONEY

Money can be anything that society generally accepts as payment for goods and services. What we consider money today includes not only currency, but also travelers' checks, demand deposits, and other checkable deposits, such as negotiable orders of withdrawal and ATS accounts held at depositary institutions such as banks, savings and loans, and credit unions. The common factor in all these accounts is that customers can access their money by either writing checks, or using check cards. This measurement of the money supply is referred to as M1. In the USA, for example, currency, which consists of coins and bills not held by the banking system, constitutes almost 49% of the country's M1 money supply.

Broader measures of the money supply (M2, M3, and L) include near money - other types of financial assets that are not used directly to pay for goods and services but can be turned into money quickly and easily. Near money with a high degree of liquidity are saving deposits, certificates of deposits, and shares in money market mutual funds.

Currency is produced by the government in response to the demand for it by businesses and the general public. The currency enters the economic system when people purchase it from banks, paying for it by check. Therefore, an increase of currency in circulation does not increase the money supply. It is merely exchange for a different form of money demand deposits. The money supply is increased when banks lend funds to businesses, individuals, or governments. The bank loans are in the form of new demand deposits, which borrowers can then transfer to someone else by writing check. In return for the loan (which is part of the money supply), the borrower gives the bank a promissory note which is a non-monetary asset that is equal in value to the new demand deposit. The amount borrowed continues to circulate in the banking system as additional money until the loan is repaid.

Text B

Money does not only take different forms, it also serves various functions.
One of its functions is that it is used as a medium of exchange, something that people will accept in exchange for goods and services.

The use of money to pay for things evolved as an alternative to barter. Using money as medium of exchange for goods and services is much easier than attempting to trade those goods and services directly for each other. Money generally simplifies the exchange process. There is no need in a monetary economy to waste time looking for someone who has exactly the same good or service you want and who wants exactly what you have to trade. The use of money generally simplifies exchange.

In order to serve well as a medium of exchange, whatever is used as money should be universally recognized, have an adequate but limited supply, be easily portable, and be durable. The evolution of money from seashells to bank drafts has been one long attempt to satisfy these requirements.

The money unit serves as a common denominator that can specify the value of something else, in other words it can be a unit of measurement. In societies where cattle were used for money, everyone knew pretty well the value of a cow. The value of other things could therefore be expressed in terms of how much of each was equivalent to the value of a cow.

Normally, the unit of measurement is the same as the medium of exchange, but not always. In international transactions where countries use different kinds of a medium of exchange (Japanese yen, British pounds, etc.), the American dollar is frequently used as a unit of measurement. The price of OPEC oil, for example, is quoted in U.S. dollars per barrel all over the world, and many smaller countries link the value of their currency to the dollar.

A unit of measurement itself should be stable in value. Because of fluctuations in the value of the dollar, there have been suggestions that the world adopt a new unit of measurement. It would be based on the value of commodities rather than on the value of the dollar or that of any other currency.

The third function of money is to serve as a store of value, a form in which wealth can be held. Any form of wealth may be used as a store of value, but money has the advantage of being more liquid than other forms of wealth - money can be spent, whereas other forms of wealth cannot. Holding money itself, however, results in a loss: when prices rise, the real purchasing power of money declines.

VOCABULARY PRACTICE II

1 Replace the underlined words with the words used in the texts

1. Customers can access their money by using debit cards.
2. The second function of money is standard value.
3. Whether or not any operations take place, the value of goods and services is measured in units of money.
4. In return for the credit the borrower gives the bank a promissory note.
5. Money is much more efficient in facilitating the move of goods and services than a barter system would be.
6. The use of money to pay for things evolved as an alternative to barter.

2 Translate the words *borrowings* and *loans* and say which of them means:

a. the amount of money that you borrow from a bank
b. the total amount of money that a company or organization owes

Match the adjectives from the box which go with the words *borrowings* and *loans*

interest-free	long	long-term	short	easy	low-interest	treasure

3 Translate into English using the phrases with the words *borrowings* and *loans*

1. Слід збільшити довгострокові кредити.
2. Для того, щоб купити машини, багато людей мусили взяти довгострокові кредити.
3. Для того, щоб привабити клієнтів, деякі нові банки пропонують безвідсоткові кредити.
4. Довгострокові позики є більш привабливими, ніж короткострокові.
5. Кредити з низькою відсотковою ставкою доступні для приватних підприємств для того, щоб дати їм змогу розпочати справу та розвиватися.
6. Довгострокові зобов'язання випускаються тоді, коли потрібні додаткові кошти.
7. Чи існують безкоштовні банківські послуги? Ні, безкоштовних банківських послуг не буває.
8. Компанії з хорошим фінансовим положенням одержують певні привілеї.
9. Багато банків встановлюють плату за послуги, які вони надають клієнтам.
10. Наш комерційний банк займається фінансуванням сільського господарства.

4 Choose the verbs which go with the noun *loan*, translate the phrases and make up your own sentences

- to make - to like - to negotiate

- to do - to get/receive - to rise
- to float - to pay off/ repay - to raise

5 Choose the correct preposition and translate the sentences

1. The enterprise borrowed _ _ _ securities.
   a. on b. at c. - d. against
2. Unfortunately, we could only borrow from the bank _ _ _ high interest.
   a. on b. at c. - d. against
3. They suggested us to borrow _ _ _ policy.
   a. on b. at c. - d. against
4. In the conditions of inflation it is advisable that you should borrow _ _ _ short.
   a. on b. at c. - d. against

6 Read text B again, fill in the gaps in the summary with key vocabulary and tell about functions of money

Money serves three distinct _ _ _. First, it serves as _ _ _ in conducting transactions. It is much more efficient in facilitating the transfer of goods and services than _ _ _ would be. The second function of money is that it serves as _ _ _. Whether or not any transactions take place, the value of _ _ _ is measured in _ _ _. The unit of measurement in international _ _ _ is quite often the U.S._ _ _. Some economists have suggested that a better _ _ _would be obtained by basing the world's _ _ _values on commodity prices. Finally, money can be used as a _ _ _. During periods of rapidly rising prices, however, it does not _ _ _ this function well.

7 In your opinion, which of the following gives the best return on your money? Which are very risky? Which are less risky?

a. gold	d. currencies	g. a high-interest deposit account
b. precious stones	e. property	h. antiques and paintings
c. stocks and shares	f. land/real estate	i. a new business venture

8 Choose the best answer. *If someone speculates*:
a. they take a risk to make a quick profit
b. they make a safe investment for long-term security

9 Answer the following questions. Use them as a plan for retelling text A in Ukrainian

1. What is money?
2. What does money include?
3. When does the government produce money?
4. How does currency enter the economic system?
5. When is the money supply increased?

LANGUAGE FOCUS

1 Complete the sentences with correct Passive form of the verb in brackets

1. Under a fixed exchange rate currency regime, a country's currency _ _ _ in value to another single currency (to tie).
2. Usually a fixed exchange rate _ _ _ to stabilize the value of a currency (to use).
3. In general wage and price controls _ _ _ as a temporary and exceptional measure (to regard).
4. Currency _ _ _ by the government in response to the demand for it (to produce).
5. The money supply _ _ _ when banks lend funds to businesses, individuals, or governments (to increase).
6. Money _ _ _ as a medium of exchange for many centuries (to use).
7. In ancient societies cattle _ _ _ for money (to use).
8. Frequently the American dollar _ _ _ as a unit of measurement (to use).
9. The price of OPEC oil, for example, _ _ _ in U.S. dollars per barrel all over the world (to quote).

2 Use the verbs in the box in the form of Passive Infinitive after modal and auxiliary verbs

express	describe	turn	finish	modify	pay	invest

1. Inflation can also _ _ _ as a decline in the real value of money.
2. The contractual terms may _ _ _ by an express agreement between the customer and the bank.
3. Some types of financial assets can _ _ _ into money quickly and easily.
4. In the societies where cattle were regarded as a medium of exchange, the value of other things could _ _ _ in terms of how much of each was equivalent to the value of a cow.
5. Additional money should _ _ _ into new projects.
6. The employees will _ _ _ at the end of the month.
7. The construction would _ _ _ in time if the company had enough money.

3 Change the following into Passive

1. We divide resources into four groups: land, capital, labor and entrepreneurship.
2. We are wasting no resources due to proper management.
3. Large price increases hit shoppers in grocery stores.
4. Sellers have raised food prices so rapidly in the past few months that this forced some families to change their eating habits.
5. The shareholders elect the board of directors and the board appoints officers.
6. We classify businesses into three categories: sole proprietorships, partnerships and corporations.

7. They trade corporate stock and bonds in financial markets, often called capital markets.
8. Economic profits indicate whether or not we are directing resources to their best use.
9. Every day they create and destroy jobs.
10. The government directs regulations at monopolies - the electric, gas, water and telephone companies.
11. If everyone owns property, in reality no one owns it.

4 Read the text and fill in the correct form of the verb in brackets (Passive or Active)

Metal coins first _ _ _ (to use) as money in the seventh century B.C. in ancient Lydia, which was located in what is now Turkey. Lydian coins _ _ _ (to stamp) with the head of a lion on them. Coins from other places _ _ _ (to have) turtles, owls and horses with wings. These coins _ _ _ (to make) from gold and silver. Some coins _ _ _ (become) work of art because they _ _ _ (to design) by the greatest artists of the day.

Paper money _ _ _ (to introduce) by goldsmiths during the seventeenth century in London. Because the goldsmiths _ _ _ (to have) safes to keep the precious metals that they _ _ _ (to work) with, coins, gold and silver, _ _ _ (to bring) by people for safekeeping. The goldsmiths _ _ _ (to give) the depositors receipts for their coins and precious metals.

5 Use <u>many</u> and <u>much</u> in the sentences

1. _ _ _ insurance companies protect their customers against risk.
2. It takes one _ _ _ money to join a credit union.
3. Starting business without financial support from the bank may cause you _ _ _ trouble.
4. Banks in the USA are subject to _ _ _ government regulations.
5. Savings and Loan Associations attract _ _ _ small savers who do not want to have any risk.

SPEAKING I

1 Read the answers and write down the questions

Q.
A. The use of money to pay for things evolved as an alternative to barter.
Q.
A. Whatever is used as medium of exchange, it should have an adequate but limited supply, be easily portable, and be durable.
Q.
A. Money does. It can be a unit of measurement.
Q.

A. As a rule, the American dollar is used as a unit of measurement.
Q.
A. A store of value is a form in which wealth can be held.
Q.
A. Money has the advantage of being more liquid than other forms of wealth.
Q.
A. As prices rise, the real purchasing power of money declines.

2 Work with dialogues

Dialogue A
- As Ukraine is an agricultural country, farming is one of the main priorities here.
- Really? What do they do to develop agriculture?
- They provide bank loans for farmers.
- But it is not always easy to repay borrowings in time. What if there's no demand for agricultural output in some period and you know, prices are determined by demand. What will farmers do if they can't pay off in terms?
- In our parliament (Verkhovna Rada) they want to adopt a new law according to which banks can't impose penalties on farmers-debtors if their debts are caused by some natural disasters or situation at the market.
- That sounds good. I wish these plans to come true.

Dialogue B
- I wonder, if we used currency for all of our money t_ _ _, the printing press in the mint would never stop.
- Actually, it never stops. It operates 24 hours a day, 7 days a week, including holidays. But we don't use c_ _ _ for all our m_ _ _ transactions. In terms of the total amount paid, most of monetary t_ _ _ are paid by ch_ _ _ rather than by currency.
- What other changes is the way we pay for goods and services undergoing?
- One indication of the change is the increasing use of c_ _ _ cards.
- But when we use our c_ _ _ c_ _ _, the issuer of the card pays for our p _ _ _, and we are required to pay the issuer back with i_ _ _.
- Yes, actually, you are taking a high interest l_ _ _.
- I see these changes are altering the nature of banking. Handling c_ _ _ becomes unnecessary.
- You are right.

Dialogue C
- I have heard that the newest innovation in payments is the "smart card". What is it like?
- An amount of purchasing power is programmed into electronic chips embedded in a plastic card that looks like a credit or check card.
- Як користуватись такими картками, коли купуємо товари чи послуги?
- Machines at stores, restaurants and other establishments with the necessary

equipment deduct the amount of the purchase from the balance on the card until it is exhausted.
- And how can we replenish the amount of money in the card?
- Ми можемо поповнити його/її, використовуючи те саме обладнання, переводячи гроші з нашого банківського рахунку або вставляючи гроші в автомат (feeding currency into the machine).
- Can we say that the telephone cards we use so often now are "smart cards"?
- Так, це один з найпоширеніших способів використання таких карток.

Dialogue D
- Hello, Sally!
- Hi, Dick! Happy to see you again. How are things with you?
- Not bad. And how are you doing?
- I've a problem, you know. I've just wrecked my new car. Had an accident. And I need money to have it repaired.
- Oh, I think I can help you. Haven't you heard about the credit union that we formed?
- Why, no! Could you tell me what it is?
- It was a great idea! The members of our department pooled their money and now anyone can apply for a loan if necessary.
- May I join the union?
- Of course you may. As a rule, a credit union consists of members of a specific group, such as university employees. And we belong to the same university.
- Great! How much do I have to pay?
- Well, we require a minimum deposit – about 100 dollars. And our credit union pays a higher interest rate than many other financial institutions pay on similar accounts.
- It also sounds good. I am curious who manages the pool.
- I do.
- Terrific! I am ready to join the credit union. Thanks for the explanation.

SPEAKING II

FARMING IN UKRAINE

Read and practice the dialogues, role-play them.

Dialogue 1
- Hello, Bob! Welcome to our university. I am pleased that we both take part in Students' exchange program. Is there any information you want to know?
- You'd better ask me what I don't want to know. I see Ukraine is a perspective agrarian country. Has it always been an agrarian country?
- Yes, it has been doing farming for ages. It is due to its favorable soil and climate conditions. The weather is suitable for winter and spring crops.
- Does it get enough precipitation for growing crops?
- It is much lower in the south and east of Ukraine, average precipitation is about 600 millimeters though. It gives the opportunity to raise the main

crops like wheat, spring barley and corn across the country.
- Is crop production the leading branch of agriculture in Ukraine?
- I can't say so. As far as I know both crop production and livestock production are developed in the country.
- Oh, I see that I have a lot of thing to learn here. Will you help me in my research?
- Of course, I will. I hope you will enjoy your stay and study in my country.
- You bet.

Dialogue 2
- What is the most popular form of running a farm business?
- Наскільки мені відомо, це сільськогосподарське підприємство та присадибне господарство.
- Are farm enterprises private or does the state own them?
- Більшість підприємств було створено колишніми колгоспниками, які отримали земельні паї .
- And what do household plot owners deal with?
- Вони вирощують сільськогосподарську продукцію як для власних потреб, так і на продаж.
- Зрозуміло.

Dialogue 3
- Do you know what vegetables they grow in Ukraine?
- Так, найбільш поширеними є картопля, помідори, огірки, капуста, морква, буряки, цибуля та часник.
- They seem to grow traditional vegetables. What about cauliflower, Brussels sprouts or asparagus?
- Ти правий. Українці звикли до цих овочів, до того ж їх використовують у національних стравах. Але наскільки я знаю, нові овочі теж з'являються на присадибних ділянках. Їх також можна вже побачити на фермерських ринках, що знаходяться у великих містах.
- It is interesting. Let's go and see some day.

Dialogue 4
- As it has been mentioned before, livestock production is developed in Ukraine. Does it have any branches (similar to crop production - vegetable and fruit growing).
- Тваринництво поділяється на такі галузі: вирощування великої рогатої худоби, свинарство, вівчарство та птахівництво. Птахівництво, в свою чергу, поділяється на комерційне та домашнє.
- You mentioned households, what other branches of livestock production are they involved in?
- Крім великої рогатої худоби та свиней, вони займаються бджільництвом та рибним господарством, утримують дрібних тварин, таких як кролики, кози та різні види домашньої птиці.

Dialogue 5
- Ukraine is famous for its wheat. Once it was called "the Bread Basket". Is it

true to say about the country nowadays?
- Я думаю, так. Пшениця, ярий ячмінь та кукурудза – головні зернові культури. Їх вирощують по всій країні.
- Яка загальна площа земель сільськогосподарського призначення?
- The total area is 60 million hectares; 40 million is classified as agricultural land, which includes cultivated land. The cultivated land is used for growing grain and industrial crops or it lies fallow. It also has gardens, orchards, vineyards, permanent meadows and pastures.

FARMER'S CORNER

PIG, HOG			
boar	кабан	to feed, fatten	відгодовувати
stock boar, service boar	кабан-відтворювач/ запліднювач	porker	свиня м'ясної породи
hog, barrow	кабан	baconer, bacon pig	беконна свиня
sow	свиноматка	pig meat, pork	свинина
gilt	молода племінна свиня	bacon	бекон
store pig, weaner	порося на відгодівлі	fat back, back fat	сало
in-pig	супоросна	ham	шинка
young pig, piglet	порося	sausage	ковбаса
to farrow	пороситися	pig/hog feeder, hog farmer	свинар
litter, farrow	опорос	pig/hog feeding	свинарне господарство
farrowing pen	станок для опоросу	pig farming/management	свинарство
to wean	віднімати від матері	pig/hog house, pigsty	свинарник
dung floor	підлога приміщення для прийняття гною	feeding passage	кормовий прохід
free-range/outdoor keeping	вигульне утримання худоби	slatted floor	решітчаста підлога
rearing pen	бокс для молодняку	slaughter value	забійний вихід

ГРАМАТИЧНИЙ ДОВІДНИК
ПАСИВНИЙ СТАН (PASSIVE VOICE)

- Дієслова у пасивному стані використовуються тоді, коли дія виконується не підметом, а направлена на нього.

Наприклад: Активний стан - Він вчасно виконує роботу. (важливо, що **він** виконує роботу)
- *He does work in time.*

Пасивний стан – Робота виконується вчасно. (не важливо хто а важливо, що **робота** виконується)
- The work is done in time.

- Пасивний стан утворюється за допомогою допоміжного дієслова to be у відповідному часі та третьої форми дієслова. To be + V_3

Часові форми пасивного стану вживаються із тими обставинами часу, що і часові форми активного стану.

Present Simple	Past Simple	Future Simple
am is + V_3 are	was + V_3 were	will be + V_3
Present Continuous	Past Continuous	Future Continuous
am is + being + V_3 are	was + being + V_3 were	-
Present Perfect	Past Perfect	Future Perfect
has + been + V_3 have	had + been + V_3	will have + been + V_3

Якщо потрібно згадати, хто виконав дію у реченні із присудком у пасивному стані, то вживається прийменник ***by***.

Якщо вказується інструмент, яким виконана дія, вживається прийменник ***with***.

e.g. The contract was signed by both parties.
The contract was signed with a black pen.

Інфінітив має дві пасивні форми (be+V_3; have been+V_3) і вживається після модальних та службових дієслів.

e.g. This work should be done in time.
The Board must have been informed yesterday.

- Найчастіше у пасивному стані використовуються перехідні дієслова, тобто ті дієслова, що мають прямий (без прийменника) додаток.

Наприклад: Активний стан – Він підготував звіт.- *He prepared a report.*

Пасивний стан – Звіт підготовлено. – *The report is prepared*.

- Є ряд неперехідних дієслів, що можуть вживатись у пасивному стані.

Неперехідні дієслова, які можуть вживатись у пасивному стані.

To agree upon Домовлятись про	The terms of the delivery were agreed upon. *Про умови доставки домовлено*.
To arrive at Досягати чого-небудь	The partners hope that the agreement will be arrived at. *Партнери сподіваються, що буде досягнуто домовленості.*
To comment on Коментувати щось	The situation at the market was commented on by the experts. *Про ситуацію на ринку було дано коментарі експертами.*
To dispose of Реалізувати, ліквідувати щось	The goods were disposed of in a short time. *Товари були реалізовані за короткий проміжок часу.*
To insist on Наполягати на	The terms of the delivery were insisted on. *На строках доставки наполягали.*
To laugh at Сміятись над	The joke was laughed at. *Над жартом сміялись*.
To listen to Слухати кого-небудь, що-небудь	The speaker was listened to very attentively. *Доповідача слухали дуже уважно.*
To look after Доглядати за	The plants will be looked after by students. *За рослинами доглянуть студенти*.
To look at Дивитись на	The manager was looked at with respect. *На керівника дивились із повагою*.
To object to	Their plan was objected to.

Заперечувати проти	*Проти їхнього плану заперечували.*
To provide for Передбачати щось, забезпечувати	Payment in cash is provided for by the contract. *Оплата готівкою передбачається контрактом.*
To refer to Посилатись на	The conditions of the contract are often referred to. *На умови контракту часто посилаються.*
To rely on Покладатися на	Our partners can be relied on. *На наших партнерів можна покластись.*
To speak about Говорити про	The company is much spoken about. *Про компанію багато говорять.*
To send for Посилати за	The consultants will be sent for immediately. *За консультантами пошлють негайно.*
To wait for Чекати на	We must hurry up. We are being waited for. *Ми повинні поспішити. На нас чекають.*

UNIT 5 MONETARY AND FISCAL POLICY (sub-unit 10)

Money talks they say. All it ever said to me was "Goodbye." Gary Grant(1904-1986), American film star

Starter	1. Governments' concern about unemployment 2. Whether unemployment can be overcome 3. Whether unemployment and inflation are linked 4. The level of unemployment in your place 5. What people should do to find a job
Reading Comprehension	Unemployment, inflation
Vocabulary Practice	Key vocabulary
Language Focus/Grammar	Exercises
Speaking Comprehension	I Talks on types of unemployment II Farming in Great Britain
Farmer's Corner	Feeding
Grammar reference	Passive Voice Модульний контроль

STARTER

1. Why are governments of all countries concerned about unemployment?
2. How do you think unemployment can be overcome?
3. Are unemployment and inflation linked in your opinion?
4. Are there many unemployed people in your native place?
5. What should people do to find a job?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian translation

1. to seek work	a. трудові ресурси
2. labor force	b. співпадати
3. index (indexes, indices)	c. прихильники монетаризму
4. monetarists	d. сприяти
5. to overlap	e. применшувати
6. to facilitate	f. показник (-и)
7. to smooth out	g. шукати роботу

2 Match the synonyms

1. prevalence	a. trade cycle, economic cycle
2. to facilitate	b. to influence
3. long run	c. to look for a job/work
4. business cycle	d. total demand, whole demand
5. to smooth out	e. predominance
6. aggregate demand	f. to help, to assist
7. to seek work	g. to smooth over
8. to overlap	h. to predominate
9. to prevail	i. to happen
10. to occur	j. to coincide
11. to have an impact	k. long term

3 Match words and phrases with their definitions

1. the unemployment rate	a. the total effective demand for the nation's output of goods and services
2. index	b. the amount of money determined by the size of a nominal wage and a price level
3. business cycle	c. a standard by which the level of something can be judged or measured
4. full employment	d. do not work well together or be not suitable to each other
5. a spell	e. the number of unemployment within a certain period
6. to mismatch	f. a cycle or series of cycles of economic expansion or contraction
7. real wages	g. a period of a particular kind of activity
8. speculators	h. the reference period for comparison of subsequent changes in an index series
9. aggregate demand	i. people who purchase goods or financial assets in anticipation that prices will rise and they can sell at a profit; they can also speculate on a fall in prices.
10. base period	j. the condition in which all who are able and willing to work are employed

4 Give your own definitions of the following:

a job-seeker	vacancy	the unemployed	an employer	an employee

5 Read the text and make the right choice to complete it

A major (1) _ _ _ of high inflation in the late 1970s was the increase in energy costs brought on by the OPEC (2) _ _ _ cartel. Because energy is an important factor (3) _ _ _ in the production of so many goods and services, the rise in energy prices increased (4) _ _ _ . Prices rose (5) _ _ _ the economy. The increase in oil prices also raised the demand (6) _ _ _ oil substitutes, such as coke, and coal residue. Industries that used coke for fuel, the steel industry for instance, found that that they (7) _ _ _ pay more for it. (8) _ _ _ the increase in this production cost, steel prices went (9) _ _ _. This price rise, in turn, resulted in price (10) _ _ _ for all of the goods using steel.

1.	a. level	a. cause	c. result	d. increase
2.	a. gas	b. steel	c. energy	d. oil
3.	a. input	b. output	c. cost	d. level
4.	a. production cost	b. production capacity	c. production resources	d. production output
5.	a. at	b. throughout	c. over	d. near
6.	a. of	b. in	c. on	d. for
7.	a. must	b. have to	c. had to	d. want
8.	a. because	b. because of	c. that's why	d. so
9.	a. up	b. down	c. round	d. along
10.	a. demand	b. falling	c. increase	d. stability

6 Read the text quickly and find the words which mean:

1. Something, typically money, that is owed or due.
2. Income remaining after deduction of taxes and other charges, available to be spent or saved as one wishes.
3. An inclination or natural tendency to behave in a particular way.
4. Money that is used to give loans.
5. Making taxes lower.

Fiscal and Monetary Policies

The government's two principal instruments for stabilizing the economy are fiscal policy and monetary policy. Fiscal policy involves taxing and spending by the government, while monetary policy involves control of the money supply and interest rates by the Central Bank.

Fiscal policy is the use of government spending, taxing and debt management to influence general economic activity. There are several approaches to fiscal policy. Among them are Keynesian and supply-side fiscal policy.
Tax cuts based on Keynesian economic theory are aimed at stimulating demand by increasing disposable income. A tax reduction leaves people with more purchasing power and thus increases aggregate demand.

According to supply-side fiscal policy, tax cuts should be intended to increase output by making production and investment more profitable, and by stimulating savings to finance that investment. It is designed to leave more money in the hands of those with a higher propensity to save (higher incomes) rather than those with a higher propensity to consume (lower incomes)

Monetary policy is concerned with actions of the Central Bank to produce changes in the money supply, the availability of loanable funds, or the level of interest rates in an attempt to influence general economic activity.

READING

Text A

UNEMPLOYMENT

Unemployment occurs when a person is available to work and currently seeking work, but the person is without work. The prevalence of unemployment is usually measured using the unemployment rate, which is defined as the percentage of those in the labor force who are unemployed. The unemployment rate is also used in economic studies and economic indices as a measure of the state of the macroeconomics.

There are a variety of different causes of unemployment, and disagreement on which causes are most important. Different schools of economic thought suggest different policies to address unemployment. Monetarists, for example, believe that controlling inflation to facilitate growth and investment is more important, and it will lead to increased employment in the long run. Keynesians, on the other hand, emphasize the smoothing out of business cycles by manipulating aggregate demand. There is also disagreement on how exactly to measure unemployment.

Different countries experience different levels of unemployment and it also changes over time. Economists distinguish between various types of unemployment, for example, cyclical, frictional, structural and classical, seasonal, hardcore and hidden. Real-world unemployment may combine different types. The magnitude of each of these is difficult to measure, partly because they overlap.

Text B

TYPES OF UNEMPLOYMENT

Cyclical unemployment exists due to inadequate effective aggregate demand. It gets its name because it varies with the business cycle. In this case, the number of unemployed workers exceeds the number of job vacancies, so that if even all open jobs were filled, some workers would remain unemployed.

Frictional unemployment involves people in the middle of transiting between jobs, searching for new ones; it is compatible with full employment. It is sometimes called search unemployment and can be voluntary. New entrants (such as graduating students) and re-entrants (such as former homemakers) can also suffer a spell of frictional unemployment.

Structural unemployment involves a mismatch between the sufficiently skilled workers looking for jobs and the vacancies available. Even though the number of vacancies may be equal to the number of the unemployed, the unemployed workers lack the skills needed for the jobs or are in the wrong part of the country or world to take the jobs offered. It is a mismatch of skills and opportunities due to the structure of the economy changing.

Much technological unemployment (e.g. due to the replacement of workers by machines) might be counted as structural unemployment. *Seasonal unemployment* may be seen as a kind of structural unemployment, since it is a type of unemployment that is linked to certain kinds of jobs (construction work, migratory farm work).

In the case of *classical unemployment* the number of job-seekers exceeds the number of vacancies. However, the problem here is not aggregate demand failure. In this situation, real wages are higher than the market-equilibrium wage. In simple terms, institutions such as "the minimum wage" deter employers from hiring all of the available workers, because the cost would exceed the technologically-determined benefit of hiring them

Hidden or covered unemployment is the unemployment of potential workers that is not reflected in official unemployment statistics, due to the way the statistics are collected. In many countries only those who have no work but are actively looking for work (and/or qualifying for social security benefits) are counted as unemployed. Those who have given up looking for work (and sometimes those who are on Government "retraining" programs) are not officially counted among the unemployed, even though they are not employed. The same applies to those who have taken early retirement to avoid being laid off, but would prefer to be working.

Hardcore unemployment accounts for those unable to work due to mental or physical characteristics, i.e. disabilities.

Text C

INFLATION

Read the text quickly and find the abstract which says/explains:

- how different kinds of inflation are interrelated
- the difference between normal price response to market forces of demand and supply and inflation
- why some economists claim that CPI doesn't show the real state of inflation
- how inflation can be caused by great demand
- that increase in wages causes inflation

Unemployment is one of the twin devils of economic instability; the other is inflation. Inflation is a period of generally rising prices in the economy as a whole. In a market economy, it is normal for the prices of some things to rise and others to fall because of changing demand and supply. But when the prices of nearly everything rise, inflation occurs. This increases the cost of living. Money is worth less and buys fewer goods and services.

The consumer price index (CPI) is the most commonly used measure of changes in the general price level. It is popularly known as the cost-of-living index. The consumer price index expresses the price of consumer goods in a given month as a percentage of the price prevailing in some earlier period, known as a base period. In computing the index, the total cost of a representative sample of 205 household purchases during the base period is calculated. The cost of the same "Market basket" of goods and services is then computed in subsequent months.

Many economists believe that the CPI overstates the actual inflation rate because it does not take into account the improvement in the quality of the goods and services that make up the market basket. In addition it fails to incorporate the fact that as the prices of some goods rise, consumers will switch to less expensive substitutes.

Demand-Pull Inflation

When the demand for a good or a service increases, both the quantity exchanged of the product and its price increase. The same logic applies when we analyze the effects of increases in aggregate demand. When the economy is near full employment and it is difficult to squeeze more output from its resources, an increase in aggregate demand will result in the overall price level with little impact on the economy's output of goods and services. When this happens, the demand for goods and services exceeds the production capacity of the economy, and we have demand-pull inflation.

When inflation gets started, it is likely to be self-reinforcing. If people see that prices are going up, they may attempt to stock up on goods before prices rise even further. This boosts the demand and accelerates the inflation. Speculators also contribute to inflation. With prices rising rapidly, it is profitable to buy something, hold it for a while, and then sell it. This fuels inflation, not only by adding speculative demand to the market, but also by holding supplies off the market.

Cost-Push Inflation

Inflation can also result from reduced supplies of production inputs as well as from increased total demand. When inflation comes from the supply side, it is called cost-push inflation. So, cost-push inflation is a continuing rise in the general price level that results from the increases in production costs.

There is often an interaction between demand-pull and cost-push inflation forces, each feeding the other. When the cost of living goes up, workers demand higher wages so that they can maintain their real incomes and living standards. The wage increases raise production costs, causing producers to increase prices again. Workers try to catch up with the cost of living by higher wage demands, which again increases production costs and the cost of living.

Demand-pull and cost-push inflation are attributed to charged demand and supply conditions. An alternative view of the cause of inflation is held by the monetarists, who believe that changes in the money supply are the most important factor of inflation.

VOCABULARY PRACTICE II

1 Complete the phrases

1. Cyclical unemployment exists due to _ _ _.
2. Frictional unemployment involves _ _ _ in the midst of transiting between _ _ _
3. _ _ _ involves a mismatch between the sufficiently skilled workers looking for jobs and the vacancies available.
4. In the case of classical unemployment the number of _ _ _ exceeds the number of _ _ _.
5. Hidden, _ _ _, unemployment is the unemployment of potential workers that is not reflected in _ _ _.
6. Hardcore unemployment accounts for those _ _ _ due to _ _ _.

2 Form new words with the help of prefix <u>mis</u> -, translate them/the sentences with them and write your own examples using the newly-formed words

mis -	lead understand take use price print read report fortune

1. The incorrect figures misled our partners.
2. I am afraid, you are mistaken.
3. I must have misunderstood you while reading your report.
4. He was accused of misusing the funds.
5. Sometimes markets misprice the real value of securities.
6. I have found a misprint in your report. Will you correct it as soon as possible?
7. He misquoted the information presented by the manager.
8. Unfortunately, they have completely misread our intentions.
9. The mass media misreported the situation concerning currency at the market.
10. Misfortunes never come alone.

3 Which of these policies are used to reduce frictional unemployment? Share your thoughts

a. to build new plants	g. to combat prejudice (against certain workers, jobs or locations)

b. to help with finding employers	h. to give incentives and regulations (e.g. when the frictionally unemployed receive benefits)
c. to create facilities for leisure	i. to relocate industries and services
d. to provide educational advice	j. to build facilities aimed at increasing availability and flexibility (e.g. daycare centers)
e. to create schooling and training facilities	k. to provide aid or grants to overcome a specific obstacle (e.g., if a handicapped worker is employed)
f. to provide information on available jobs and workers	l. to reduce the gap between gross and net wages (e.g., by taxing consumption instead)

4 Say if the statements are <u>true</u> or <u>false</u>

1. Unemployment takes place when work is not available.
2. The unemployment rate is used only to measure unemployment.
3. There is no disagreement on the importance of different causes of unemployment.
4. Keynesians believe that smoothing out business cycles can be done by manipulating aggregate demand.
5. Different countries experience the same level of unemployment on a certain stage of economic development.
6. Different types of unemployment never coincide.
7. Real-world unemployment may combine different types.
8. We can say exactly how many types of unemployment exist.
9. Inflation and unemployment are twin devils of economic instability.
10. Monetarists think that inflation is caused by the increase in wages that raises production costs.

5 Translate the sentences

1. Деякі ощадні банки ідуть на зустріч новим фінансовим запитам людей.
2. Членами цієї кредитної спілки є працівники нашого відділу.
3. Комерційні банки зацікавлені у високих прибутках.
4. Ощадні банки, за звичай, не дають короткотермінових позик фірмам.
5. У разі необхідності комерційний банк вимагає додаткового забезпечення на підтримку позики.
6. Компаніями з хорошою фінансовою репутацією призначають базову відсоткову ставку.
7. Більшість банків пропонують своїм клієнтам різні депозитні сертифікати.
8. Багато банків встановлюють високу плату за свої послуги.

LANGUAGE FOCUS

1 Make up mini-dialogues responding to the questions or situations; use the Passive Voice

Model: The company increased its production last month.
(What level/production/increase)
Till what level was the production increased last year?

1. We cancelled our meeting. - (Till/ what time/cancel?)
2. Our company bought new computers last September. - (Who/produce/they/by?)
3. The partners conducted an important contract. - (When/it/sign?), (who/it/sign/by?)
4. They successfully invested money into an interesting project. - (What project/invest/money/into?)
5. Quite often smaller countries link the value of their currency to the dollar. - (Why/the value of currency/peg/to dollar?)
6. The employees did not receive their salaries. - (When/they/pay?)
7. Have you heard about his promotion? - (I/not hear/he/offer/a better position).
8. The Central bank introduced new regulations for foreign currency exchange. - Really? (When/new regulations/adopt?)
9. We are not satisfied with your products and we want to complain about them. - Don't worry. (Your complaints/handle/by next week.)
10. Unfortunately, the inflation has increased recently. - (What/it/cause/by?)

2 Check the meaning of the verbs *think, believe, report, understand, know, expect, allege, consider*. Change the sentence structure using the model

Model: The unemployment rate is considerably higher this year.
It is reported that the unemployment rate is considerably higher this year.

1. They need new specialized training.
2. A lot of unemployed workers expressed their willingness to switch into the available jobs.
3. The workers are made redundant by increased labor productivity.
4. Official statistics often underestimates unemployment rates.
5. Inflation rises as the unemployment rate falls.
6. Many people have given up looking for work.
7. It is very expensive to unite the workers with jobs.
8. Governments will seek ways to reduce unemployment.
9. The economy suffers if job seeking takes too long.
10. Different economic schools suggest different policies to address unemployment.

3 Translate into English using the Passive Voice

1. Робітникам буде виплачена компенсація за втрату роботи.
2. Коли фінансові установи купують цінні папери, випущені центральним банком, резерви переводяться з комерційних банків до центрального банку.
3. Фіскальну і монетарну політику використовують для того, щоб боротися з економічною нестабільністю.
4. На економіку впливає багато факторів окрім національного боргу.
5. Нас запросили до співпраці з новою компанією.
6. Податки зменшили для того, щоб дати можливість приватним підприємствам вижити у період кризи.
7. Якщо дотримуються збалансованої бюджетної політики, урядові витрати скорочуються, а податки збільшуються.
8. Доходи від податків накопичуються урядом, щоб оплатити боргові відсотки.
9. Нещодавно було запропоновано ще одне альтернативне рішення для управління бюджетом.
10. Раду директорів поінформували про скорочення виробництва.

4 Use the prepositions

through	on	in	of	under	out	at	to	by	from

1. Member banks obtain funds _ _ _ borrowing _ _ _ their district reserve banks.
2. Customers deposit cash _ _ _ the banks.
3. The FED requires banks to keep 20 percent _ _ _ all funds _ _ _ hand.
4. Many state banks do not join _ _ _ the Federal Reserve System.
5. The bank loans _ _ _ 80 percent of the funds and keeps 20 percent _ _ _ all funds _ _ _ deposit.
6. All federal banks function _ _ _ regulations worked out by the Federal Reserve System.
7. The credit customers pay the margin _ _ _ advance.
8. The FED influences the rate _ _ _ which banks lend funds _ _ _ their clients.
9. Member banks borrow money _ _ _ their district reserve banks.
10. Putting more money _ _ _ circulation the FED increases the money supply.

SPEAKING I

1 Ask questions to have the following answers

1. When and where _ _ _ ?
   The first modern bank was founded in Italy in Genoa in 1406.
2. What _ _ _on?
   Banking law is based on a contractual analysis of the relationship

between the bank and the customer.

3. What _ _ _by?
   Inflation is usually measured by calculating the inflation rate of a price index, usually the Consumer Price Index.
4. How _ _ _?
   The theory of endogenous (inner) money which was advocated strongly by post-Keynesians as far back as the 1960s is not universally accepted.
5. What _ _ _?
   The exact level of potential output is generally unknown.
6. What _ _ _?
   A variety of methods have been used in attempts to control inflation.
7. What _ _ _with?
   Most central banks are tasked with keeping the federal funds lending rate at a low level.
8. How _ _ _?
   All these policies are achieved in practice through a process of open market operations.
9. Until what time _ _ _?
   The amount borrowed continues to circulate in the banking system as additional money until the loan is repaid.
10. Are_ _ _ or _ _ _?
   Some central banks are publicly owned, and others are privately owned.

2 Read and translate the dialogue

Liz Brook, a stockbroker, is consulting with Bob Lyman, an investor in IBM.

B: I suppose the stocks go down by 5 points. How much will I lose?

L: As far as I know, you have about $75,000 invested in IBM and that would be about a $20,000 loss. But that won't happen over the long run, I hope. IBM is going up steadily.

B: But anyway, what would you recommend to make a safer portfolio?

L: You should diversify and study the market. I have some latest reports. Take them and study most carefully. You will easily see the direction most companies head to if you do it rather regularly.

B: And could you possibly do it for me?

L: I am a so-called discount broker, you know, and usually I do not do that kind of a job. But if …

B: Well, I see. It means some additional payment, doesn't it?

L: You are right. Brokers usually get additional 20 percent for the information about the market.

B: I don't mind because it will help me avoid mistakes.

L: True, but you should know that even the best brokers sometimes perform below average and do not pick a winner every time.

B: You have to run risks if you want to stay in the business, haven't you?

L: You bet.

3 Work with the dialogues

- I heard that frictional unemployment may be voluntary. How can it be?
- This kind of unemployment happens when people seek a job. So, during the time when they are in search, they are unemployed. But they are unemployed not because of the fact that they don't have a job. Simply they want a better job.
- How does this kind of unemployment exist?
- There is a certain mismatch which can result between the characteristics of supply and demand. Such a mismatch can be related to skills, payment, work time, location, attitude, taste, and many other factors.
- So, workers as well as employees invest some time and effort to find a better match, do they?
- Yes, you are right. In fact this is beneficial to the economy since it results in a better allocation of resources.
- But what if the search takes too long and mismatches are too frequent?
- Of course the economy suffers, since some work will not get done.

- We were speaking about different types of unemployment. But is there any kind which refers to agriculture?
- Yes, in agriculture there exists seasonal unemployment. Everybody knows that during harvest time farms need more workers than in wintertime.
- I see. It's a great opportunity for students to make some money during their summer holidays.
- True, to make some money or to help their parents. Ukraine is an agrarian country and many families are involved in agriculture. They work either at farm enterprises or on their own plots of land.

- I'm afraid we are in far more troubles next year.
- Do you mean the inflation? I think we have to find something new to cope with it.
- Right. And I'm thinking of getting rid of the FED membership.
- Really? Do you think we could do well without its assistance?
- I think so. We have to earn as much interest as possible in order to keep up with the inflation.
- You are right. The district reserve bank doesn't help. No matter how much we deposit in it we earn no interest whatsoever.
- That's why we're going to withdraw from the system and put our money into interest bearing programs.
- O.K. then. We have to call the Board of Directors to discuss the matter in detail.

SPEAKING II

FARMING IN GREAT BRITAIN

- Read dialogue A and translate it. Tell what two facts you have leant about Great Britain.

Dialogue A

- Hello! How are you?
- Hi! I am preparing for my training in Great Britain.
- Really? What are you going to do there?
- I will work on the farm.
- Will you? To the best of my knowledge Britain is a highly developed industrial country.
- It goes without saying. However, its agriculture is also developed.
- What will you be involved in?
- I was informed that I would pick strawberries.
- I see. Get your chance to have "sweet" experience.

- Read and act the dialogue.

Dialogue B

- Hello, Nick! What are you reading?
- I am reading about farming in Great Britain. I have learnt a lot of interesting facts about it. I could never imagine that British farms supply over half the country's food from its lands.
- Isn't it exciting? Though Great Britain is an industrial country, it has also succeeded in agriculture.
- What branch of agriculture predominates in the country?
- As far as I know, it is crop production. And what are the most widespread branches?
- You know, Serhiy has just come back from Great Britain. He had training there. I guess he knows much more about their farming than we do.
- Let's meet him.
- Shall we go and see him now?
- Good idea.

- Read and translate dialogues C and D.

Dialogue C

- Hello, Serhiy! News flies fast. We heard you have just returned from your training in Great Britain. What part of Great Britain have you been to?
- Я був у графстві Кент. Його часто називають "садом Англії".
- Яка гарна назва. Чим Кент знаменитий?
- Він знаменитий своїм сільськогосподарським виробництвом. Клімат - сприятливий для вирощування фруктів та овочів.
- What did you do there?
- Я збирав яблука, а мої товариші пакували їх і готували до продажу.
- Was it difficult to work there?

- Кожна робота нелегка і потребує навичок, але я отримав хороший досвід. Я тепер знаю, як зробити садівництво більш ефективним і прибутковим.

Dialogue D

- I have heard that organic farming is quite popular in many developed countries. What do they mean by organic farming?
- Екологічне сільське господарство - це ведення сільського господарства без використання хімічних добрив та інших хімічних засобів.
- It seems to me this was the way of farming in Ukraine about several decades ago.
- Так, але тоді ми хотіли зробити сільське господарство більш ефективним і переймали досвід інтенсивного сільськогосподарського виробництва у інших країн.
- And now we are learning organic farming from them.
- Я думаю, у нас теж є досвід екологічного господарювання, але його продукція коштує дорожче, і не всі люди бажають і можуть платити більше за неї.
- Unfortunately, it is true. Honestly speaking, I would prefer organic produce.

FARMER'S CORNER

FEEDING			
nutrition	живлення, харчування	supplementary feed, supplement	кормові добавки
food	їжа	feeding (feed) value	поживна цінність
feed	корм	nutrient	поживна речовина
to feed	годувати	starch content	вміст крохмалю
pasture feeding	пасовищна відгодівля	protein feed (concentrate)	білкові корми
indoor feeding	стійлова відгодівля	carbohydrates	вуглеводи
self-feeding	автоматична відгодівля	mineral content	вміст мінеральних елементів
green forage/fodder	зелені корми	dry content	суха речовина
roughage	грубі корми	fats	жири
compound/mixed feeds	комбікорми, комбіновані корми	molasses, treacle	меляса
fattening feed	корм, що сприяє утворенню жиру	crude fiber	сира клітковина
rearing/growing feed, starter	корми для молодняку	moisture/water content	вміст вологи
slop/wet feed,	рідкі корми	sodium	натрій

mash			
concentrated feed, concentrates	концентровані корми	manger	кормушка
pelleted feed, pellets	гранульовані корми	feed trough	ясла, жолобкова кормушка
cubes for feeding	кормові брикети	feeding passage, feed alley	кормовий прохід
crumbled cubes, crumbles	кормові кришки	feeding rack	решіткова кормушка
feed ration	раціон годування	crop loader	навантажувач кормів
silage	силос	feed trolley/barrow	візок, що роздає/розвозить корми
pre-wilted silage	силос із підв'ялених трав	supplementary feed, supplement	кормові добавки

ГРАМАТИЧНИЙ ДОВІДНИК

PASSIVE VOICE

Пасивний стан дієслова вживається тоді, коли дія направлена на підмет. У даному випадку він є не суб'єктом, а об'єктом дії.

e.g. The report was written in time.

У пасивному стані не вживаються неперехідні дієслова, тобто ті, що не мають прямого додатка.

Найбільш вживані неперехідні дієслова (Common Intransitive Verbs):

agree	fall	seem
appear	flow	rise
arrive	go	sit
become	happen	sleep
come	live	stand
die	occur	stay
exist	rain	talk
	snow	wait

UNIT 6 MARKETING (sub-unit 11)

Customers buy for their reasons, not yours

Starter	Terms "marketing" and "market". Marketing and advertising. The importance of marketing for businesses.
Reading Comprehension	Concept of marketing. The Four Ps.
Vocabulary Practice	Key Vocabulary
Language Focus/Grammar	Exercises
Speaking	I Talks on Marketing
Comprehension	II Agricultural Education in Ukraine
Farmer's Corner	Plant
Grammar reference	Infinitive, Infinitive Constructions

STARTER

1. Are the terms "marketing" and "market" related?
2. Is marketing focused on business or on customers? Why?
3. People often think that marketing and advertising are alike. Are they right?
4. Can you guess/Do you have any idea/Do you know when concept of marketing appeared?
5. Can modern businesses exist without marketing?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian translation

1. product mix	a. оцінювання, контроль
2. tracking	b. упакування
3. measuring	c. канали/система збуту
4. refining	d. гарантувати забезпечення
5. to support collateral	e. асортимент товарів
6. distribution channels	f. оптимізація, вдосконалення
7. packaging	h. контроль, спостереження, моніторинг

2 Match the synonyms

1. to convey	a. chosen
2. decisions	b. tactics
3. ways	c. strategies
4. a multitude of	d. to deliver
5. selected	e. a lot of

3 Match words and phrases with their definitions

1.value	a. a means or agency for communicating information, news, etc., to the public
2. competitive advantage	b. a prediction of future sales of a product
3. target markets	c. worth derived by the customer from owning and using the product
4. media	d. a group of customers you plan to sell the product or service
5. pricing	e. the fact that the company or the country are doing something better than their competitors in a way that could benefit the customer
6. to launch a product	f. the ability or power to produce
7. sales forecasts	g. fixing or establishing the price of a product
8. production capacity	h. to put a new product on the market

READING

Text A

CONCEPT OF MARKETING

"Marketing" serves to inform and educate target markets about the value and competitive advantage of a company and its products.

Marketing is focused on the task of conveying particular company and product information to specific customers, and there are a multitude of decisions (strategies) to be made within the marketing domain/sphere regarding what information to deliver, how much information to deliver, to whom to deliver, how to deliver, when and where to deliver. Once the decisions are made, there are numerous ways (tactics) and processes that could be applied in support of the selected strategies.

As marketing is often misinterpreted as just advertising or sales, Chris Newton, in *What is marketing?* defined marketing as any strategy and decision made in the following twelve areas:

- Identifying and quantifying the need in the marketplace
- Identifying and quantifying the target markets
- Identifying the optimum cost effective media – online and offline - to reach the target markets
- Reviewing the priorities of the product offering in your overall product mix
- Identifying and developing the most effective distribution channels
- Testing different ways of packaging of the products to find their most 'easy-to-sell' form
- Testing to find the optimum pricing strategies
- Developing effective promotional strategies and effective advertising, supporting collateral, offers, and launching strategies

- Developing and documenting the sales process
- Finding the optimum execution of the sales process – through testing of selling reports/records, people selection, supporting collateral, skills and attitudinal training (ставлення персоналу до адміністрації), tracking, measuring and refining
- Ensuring that sales projections/forecasts reflect realistic production capacities
- Developing educative programs to optimize the lifetime (безстрокові, вічні) values of the customer

The goal of marketing is to build and maintain a preference for a company and its products within the target markets. The goal of any business is to build mutually profitable and sustainable relationships with its customers. While all business domains (галузі, сфери) are responsible for accomplishing this goal, the marketing domain bears a significant share of the responsibility.

Two levels of marketing

Strategic marketing attempts to determine how an organization competes against its competitors in a market place. In particular, it aims at generating a competitive advantage relative to its competitors.

Operational marketing executes marketing functions to attract and keep customers and to maximize the value derived for them, as well as to satisfy the customer with prompt services and to meet the customer expectations.

VOCABULARY PRACTICE II

1 **Replace the words in italics with the words used in the text**

1. We have to choose the best *strategies* (d_ _ _ _ _ _ _ _ _) for launching our new product.
2. The main task of our team is to *convey* (d_ _ _ _ _ _) the information to our customers in the best possible way.
3. As we have selected our strategy, let's choose the *tactics* (w_ _ _) to realize it.
4. There are *a lot of* (a m_ _ _ _ _ _ _ _ _ of) ways to achieve our goals.
5. To test selling *records* (r_ _ _ _ _ _) is an essential part of marketing.
6. According to the sales *forecasts* (p_ _ _ _ _ _ _ _ _ _ _) of our sales department we are going to have high profits this year.

2 Match the infinitives with nouns to form phrases

1. to reach	a. the need
2. to make	b. strategies
3. to identify	c. information
4. to attract	d. the target market
5. to deliver	e. relationships

6. to develop	f. customers
7. to build	g. decisions

3 Translate the sentences using the phrases formed

1. Компаніям слід **будувати стосунки** зі споживачами на взаємній повазі.
2. Завдання маркетингу полягає у тому, щоб **надавати/передавати інформацію** споживачу.
3. **Щоб привабити споживачів**, наш відділ пропонує нову ідею для рекламної **кампанії.**
4. **Приймати рішення** є нелегким завданням для будь-якого керівника.
5. Наша компанія планує **вийти на цільовий ринок** в оптимальні строки.
6. Перед початком розробки нового товару ми повинні **визначити потреби** споживачів.
7. Керівник нашого відділу поставив завдання **розробити стратегію** продажу нового товару.

4 Answer the following questions (text A)

1. What is the main function of marketing?
2. What information does marketing convey to customers?
3. What decisions do marketers have to make?
4. Why do you think marketing is often misinterpreted as advertising and sales?
5. Which areas does marketing include?
6. What is the goal of marketing?
7. What levels of marketing do you know?
8. What is the difference between the levels of marketing?

5 Do the following tasks:

a) Choose a well-known product for each of these product categories
b) Give typical consumer profiles for each product, including age, gender, job/occupation, income level, other products the consumer might buy

Product category	**Well-known product**	**Customer profile**
dairy products		
sweets and cookies		
cars		
clothing		
newspapers/magazines		
sportswear		
computers		

Text B

FOUR Ps

In the early 1960s, Professor Neil Borden at Harvard Business School identified a number of company performance actions that can influence the consumer decision to purchase goods or services. Prof. Borden suggested that all those actions of the company represented a "Marketing Mix". Professor E. Jerome McCarthy, also at Harvard Business School in the early 1960s, suggested that the Marketing Mix contained 4 elements: product, price, place and promotion.

The four Ps are:

- ***Product*: ** The product aspects of marketing deal with the specifications of the actual goods or services, and how it relates to the end-user's needs and wants. The scope of a product generally includes supporting elements such as warranties or guarantees, and support.
- ***Pricing***: This refers to the process of setting a price for a product, including discounts. The price is not always expressed in money terms (monetary) - it can simply be what is exchanged for the product or services, for example, time, energy, psychology or attention.
- ***Promotion*: ** This includes advertising, sales promotion, publicity, and personal selling, branding and refers to the various methods of promoting the product, brand, or company.
- ***Placement*** (or **distribution**): This refers to how the product gets to the customer; for example, retailing. Sometimes the fourth P has also been called *Place*, referring to the channel by which a product or services are sold (e.g. online vs. retail), which geographic region or industry, to which segment (adults, families, business people, etc.) and also referring to how the environment, where the product is sold, can affect sales.

These four elements are often referred to as the marketing mix, which a marketer can use to make a marketing plan. The four Ps model is most useful when marketing low value consumer products. Industrial products, services, high value consumer products require adjustments to this model. *Services marketing* must account for the unique nature of services. Industrial marketing must account for the long term contractual agreements that are typical in supply transactions. *Relationship marketing* attempts to do this by looking at marketing from a long term relationship perspective rather than individual transactions.

6 Match the "Ps" to the definitions

WORD	DEFINITION
1. product	a. the cost of goods or services to the buyer
2. price	b. informing customers about products and persuading them to buy them
3. promotion	c. where goods or services are available
4. place	d. goods or services that are sold

7 For each group of words:
a) fill in the missing vowels, b) match the words to the definitions

1. Market	r _ s_ _ rch	a. the percentage of sales a company has
	s _ gm _ nt	b. information about what customers want and need
	sh _ re	c. a group of customers of similar age, income level and social group
2. Consumer	b _ h _v_ _ r	a. description of a typical customer
	pr _ f _ l _	b. where and how people buy things
	g _ _ ds	c. things people buy for their own use
3. Product	l _ _ nch	a. a set of products made by a company
	l _ f _ cycl _	b. introduction of a product to the market
	r _ ng _	c. length of time people continue to buy a product
4. Sales	f _ r _ c _ st	a. how much a company wants to sell in a period
	f _ g _ r _ s	b. how much a company thinks it will sell in a period
	t _ rg _ t	c. how much a company has sold in a period
5. Advertising	c _ mp _ _ gn	a. a business which advises companies on advertising and makes ads
	b _ dg _ t	b. an amount of money available for advertising during a particular period
	_ g _ ncy	c. a program of advertising activities over a period, with particular aims

8 Complete the sentences using the words from the box

setting a price	the end-user's needs	the scope of a product
craft a marketing plan	promotion	

1. _ _ _ generally includes warranties or guarantees, and support.
2. To be a success, marketers have to find and satisfy _ _ _.
3. Pricing is the process of _ _ _ for a product, including discounts.
4. _ _ _ includes advertising, sales promotion, publicity, and personal selling, branding.
5. A marketer uses Marketing Mix to _ _ _ .

9 Read the following statements concerning text B and say if they are <u>true</u> or <u>false</u>

1. Professor Neil Borden was the first to introduce the term “Marketing Mix”.
2. Professor Borden suggested that the Marketing Mix include four elements.
3. The four Ps are Product, Pricing, Promotion and People.

4. The four Ps model is most useful for both low value and high value consumer products.
5. Marketing Mix is often used by marketers to create a marketing plan.

10 Read the text and match the correct name to each of the three extra Ps

SERVICE OFFER RISK DECREASE TRAINED STAFF

Seven Ps

As well as the standard four P's (Product, Pricing, Promotion and Place), services marketing includes extra three, totaling seven and known together as the extended marketing mix. These are:

- ***People*:** Any person coming into contact with customers can have an impact on overall satisfaction. Whether as part of a supporting service to a product or involved in a total service, people are particularly important because, in the customer's eyes, they are generally inseparable from the total service. As a result of this, they must be appropriately trained, well motivated and the right type of person. Fellow customers can also affect the customer's service experience, (e.g., at a sporting event).
- ***Process*:** This is the process (-es) involved in providing a service and the behavior of people, which can be crucial to customer satisfaction.
- ***Physical evidence*:** Unlike a product, a service cannot be experienced before it is delivered, which makes it intangible. This means that potential customers could perceive greater risk when deciding whether to use a service. To reduce the feeling of risk, thus improving the chance for success, it is often vital to offer potential customers the chance to see what a service would be like. This is done by providing physical evidence, such as case studies, testimonials or demonstrations.

ACTIVE VOCABULARY

1. trained підготовлений
2. motivated мотивований
3. behavior поведінка
4. evidence свідчення, факти, наочність
5. intangible невидимий
6. to perceive сприймати, розуміти
7. to reduce скорочувати
8. vital важливий, необхідний
9. case study соціологічне вивчення певного питання, навчальний приклад
10. testimonials характеристика, рекомендаційні листи
11. demonstration показ, демонстрація
12. customization пристосування товару до певного бажання споживача

LANGUAGE FOCUS

1 Read text C and find the infinitives and determine their forms and functions. Translate the sentences with the infinitive.

Marketing consists of the strategies and tactics used to identify, create and maintain satisfying relationships with customers that result in value for both the customer and the marketer.

Definition Examining

Let's examine the definition of marketing in a little more detail by looking at the key marketing terms and functions.

Strategies and Tactics - Strategies are best explained as the direction the marketing effort takes over some period of time while tactics are steps or decisions made in order to follow the strategies established. For instance, if a company's strategy is to begin selling its products in a new country, the tactics may involve the marketing decisions made to carry this out. Performing strategic and tactical planning activities in advance of taking action is considered to be critical for long-term marketing success.

Identify - The most important marketing function involves efforts needed to gain knowledge of customers, competitors, and markets (i.e., where marketers do business).

Create - Competition forces marketers to be creative people. When marketers begin to create new ventures, such as building a new company, it is often based around something that is new (e.g., a new product, a new way of getting products to customers, a new advertising approach, etc.). But once something new is launched, innovation does not end. Competitive pressure is continually felt by the marketer, who must respond by devising new strategies and tactics that help the organization remain successful. For marketers, the cycle of creating something new never ends.

Maintain - Today's marketers work hard to ensure their customers return to purchase from them again and again. Long gone are the days when success for a marketer was measured simply in how many sales they made each day. Now, in most marketing situations, marketing success is evaluated not only in terms of sales figures but also by how long a marketer retains good customers. Consequently, marketers' efforts to attract customers do not end when a customer makes a purchase. It continues in various ways for, hopefully, a long time after the initial purchase.

Satisfying Relationships - A key objective of marketing is to provide products and services that customers really want and to make customers feel that their contact with the marketer helps build a good relationship between the two. In this way the customer becomes a partner in the transaction, not just a source of revenue for the marketer.

Value for Both Customer and Marketer - Value refers to the perception of benefits received for what someone must give up. For customers, value is most often measured by how much benefit they feel they are getting for their money, though the value one customer feels may differ from what another customer feels even though they purchase the same product. On the other side of the transaction, the marketer for a for-profit organization may measure value in terms of how much profit they make for the marketing efforts and resources used. For a successful marketing effort to take place, both the customer and the marketer must feel they are receiving something worthwhile in return for their efforts. Without a strong perception of value a strong relationship is unlikely to be built.

2 Complete the sentences using the infinitives from the box with or without particle "to". Translate the sentences.

Over–pursue be know deliver reach see believe afford distinguish ensure find get

1. Customers may not k_ _ _ what options will be available for them in the future.
2. Starting in the 1950s, companies began s_ _ _ that old ways of selling were wearing thin with customers.
3. Sometimes d _ _ _ _ _ _ _ _ _ _ _ what is considered ethical and unethical is difficult.
4. Marketers must e_ _ _ _ _ that they have a varied and multi-tiered approach to product innovation.
5. Customers may b_ _ _ _ _ _ a company is dynamic and creative based on its advertising message.
6. Employees are trained d_ _ _ _ _ _ the brand.
7. Lower income customers cannot a_ _ _ _ _ to purchase higher priced products.
8. The marketing concept continues b_ at the root of most marketing efforts.
9. Marketers can aggressively o_ _ _-p_ _ _ _ _ product innovation and try to overcapitalize on a niche.
10. Several mechanisms g_ _ product popularity information to consumers are mentioned.
11. R_ _ _ _ the goal of creating a relationship that holds value for customers and for the organization, marketers use different tools.
12. The goal of marketing is f_ _ _a need and fill it.

3 Read the sentences, find the Infinitive constructions and translate them using the charts and prompts from Grammar references

1. The Marketing Mix is suggested to contain 4 elements: product, price, place and promotion.
2. Marketing is an ongoing process of planning and executing the marketing mix for products, services or ideas to create exchange between individuals and organizations.
3. For a marketing plan to be a success, the mix of the four "Ps" must reflect the wants and desires of the consumers.
4. We should not expect them to tell us what they will buy in the future.
5. The company is claimed to produce high technology products.
6. People will buy more of products that are seen to be popular,
7. It is wise for marketers to pay close attention to the environment outside the organization.
8. The study of marketing led sellers to recognize that adopting certain strategies and tactics could significantly benefit the seller/buyer relationship.
9. They are unlikely to survive without a strong marketing effort.
10. Sometimes marketers try to get customers to buy whether they want the product or not.
11. The most serious problems arise when product claims are seen to mislead customers into believing that a product can offer a certain level of value that, in fact, it cannot.
12. This tactics is considered to be misleading.
13. If customers are not satisfied, they are unlikely to return.
14. Target marketing makes marketers focus their efforts primarily on customers who have the financial means to make more expensive purchases.
15. Some companies encourage customers to become more environmentally responsible.
16. Environmental activism is expected to gain more consumer support; marketers will see even more opportunity to market environmentally friendly products.
17. The growing use of advanced technologies allows marketers to gain access to customer shopping and information gathering habits.
18. Many people assume that only actions that violate laws are considered to be unethical.
19. Customers are forced to take additional action to be removed from the list ("opt-out" – відмовитися від участі, уникати).
20. Most marketing organizations find greater opportunity to exist if the organization is visibly accessible and involved with the public.

4 Transform the sentences into simple ones using the Objective–with–the–Infinitive Construction

Model: I think that the nature of environment has a significant impact on service based companies. – I think the nature of environment to have a significant impact on service based companies.

1. I consider that marketing is an essential part of any business.
2. They find that our advertising campaign will lead to better profits.
3. He suggested that our department should develop a new marketing plan.
4. We know that our new marketing manager has an experience of working in the domain of marketing.
5. We saw how our manager made a presentation of a new product.

SPEAKING I

1 Do tasks and practice the dialogue "Packaging Changes the Product". Ask questions to get the missing information. While answering use the following phrases from the box.

As it is mentioned	As it follows from the	As far as I remember

STUDENT A	STUDENT B
1. Many years ago people had problems with … (What?) because it should stick together and form lumps in wet conditions.	1. Many years ago people had problems with salt, because it would stick together and form lumps in wet conditions.
2. The Morton Salt Company solved the problem by designing a package that kept the salt dry in all kinds of weather.	2. … (Who?) solved the problem by designing a package that kept the salt in all kinds of weather.
3. … (What?) made Morton's salt more desirable than competing products.	3. Packaging made Morton's salt more desirable than competing products. The Morton Salt Company is still best known salt in … (Where?)

2 Read the dialogue and say what information you have got to know

- Hello, Mike. You are working in the marketing department. Are the four Ps really so important in this domain?
- Yes, they are. Moreover, life is changing and with the development of service businesses there appear other factors equally important.
- What do you mean by service businesses?
- They are retail outlets, data processing, leisure, food and others.

- So, what is as important for them as the traditional Four Ps?
- They can't do without People, Process and Physical evidence.
- Yes, I can agree that people's work is important. As a customer, I wouldn't use the service of a firm where the staff is rude and incompetent. But what is the Process and Physical evidence?
- It's very easy. Process is the way in which service is provided and physical evidence is the environment in which the service is provided.
- I see. As far as I understand, for service based companies there are Seven Ps not Four.
- You are absolutely right.

3 Read text C and conduct the role play

Student A: You are a marketing manager. Explain a university graduate who came to work for your company about the new Ps in marketing, their advantages and disadvantages.

Student B: (1) You are a new–comer in a marketing department and you ask questions about new trends in marketing such as the Four New Ps.
(2) You have learnt about the Four New Ps in modern marketing. Share your new knowledge with the colleagues.

Text C

Four New Ps

- **Personalization:** It is referred to customization of products and services through the use of the Internet.
- **Participation:** This is to allow the customer to participate in what the brand should stand for; what should be the product directions and even which ads to run.
- **Peer-to-Peer:** This refers to customer networks and communities where advocacy (захист, пропагування поглядів) happens. The historical problem with marketing is that it is "interruptive" (втручання) in nature, trying to impose a brand on the customer. This is most apparent (очевидний) in TV advertising. These "passive customer bases" will ultimately be replaced by the "active customer communities".
- **Predictive modeling:** This refers to algorithms that are being successfully applied in marketing problems.

SPEAKING II
AGRICULTURAL EDUCATION IN UKRAINE

Read and practice the dialogues, role-play them.

<u>Dialogue A</u>

- Hello, Nick. What are you busy with at the moment?
- I am preparing for my entrance exams.
- What are you going to be?

- You could have guessed. We have known each other for ages and our parents run farms so I have no choice. This year I will try to enter an agrarian university and I am happy about that.
- Let me disagree with you. You have been working at the farm since your childhood. I think you don't need any special agricultural education. You have already got it.
- In some way I can agree with you. I know a lot about growing plants and keeping animals. But this is not enough for me. I want to be a real expert in farming and I plan to improve the situation at farms. I believe I need to know more about soil management and water conservation, pest management and other aspects of agriculture.
- Now I see. However, I would advise to pay more attention to farm management, accounting, taxes and marketing. Good luck, my friend.
- Thanks.

<u>Dialogue B</u>

- Hi, haven't seen you for ages. Been busy?
- Sort of. But I am glad to see you because I want to talk about agricultural education in our country.
- Цікаво знати, що у нас є три рівні сільськогосподарської освіти: початкова, середня і вища та загальна.
- Я пам'ятаю, що в школі ми читали про рослини і їх вирощування. Ми також мали дослідні ділянки біля школи. Звичайно, дівчата займалися квітами.
- As to the second stage, my friend is a student of Uman agro-technical college. He studies crop production, farm mechanization and other aspects of agriculture.
- Він планує продовжити навчання чи почне працювати після закінчення коледжу?
- Маючи обидві можливості, йому доведеться приймати рішення. Мені здається, він обере перший варіант і стане студентом третього курс національного університету садівництва.
- What about general agricultural education?
- Вона розрахована на тих, у кого немає аграрної освіти. Любителі-садоводи можуть читати газетні або журнальні статті, слухати передачі по радіо або дивитися ток-шоу по телевізору. Вони можуть одержати поради і рекомендації через засоби масової інформації та використати їх у своєму господарюванні.
- Thanks for a nice conversation.
- My pleasure.

FARMER'S CORNER

PLANT

botany	рослинництво, ботаніка	early	ранній
vegetation, plant growth	вегетація, ріст	ripe, mature	стиглий, зрілий
root	корінь	to ripen, mature	достигати, дозрівати
rhizome	кореневище, ризома	ripeness, maturity	стиглість, зрілість
tuber	бульба	hardy	зимостійкий
bulb	цибулина	variety	сорт, різновид
flower bulb	бутон	crossing, cross	схрещування
stem	стебло	cross fertilization	перехресне запилення
leaf stalk, petiole	черешок листка	to cross	схрещувати
leaf bud	вегетативна брунька	self-pollination	самозапилення
leaf	листок	seed	насіння
flower	квітка	to run (go) to seed	рости у насіння
flower bud	бутон, квіткова брунька	to germinate	проростати, сходити
corolla	віночок	germination	схожість, проростання
petal	пелюстка	germinating capacity	проростання
calyx	чашечка	seedling	саджанець
sepal	чашолистик	time of sowing (seeding)	посів, час посіву
pollen	пилок	to prick out (off)	пікірувати
stamen	тичинка	cutting	черешок
pistil	маточка	runner	пагін, столон
male, staminate	чоловічий	shoot, sprout	пагін, гілка
female	жіночий	to take root, be established	пускати коріння, вкорінюватися
monoecious	однодомний	experimental field, trial field	дослідна ділянка
dioecious	дводомний	experimental/research station	дослідна станція
annual	однорічний	plant breeding station	селекційне господарство
biennial	дворічний	plant breeding	селекція рослин
perennial	багаторічний	plant breeder	селекціонер
to flower, bloom	цвісти	clone	клон
flowering	цвітіння	gene bank (pool)	банк генів
late	пізній	gene exchange	обмін генами

ГРАМАТИЧНИЙ ДОВІДНИК

INFINITIVE

- Інфінітив – це неозначена форма дієслова, яка має властивості дієслова та іменника.
- Як правило, інфінітив вживається із часточкою **to**.
- Після модальних дієслів **can, could, must, may, might, should** та після службових дієслів інфінітив вживається без часточки **to**.
- Інфінітив має такі форми:

	SIMPLE	CONTINUOUS	PERFECT	PERFECT-CONTINUOUS
ACTIVE	To V 1 *To promote*	To be Ving *To be promoting*	To have V 3 *To have promoted*	To have been Ving *To have been promoting*
PASSIVE	To be V 3 *To be promoted*	------------	To have been V 3 *To have been promoted*	-----------

- Інфінітив може мати такі функції у реченні:

ПІДМЕТ	To attract customers is the goal of any business. *Приваблювати споживачів – мета кожної компанії.*
ЧАСТИНА СКЛАДЕНОГО ПРИСУДКА	Our task is to forecast future sales. *Наше завдання – передбачати майбутні продажі*.
ДОДАТОК	To achieve success we need to satisfy our customers' wants. *Щоб досягти успіху, нам потрібно задовольняти потреби споживачів.*
ОЗНАЧЕННЯ	With consumers' willingness to give time to advertising, messages marketers are turning to forms of permission marketing. *Якщо у споживачів є бажання присвятити час рекламі, маркетологи звертаються до форм, що дозоляють участь споживачів у рекламі.*
ОБСТАВИНА	To satisfy the consumers' requirements, the company needs to make analysis of its performance. *Щоб задовольняти вимоги споживачів, компанії потрібно робити аналіз своєї діяльності.*

- Інфінітив може утворювати конструкції із іменником або займенником, які в англійській мові є складним додатком або складним підметом.
- В українській мові немає таких конструкцій і вони перекладаються на українську мову складнопідрядними реченнями, у яких іменна частина (іменник або займенник) є підметом, а дієслівна частина (інфінітив) є присудком.

e.g. The manager watched the **staff work** in the shop.
Директор спостерігав, ***як працівники працювали*** *у магазині.*
- Існують такі конструкції:

Complex Object
↓

- іменна частина | дієслівна частина
↓
- іменник в називному відмінку | інфінітив
- займенник в об'єктному відмінку | дієприкметник
- вживається після дієслів

The Objective with the Infinitive Construction (Complex Object)

I. Дієслова, які означають сприйняття за допомогою органів чуттів.

See Watch Observe Notice Hear feel	Noun me you him her it us them	-	Infinitive

II. Дієслова, які виражають бажання або почуття.

Want Wish Desire Would like Like Hate	Noun me you him her it us them	to	Infinitive

III. Дієслова, які виражають розумову діяльність.

Expect Think Believe Suppose Consider Find Know Declare	Noun me you him her it us them	to	Infinitive

IV. Дієслова, які виражають спонукання до дії (наказ, прохання тощо).

Order Command Ask Allow Request Cause Force	Noun me you him her it us them	to	Infinitive

V. Дієслова

Let Make	Noun me you him her it us them	-	Infinitive

Complex Subject

↓

- іменна частина — дієслівна частина

↓

- іменник у називному відмінку — інфінітив

- займенник у називному відмінку

- між іменною та дієслівною частиною стоїть присудок
(часто у пасивному стані)

ДІЄСЛОВА, З ЯКИМИ ВЖИВАЄТЬСЯ Complex Subject

I. to say, to report

e.g. Our partners are reported to have arrived at our main office.

Повідомляють, що наші партнери прибули до нашого головного офісу.

II. to think, to know, to consider, to believe, to suppose, to expect

e.g. He is considered to be a highly qualified manager.
This firm is known to have received high profits.

Вважають, що він є висококваліфікованим менеджером.
Відомо, що ця фірма отримала високі прибутки.

III. to hear, to see, to feel, to notice, to observe, to watch.

e.g. He was seen to leave for London.

Бачили, як він від'їжджав до Лондона.

IV. to order, to ask, to request, to allow, to permit, to make, to cause, to forced.

e. g. The employees were ordered to start work in time.

Працівникам наказали розпочати роботу вчасно.

V. to seem, to appear, to happen, to chance, to turn out, to prove.

e.g. The company seems to launch a new advertising campaign successfully.

Здається, агенція розпочала нову рекламну кампанію вдало.

VI. to be sure, to be certain, to be likely, to be unlikely.

e.g. The prices are likely to rise this year.

Ймовірно, ціни піднімуться цього року.

For-to-Infinitive Construction

E.g. For a marketing plan to be a success, the mix of the four Ps must reflect wants and desires of the consumers.

Для того, щоб маркетингова компанія була успішною, Маркетинговий комплекс повинен відображати бажання споживачів.

UNIT 6 MARKETING (sub-unit 12)

Marketing takes a day to learn.
Unfortunately it takes a lifetime to master.

Starter	The importance of market research for marketing activity. The influence of market research on what marketers do. How market research helps marketers achieve their goal.
Reading Comprehension	What marketers do. History of marketing.
Language Focus/Grammar	Exercises
Vocabulary Practice	Key vocabulary
Speaking	I Talks on marketing
Comprehension	II Agricultural education in Great Britain
Farmer's Corner	Plant protection
Grammar reference	Participle, Participial Constructions

STARTER

1. Is market research important for marketing activity?
2. Why is research important in marketing?
3. Does research influence what marketers do? If yes, in which way?
4. What does research help marketers do?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian equivalents

1. a diverse toolkit	a. роздрібний магазин
2. tangible	b. зовнішні фактори
3. external factors	c. транспортування товару
4. product shipment	d. матеріальний, реальний, видимий
5. a retail store	e. набір різноманітних інструментів
6. to hold value	f. завдавати шкоди
7. to communicate information	g. вимагати зміни
8. to direct efforts	h. направляти зусилля
9. to require a change	i. мати цінність
10. to cause harm	j. передавати інформацію

2 Match the synonyms

1. a toolkit	a. external
2. an option	b. a chance
3. impact	c. to make possible, to permit, to help
4. issues	d. questions, problems
5. outside	e. to devote
6. to commit time	f. a set of tools
7. to enable	g. a choice
8. to lower	h. to direct
9. to lead	i. to decrease
10. an opportunity	j. influence

3 Match words and phrases with their definitions

1. promotion	a. clear enough or definite enough to be easily seen or noticed
2. pricing	b. measures taken to stimulate sales
3. tangible	c. a business activity which involves collecting information about what people buy and why they buy this
4. marketing efforts	d. the act of deciding the price of something that you sell
5. supporting services	e. an activity intended to help sell a product or a service
6. target market	f. the act of sending goods from one place to another by sea, road, or air
7. distribution	g. additional services that enhance the value of a product
8. marketing mix	h. when goods are supplied for the shops and companies to sell them
9. shipment	i. customers identified as those possessing needs which can be addressed by marketing efforts, as the marketer believes
10. market research	j. the strategic combination of product decisions regarding packaging, pricing, distribution, credit, service complaint handling and other marketing activities

READING

Text A

WHAT MARKETERS DO

In order to reach the goal of creating a relationship that holds value for customers and for the organization, marketers use a diverse toolkit that includes (but is not limited to) making decisions regarding target markets, products, promotion, distribution, pricing, supporting services.

The marketer may or may not follow this sequence. However, in almost all cases marketers should first identify target markets prior to making other decisions (commonly called the Marketing Mix), since these decisions are going to be directed toward satisfying the desired target markets.

Each option within the marketer's toolkit is closely connected with all other options, so that a decision in one area can, and it often does, impact decisions in other areas. For instance, a change in the price of a product (e.g., lowering the price) could impact the distribution area (e.g., it requires increased product shipment to retail stores).

In addition, options within the toolkit are affected by the factors that are not controlled by the marketer. These factors include economic conditions, legal issues, technological development, social/cultural changes and many more. They must be monitored and dealt with since they can cause considerable harm to the organization. Ignoring outside elements/external factors can also lead to missed chances in the market, especially if competitors are the first to take advantage of the opportunities. As part of the strategic and tactical planning process, it is wise for marketers to pay close/special attention to the environment outside the organization.

Finally, as noted earlier, research plays a significant role in all marketing decision areas. Marketing decisions should be made with committing time and resources to obtain needed information.

VOCABULARY PRACTICE II

1 Match the words from part A and part B to form phrases from the text

PART A	PART B
1. to take	a. time and resources
2. to use	b. advantage of the opportunity
3. to pay	c. product's value
4. to obtain	d. decisions
5. to enhance	e. needed information
6. to commit	f. close attention
7. to impact	g. a diverse toolkit
8. to satisfy	h. external factors
9. to set/adjust	i. needs, markets
10. to control/monitor	j. a price

2 Translate the sentences using the phrases from exercise 1

1. Скориставшись нагодою, вони вигідно продали товари.
2. Ситуація на ринку істотно впливає на рішення.
3. Маркетологи приділяють велику увагу вивченню бажань покупців.
4. Наша мета – побудувати гарні стосунки із споживачами, для чого слід використовувати набір різноманітних інструментів.
5. Дослідження ринку проводяться для того, щоб отримати потрібну інформацію про поведінку споживача.
6. Вивченню ситуації на ринку приділяється багато часу і ресурсів нашою кампанією.
7. Слід врахувати всі фактори, які збільшують цінність товару для споживача.
8. Жорстка конкуренція примушує компанії вести спостереження за зовнішніми факторами на ринку.
9. Щоб встановити ціни на товар, нам потрібно вивчити попит на нього.
10. Без дослідження неможливо задовольнити ринок.

3 Fill in the gaps to write a summary of the text

To reach the goal of creating a _ _ _ between _ _ _ and _ _ _, marketers use a _ _ _ _ _ _ which regards Target Markets, Products, Promotion, Distribution, Pricing and Supporting Services.

The order of _ _ _ does not necessarily follow this sequence. However marketers should first _ _ _ _ _ _ _ _ _ prior to making decisions because these decisions are directed toward _ _ _ the desired target markets.

Each option within the marketer's toolkit is tightly integrated with all other _ _ _ so that a decision in one area could _ _ _ _ _ _ in other areas.

Additionally, options within the toolkit _ _ _ _ _ _ by the factors that are not controlled by the marketer. These factors include _ _ _ conditions, _ _ _ issues, _ _ _ developments, _ _ _ changes, and many others. As part of the _ _ _ and _ _ _ planning process, it is advisable for marketers to _ _ _ _ _ _ _ _ _ to the environment outside the company.

Eventually, research plays a _ _ _ _ _ _ in all marketing decisions areas.

4 Retell text A (the summary may help you)

Text B

HISTORY OF MARKETING

It is hard for many people to believe, but when compared to economics, production and operations, accounting and other business areas, marketing is a relatively young discipline having emerged in the early 1900s. Prior to this time most issues that are now commonly associated with marketing were either assumed to fall within basic concepts of economics (e.g., price setting was viewed as a simple supply/demand issue, advertising (well developed by 1900), or in most cases, simply not yet explored (e.g., customer purchase behavior, importance of distribution partners).

Led by marketing scholars from several major universities, the development of marketing was in large part motivated by the need to dissect in greater detail relationships and behaviors that existed between sellers and buyers. In particular, the study of marketing led sellers to recognize that adopting certain strategies and tactics could significantly benefit the seller/buyer relationship. In the old days of marketing (before the 1950s) this often meant identifying strategies and tactics for simply selling more products and services with little regard for what customers really wanted. Often this meant that companies embraced a “sell-as-much-as-we-can” philosophy with little concern for building relationships for the long term.

But starting in the 1950s, companies began to see that old ways of selling were wearing thin with customers. As competition grew stiffer across most industries, organizations looked to the buyer side of the transaction for ways to improve. What they found was an emerging philosophy suggesting that the key factor in successful marketing is understanding the needs of customers. This now famous marketing concept suggests marketing decisions should flow from first knowing the customer and what they want. Only then should an organization initiate the process of developing and marketing products and services.

The marketing concept continues to be at the root of most marketing efforts, though the concept does have its own problems for example, it does not help much with marketing new technologies. But overall, marketers have learned they can no longer limit their marketing effort to just getting customers to purchase more. They must have an in-depth understanding of who their customers are and what they want.

5 Read the text again and find the synonyms to the given words

1. to appear		7. to grow rigid\tight	
2. a problem		8. to arise	
3. to analyze		9. main\major factor	
4. to take an advantage		10. to begin	
5. to become old		11. to restrict	
6. concern		12. an issue	

6 Replace the underlined words with those used in the text

1. Marketing <u>appeared</u> in the early 1990s.
2. They are regarding the <u>problem</u> of product shipment to the retail outlets.
3. Marketing developed because of the need <u>to analyze</u> the relationship of buyers and sellers at the market.
4. Nowadays companies work with <u>concern</u> what buyers want and need.

5. A "sell-as-much-as-we-can" philosophy became old in the middle of the 20th century and marketers began changes in their tactics and marketing strategy.
6. As price is the major factor in determining supply and demand, pricing is one of the crucial elements of the Marketing Mix.
7. Due to the fact that the competition grew tight, the company needs a new strategy.
8. The responsibilities of marketing department are not restricted to just promoting the company's product.
9. The customer-driven approach arose in response to customer's wants.
10. If you want to be a success at the market, you can't work with little concern for what is happening there.

7 Say if the statements are true or false

1. In their everyday activity marketers make a lot of decisions concerning target market, products, promotion, distribution, pricing and supporting services.
2. It is essential to follow this succession strictly.
3. Decisions regarding products, promotion, distribution, pricing and supporting services are commonly known as the Marketing Mix.
4. It is advisable to concentrate on each decision separately as they are not connected.
5. Marketers control all the factors that influence the market.
6. Ignoring outside elements can cause harm to the organization.
7. Marketers do not have the opportunity to commit time and resources to get necessary information.
8. Marketing has existed since early times as all the sellers wanted to sell their products at the greatest profit.
9. Marketers need more information about the seller/buyer relationship.
10. Marketing new technologies is a successful stage in the development of marketing.

8 Put these sentences in a logical order; the plan may help you retell text A

a. Target market decisions are of primary importance.
b. Marketer's strategic and tactical planning includes monitoring and dealing with external planning.
c. Using certain tools, marketers strive to valuable relations with buyers.
d. Marketers can not do without research.
e. The marketer's toolkit includes options which are interrelated.

9 Check yourself (text B)

1. Make the right choice
   a. Marketing used to be part of economics till the beginning of the 20th century.

b. Marketing appeared in early 1900s.
c. Marketing is a separate science.

2. Make the right choice
   a. Marketing scholars have always wanted to analyze relationships and behaviors at the market.
   b. The seller-buyer relationship is at the heart of marketing
   c. Marketers developed new strategies and tactics.

3. Make the right choice
   a. Doing well in marketing is impossible without knowing customers' wants and needs and trying to satisfy them.
   b. Marketers stopped using the old way of selling goods and services in the second half of the 20th century.
   c. Competition became tighter in the second half of the 20th century.

4. Make the right choice
   a. All marketing efforts should be aimed at profound understanding of customers and their wants.
   b. The marketing concept has its problems.
   c. The marketing concept is still crucial in marketing activity.

LANGUAGE FOCUS

1 Look through text A and identify Participle I and Participle II
(see Grammar References)
2 Find Participle I and II in text B, define their forms and translate these sentences
(see Grammar References)
3 Read the text and find Participles, define their forms and translate them

Survey research includes a variety of techniques designed to get the personal views of some sample of the target market. The basic methods used in survey research are questionnaires and personal interviews.

Observation techniques are among the most fundamental techniques simply observing the events happening in the marketplace. For example, the newest cash registers record items being purchased, including colors, prices, and so on. Having received the results the researcher can observe the effects of a new display, a change in price, or other changes. Some researchers follow customers shopping for goods noting where they stop, whether or not they read labels, and so on.

Another popular technique used today is license plate surveys. Going through the parking lot and looking at the license plates researchers see where the customers are coming from.

4 Change the sentences below using the example

Model 1: When the company achieved success at the market, they began expanding.
Having achieved success at the market, the company began expanding.

a. When they developed a new product, they launched an advertising campaign.
b. When the advertisers created an image for a product that captured the imagination, they launched it at the market.
c. When they did research of the market, they could understand wants of their customers.
d. When they adopted a broader social orientation, the company became involved in programs designed to improve the community, reduce the use of energy and cut back pollution.
e. When our firm improved consumer relations, it increased its profits.
f. When they received a higher profit, they could hire more people and grow.
g. After they manufactured goods, producers needed to deliver them to the customer.
h. They determined the benefits and then started to emphasize the quality of their product.
i. After they brought together a group of about 7 people, they let them discuss the research question to see what they would say.
j. They made a decision to increase the range of products and attracted more customers.

Model 2: Companies which operate in the service industry strive to achieve high standards of their services.
Companies operating in the service industry strive to achieve high standards of their services.

a. Car manufacturing companies which made cars in all colors and shapes took a larger market share.
b. Business owners recognized the need to be more responsive to customers who were buying their products.
c. Most firms have many goals which include providing pleasant atmosphere for employees and managers.
d. A product goes through a life cycle which includes five stages.
e. A person who co-ordinates all marketing efforts for a particular predictor brand is called a product manager.

Model 3: I heard that they were discussing the promotion of a new product.
I heard them discussing the promotion of a new product.

a. The representatives of the firm watched as the members of the focus group were participating in the discussion.
b. Our manager saw how salespeople were presenting the goods.
c. He noticed how they were leaving the conference.

d. He found them in the office when they were writing the results of the survey.
e. They listened how he was announcing the date of the presentation.

5 Change the underlined words or phrases using participles

The business system and the world trade system need an efficient two-way flow of information among producers, <u>who manufacture goods</u>, middlemen, <u>who deliver</u> goods from producers to customers and consumers, <u>who buy</u> the goods. That need led to an explosive growth of computers <u>which handle</u> the information flow.

<u>While they think</u> about communication at the market people mean marketing communication and promotion <u>which are often confused</u>.

<u>When we consider</u> the issue of marketing communication we realize that listening is a key to it, as marketing communication is a dialogue <u>which involves</u> talking with.

<u>When we talk</u> about promotion, we see that it is a one-way attempt of marketers, <u>who try</u> to persuade other to participate in an exchange relationship with them. Promotion is talking to.

Marketers <u>who have achieved success</u> learned that organizations have many publics that must be considered in a marketing activity. Only <u>after it has listened to its public</u>, the organization is ready to promote. The elements <u>which are used</u> to reach the public are called the promotion mix.

SPEAKING I

1 Imagine that you have met an experienced advertising manager. Ask him questions about advertising to get these answers.

Q.
A. Advertising is any paid form of public presentation and expressive promotion of ideas.
Q.
A. Advertising is aimed at masses.
Q.
A. Manufacturer may determine what goes into advertisement.
Q.
A. The main functions of advertising are to maintain and increase demand for well-known goods, and introduce new and unknown products.
Q.
A. A good advertisement should attract customers' attention and stimulate their interest. It should also create a desire to buy the product and bring about the action.

2 Work with dialogues

<u>Dialogue A</u>
Read the dialogue about advertising and tell your partner what you have learnt

about it

- As far as I know advertising is a part of marketing activity of a company.
- Yes it is, and it makes the task of the salesman easier but forces the manufacturer to live up to conveyed image.
- How else does it help the manufacturer?
- It enables the manufacturer to mass-produce products, reducing production costs in this way. Providing advertisement of different companies, advertising educates the manufacturer and the wholesaler about competitors' offerings.
- Does advertising work only for the manufacturer?
- I can't say so. Helping the manufacturer it serves the customer as well. It raises standards of living, being a continuous reminder of high quality products. At the same time it protects and warns customers against false claims and inferior products.
- But when the product is advertised a lot it becomes more popular, demand for it grows thus increasing its price.
- Vice versa. Prices decrease with increased popularity. As I have already mentioned, popularity gives the producer the opportunity to mass-production and it decreases prices.
- How interesting. I think, I should learn more about advertising.
- You are welcome any time you want me to help you.
- Thanks.
-

<u>Dialogue B</u>

Read the dialogue and fill in the words and phrases from the box to complete it

strengths and weaknesses, satisfy the need, board of directors, profitable, the scope and estimated costs , primary and secondary, alternative solutions, gathering and analyzing it, a course of action, a consultant

- Hello, colleagues. Today our marketing department is beginning a new research. Do you remember the goal of marketing "Find a need and fill it"? I think we should define the most efficient ways to s_ _ _ _ _ _ . What shall we begin with?
- In my opinion it is helpful to study the present situation first.
- What do you mean?
- I mean we should find out how the public perceives our company and what products are the most p_ _ _.
- Agree. At the same time we should remember that our company is experiencing certain difficulties at the moment. How about finding out s_ _ _ and w_ _ _ of our present performance?
- SWOT analysis (analyzing the company's strengths and weaknesses, opportunities and threats) is quite a common practice. We can invite a c_ _ _.
- It is a good idea, but first we must learn the situation ourselves. We have got this task from the b_ _ _ of d_ _ _. So, define the problems to be solved. You

are given freedom to help discover what the problems are, what the alternatives are, what information is needed, and how to go about g_ _ _ and a_ _ _ it.
- Research can be quite expensive: we are going to determine the s_ _ _ and e_ _ _ c_ _ _.
- Yes, please, and having gathered p_ _ _ and s_ _ _ data, analyze and process them with the following report and suggestions of a_ _ _ s_ _ _.
- As far as I understand we must recommend a c_ _ _ of a_ _ _.
- That's what the board of directors is expecting from us. I wish you a good beginning.
- Thank you we also hope to have "a good ending."

Dialogue C

Read the dialogue and act it; then be ready to tell what you have learnt about a customer focus; speak about the difference between the traditional Marketing Mix of four Ps and SIVA

- Before working out our strategy I would like to emphasize that our company has a customer focus.
- Do you mean its customer orientation?
- Yes, this implies that our company focuses its activities and products on consumer demand. Consumer wants are the drivers of all strategic marketing decisions.
- Now I see. No strategy can be pursued until it passes the test of consumer research. Every aspect of a market offering, including the nature of the product itself, should be driven by the needs of potential consumers. The starting point is always the consumer. But what about profitability as business is impossible without profits. What is the rationale of this approach?
- The rationale of this approach is that there is no point spending R&D funds developing products that people will not buy. History attests to many products that were commercial failures in spite of being technological breakthroughs.
- You may be right. Speaking about customer focus, I have heard that there is a formal approach to this customer focused marketing known as SIVA. What do the letters stand for?
- This system is basically the four Ps renamed and reworded to provide a customer focus. And the letters stand for solution, information, value and access (SIVA).
- Let me guess. Information refers to promotion, value refers to price and access is the place where customers can get the product and how easily they can buy it and take delivery. What is solution then?
- How appropriate the solution to the customer's problem or need is. The model focuses heavily on the customer.
- It is interesting to know who introduced this model.
- The model was proposed by Chekitan Dev and Don Schultz in the Marketing Management Journal of the American Marketing Association; and it was presented by them in Market Leader - the journal of the Marketing Society in

the UK. So, you have got all the necessary information about the customer focus. Now let's get down to work and put it into practice.

SPEAKING II

AGRICULTURAL EDUCATION IN GREAT BRITAIN

Part I

Read dialogues 1- 4 and say what information you have learnt about agricultural education in Great Britain.

Dialogue 1

- Does agricultural education differ from any other one which people can get in their life?
- Like any other kind of education it involves a lot of learning, reading textbooks, participating in research. But I would like to add that it is instruction about crop production, livestock management, soil and water conservation and various other aspect of agriculture.
- Does it include only these aspects?
- No, it also includes food education such as nutrition.

- I often think if agricultural education is important, it may not be worth studying separately getting special knowledge.
- I can not agree with you. Agricultural education improves the quality of life for all people.
- In which way?
- It helps farmers increase production, conserve resources and provide nutritious food.

Dialogue 2

- As far as I know there are three levels of agricultural education in Ukraine: elementary, college and university and general. What about Great Britain and the USA.
- I think it is nearly the same in many countries. All people need to know how plants and animals grow, and how soil is farmed and conserved. That is why most schools in these countries have agricultural courses with both classroom instruction and practical courses.
- I wonder what practical course can students have at British and American schools.
- Oh, a student may raise a crop or an animal, work in the school or home garden like anywhere in the world.

Dialogue 3

- You look so concentrated. What are you reading?

- I have received a letter from my friend. We used to study at one school but then I entered our university and he got a scholarship. So he studies agriculture in Great Britain.
- How did he manage to do it?
- Oh, he has always been interested in studies and research, even while at school. He took part in many subject contests and got a prize at the international contest.
- Why did he choose a foreign country?
- He hopes to learn modern techniques of running a farm business. Besides, he is very keen on conducting research and the university where he studies is equipped with all the latest equipment.

<u>Dialogue 4</u>

- Hello, glad to see you back here in Ukraine.
- Hi, how are you doing?
- Not bad, busy at the moment writing a diploma paper to get a bachelor's degree. Have you got your degree yet?
- Yes, I took an agricultural course at the English college and last year I graduated from it with a bachelor's degree.
- Congratulations. Will you tell me a few words about vocational agricultural education there?
- College and university agricultural course has three main functions: teaching, research, and extension service.
- I have heard something about extension service. Is it like consultations for farmers?
- More than that. It provides information which will advance the field of agriculture and food science. This information is gathered by universities and experts; volunteers accomplish extension programs via meetings, workshops, newsletters, visits, radio and television programs.
- It must be very helpful for farmers. I wish we had programs like that.
- They do exist. Several Ukrainian universities co-operate with American and British universities providing similar services.
- Great. I hope it will help our agriculture develop.

Part II

Read dialogues 5-7 and translate them. Conduct the role play.

<u>Dialogue 5</u>

- How many levels of agricultural education are there?
- Існує три рівня сільськогосподарської освіти.
- Can you name them?
- Початкова, університетська та загальна.
- Where is elementary agricultural education taught?
- Початковій освіті навчають у школі. Там є предмети, які дають загальні знання про рослинний та тваринний світ та практичний досвід.

Dialogue 6

- Do they have specialized agricultural universities in Great Britain and in the USA?
- Я так не думаю, але кожен може вивчати сільське господарство у багатьох університетах, які дають освіту дорослим людям у таких сферах, як сільськогосподарське виробництво, маркетинг та охорона природних ресурсів.
- Are agriculture and conservation connected?
- Вони мають самий близький зв'язок. Адже сільськогосподарські ресурси – це природні ресурси.
- What other skills do farmers need?
- В сучасному сільському господарстві працівникам необхідно вдосконалювати знання і вміння працювати на виробництві, у керівних органах та з комп'ютерами.
- Can graduates receive any scientific degrees?
- Так, випускники можуть отримати ступінь бакалавра, магістра та доктора наук.
- What career opportunities do the graduates have?
- Випускники можуть обрати кар'єру у харчовій промисловості та ветеринарії, веденні фермерського господарства та ранчо, маркетингу та менеджменті.

Dialogue 7

- We have spoken a lot about vocational agricultural education. But do people need any general knowledge about agriculture?
- Я думаю, так. Людям потрібно знати різні аспекти сільського господарства, а такі сторони, як знання про продукти харчування просто необхідні сучасним прогресивно налаштованим людям.
- What does general agricultural course help people with?
- Загальний курс сільськогосподарського навчання дає людям інформацію про харчові продукти та сільське господарство.
- In what way do people get this knowledge?
- Засоби масової інформації – важливі.
- Do any international organizations exist to teach modern farming?
- Організація з питань харчування та сільського господарства при ООН (FAO) займається навчанням людей по всьому світу методам сучасного господарювання.

FARMER'S CORNER

PLANT PROTECTION			
plant protection service	служба захисту рослин	mouse (mice pl)	миша
disease	хвороба	rabbit, hare	кролик, заєць
healthy, sound	здоровий	mole	кріт
fungus disease	грибкове захворювання, пліснява	hedgehog	їжак
bacterial/virus disease	бактеріальна/вірусна хвороба	frog, toad	жаба
rot, decay	гниль	caterpillar	гусінь
infection, attack	інфекція, ураження	butterfly	метелик
resistance	стійкість	beetle	жук
eelworm, nematode	нематода	ladybird, ladybug	сонечко
harmful, injurious	шкідливий, отруйний	aphid, plant louse, greenfly	тля рослинна
useful, beneficial	корисний	fly	муха
pest, insect pest	шкідник, шкідлива комаха	gnat	комар
insect damage	збиток від комах	slug	слизняк
insect control	боротьба із комахами	snail	равлик-павлик
to spray	обприскувати	weed	бур'ян
spray liquid, wash	рідина для обприскування	to weed, to clear away weeds	полоти, знищувати бур'яни
knapsack sprayer	обприскувач ранцевий	root-propagated (root-spreading) weed	бур'ян, що розмножується корінням
to dust, dusting	обпилювати	weed killer, herbicide	засіб для боротьби із бур'янами
powder	порошок	fumigant	фумигант, засіб для задимлення
mixture, wash	суміш	seed dressing agent, seed disinfectant	засіб для протруювання насіння
poison, toxin	отрута	bait	приманка
rat	пацюк	treated (un-)	оброблений, протруєний

ГРАМАТИЧНИЙ ДОВІДНИК

PARTICIPLES

Дієприкметник – це неособова форма дієслова, що має властивості дієслова, прислівника та прикметника.
Існують два дієприкметники - Participle I Participle II

Дієслівні властивості дієприкметника:
- може бути прямим додатком;

e.g. Having developed a new product they started an advertising campaign.
- може бути прислівником;

e.g. Working hard, he achieved success in his career.
- має часові форми та форми пасивного стану.

	Simple	Perfect
Active	**V**ing *planning*	**Having V3** *Having planned*
Passive	**Being V3** *Being planned*	**Having been V3** *Having been planned*

Властивості прикметника:
- може виконувати функцію означення;

e.g. They cooperate with the advertising agency having a wonderful reputation.

Властивості прислівника:
- може виконувати функцію обставини;

e.g. Having finished the project, they started a new one.

The Objective Participial Construction (Complex Object)

I. Complex Object with Participle I

See Watch Observe Notice Hear feel	noun me you him her it us them	Participle I V_{ing}

e.g. I saw him working on the annual report.

II. Complex Object with Participle II

Want Consider Wish Find	noun me you him her it us them	Participle II V_3

e.g. I want the advertising campaign developed well.

Have Get	noun	Participle II V_3

e.g. We had the external factors monitored.

UNIT 7 FINANCE AND ACCOUNTING (sub-unit 13)

A weak currency is the sign of a weak economy, and a weak economy leads to a weak nation.

Before you can really start setting financial goals, you need to determine where you stand financially

Starter	"The profession or work of keeping or checking financial accounts, calculating taxes etc." What does this definition stand for: accountancy/accounting or bookkeeping? Are accountancy/accounting and bookkeeping similar or different activities? Can businesses do without accountancy? Who records the financial accounts of an organization?
Reading Comprehension	Accounting, finance
Vocabulary Practice	Key vocabulary
Language Focus/Grammar	Exercises
Speaking Comprehension	I Talks on accounting II Students' research work
Farmer's Corner	Implements and Machinery
Grammar reference	Gerund, constructions with the Gerund

STARTER

1. "The profession or work of keeping or checking financial accounts, calculating taxes etc." Does this definition stand for accountancy/accounting or bookkeeping?
2. Are accountancy/accounting and bookkeeping similar or different activities?
3. Can businesses do without accountancy? Why or why not?
4. Who records the financial accounts of an organization?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian equivalents

1. tax authorities	a. подвійна бухгалтерія
2. public agencies	b. зацікавлена особа, сторона, пайщик
3. financial accounts	c. позикодавець, кредитор
4. double-entry bookkeeping	d. основний капітал, основні фонди
5. accounting	e. державна установа, відомство
6. credit	f. виробничі потужності
7. lender	g. фінансовий звіт
8. capital assets	h. податкове управління
9. production capacity	i. облік, звітність
10. stakeholder	j. борг

2 Match the synonyms

1. to carry out	a. to promote, support, foster, favor, stimulate
2. to encourage	b. a mistake, fault
3. to communicate	c. to contain, include
4. an error	d. knowing, knowledgeable
5. a judgement	e. to fulfill, realize
6. informed	f. to say, tell
7. to involve	g. an opinion, look
8. controversial	h. a financial report, an accounting report
9. conventional	i. disputable, questionable
10. a financial statement	j. to force, oblige, compel
11. to constrain	k. traditional, usual

3. Match words and phrases with their definitions

1. a double-entry bookkeeping system	a. the subject which studies the theory of accountancy
2. credit	b. analyzing and evaluating the economic information and conveying it to the user
3. a lender	c. the ability of a customer to obtain goods or services before payment, based on the trust that payment will be made in the future
4. to account for	d. a system of bookkeeping in which each transaction is entered as a debit in one account and a credit in another
5. accounting	e. a specialist in practical accounting
6. accounting scholarship	f. an organization or a person that lends money
7. an accountant	g. to give a satisfactory record of something, typically money, that one is responsible for

READING

Text A

ACCOUNTANCY

Accounting is the process of identifying, measuring and communicating economic information so that a user of the information can make informed economic judgments and decisions based on it.

This financial information can primarily be used by lenders, managers, investors, tax authorities and other decision makers to make resource allocation decisions between and within companies, organizations, and public agencies. The terms derive from the use of financial accounts.

Practitioners of accountancy are known as accountants.
Accounting scholarship is the academic discipline which studies the theory of accountancy.

According to its functions and aims accounting is divided into several branches: financial accounting, management accounting, open-book accounting, and tax accounting.

At the heart of modern financial accounting is the double-entry bookkeeping system. This system involves making at least two entries for every transaction: a debit in one account, and a corresponding credit in another account. The sum of all debits should always equal the sum of all credits, providing a simple way to check for errors. This system was first used in medieval Europe, although claims have been made that the system dates back to Ancient Rome or Greece.

Some critics of standard accounting practices claim that it has changed little since that time. Some kind of accounting reform has been taken in each generation to attempt to keep bookkeeping relevant to capital assets or production capacity. However, this has not changed the basic principles, which are supposed to be independent of economics as such. In recent times, the divergence of accounting from economic principles has resulted in controversial reforms to make financial reports more indicative of economic reality. There have appeared several critical approaches such as social accounting which challenge conventional accounting, in particular financial accounting, for giving a narrow image of the interaction between society and organizations, and thus artificially constraining the subject of accounting. Social accounting in particular argues that organizations ought to account for the social and environmental effects of their economic actions. Thus accounting should not only embrace descriptions of purely economic events, not be exclusively expressed in financial terms, aim at a broader group of stakeholders and broaden its purpose beyond reporting financial success.

GLOBAL ACCOUNTANCY ORGANIZATION

The International Federation of Accountants (IFAC) is the global organization which represents the accountancy profession. IFAC is committed to protecting the public interest by developing high quality international standards, promoting ethical values, encouraging quality practice, and supporting the development of all sectors of the accountancy profession around the world.

Auditing is a related but separate discipline, with two sub-disciplines: internal auditing and external auditing. External auditing is the process whereby an independent auditor examines an organization's financial statements and accounting records in order to express an opinion as to the truth and fairness of the financial statements and their adherence to Generally Accepted Accounting Principles (GAAP), or International Financial Reporting Standards (IFRS), in all material respects. Internal auditing aims at providing information for management usage, and it is typically carried out by employees of the company.

VOCABULARY PRACTICE II

1 Match the attributes with the term <u>accounting</u> to form the names of branches of accounting and translate them into Ukrainian

Financial	ACCOUNTING	Tax
Social		Conventional
Management		Open-book

2 Which branch of accounting is described? Match the definition with the term.

1. Open-book accounting	a. a branch of accounting which involves the processes by which financial information about a business is recorded, classified, summarized, interpreted, and communicated; for public companies; this information is generally publicly-accessible
2. Tax accounting	b. a branch of accounting which deals with the information used within an organization and is usually confidential and accessible only to a small group, mostly decision-makers
3. Management accounting	c. a branch of accounting which aims to improve accounting transparency
4. Financial accounting	d. the accounting needed to comply with jurisdictional tax regulations

3 Match the nouns which go with the verbs <u>make</u> and <u>do</u>

1. claims	7. entries	13. one's duty	19. work	y. a noise
2. business	8. a favor	14. records	20. a living	25. a phone call
3. mistakes	9. judgements	15. nothing	21. an offer	26. a profit
4. one's best	10. plans	16. money	22. harm	27. a fortune
5. decisions	11. accounts	17. good	23. arrangements	28. progress
6. a suggestion	12. an attempt	18. an effort	24. an exception	29. a market

4 Fill in either <u>do</u> or <u>make</u> in the correct form

1. Sorry, but you have _ _ _ a mistake in your records.
2. We have been _ _ _ business with him for a long time.
3. Working as an accountant at this company he _ _ _ a fortune.
4. To _ _ _ the right decision we need more information about the financial situation of the firm.
5. I am going to _ _ _ him an offer to take this job.
6. A lot of efforts have been _ _ _ to improve their financial situation.
7. He _ _ _ his best working out a new financial plan for the following year.

8. He _ _ _ nothing to improve the situation.
9. Her duties involve _ _ _ records for the company.
10. Can I … a telephone call from your office?
11. Having used your financial information the CEO _ _ _ judgments concerning further development of the company.
12. Can you _ _ _ me a favor and prepare all the financial statements for the first quarter of the year.
13. How does he _ _ _ his living?
14. The aim of every business is to _ _ _ a profit.
15. You have _ _ _ progress in developing a new strategy.
16. To _ _ _ your work successfully you need special education.
17. Sorry, I can't _ _ _ it tomorrow, I have _ _ _ some arrangements.
18. They have _ _ _ an attempt to increase the financing of the project.
19. Attracting more investments will _ _ _ good for a successful accomplishment of the project.
20. The next step is _ _ _ the market for a particular kind of securities.

5 Match the verbs in column A with the words in column B to form the phrases used in the text

A	B
1. to make	a. errors
2. to check for	b. financial statements
3. to aim at	c. the purpose
4. to take	d. informed economic judgements
5. to broaden	e. a broader group of stakeholders
6. to examine	f. an accounting reform
7. to embrace	g. the subject of accounting
8. to challenge	h. descriptions
9. to constrain	i. the social and environmental effects
10. to account for	j. conventional accounting

6 Translate the sentences using the word combinations from exercise 5

1. Будь ласка, прочитайте фінансовий звіт і перевірте на наявність помилок.
2. Промислові підприємства повинні усвідомлювати, що вони несуть відповідальність за вплив на суспільство та оточуюче середовище.
3. Ми не можемо ставити під сумнів традиційну практику бухгалтерського обліку.
4. Нам слід зробити обізнану економічну оцінку ситуації.
5. Наш звіт містить опис економічних подій за поточний рік.
6. Відсутність аналізу взаємодії суспільства і підприємств обмежує предмет бухгалтерського обліку.
7. Існує потреба провести економічну реформу в країні.
8. Відділ бухгалтерії перевіряє фінансові звіти кожного місяця.

9. Ми пропонуємо розширити мету бухгалтерського обліку за межі простого опису економічної ситуації.
10. План розвитку корпорації направлений на ширшу групу зацікавлених осіб.

Text B
Read and translate the text using vocabulary notes

English	Ukrainian
1. a facilitator	помічник, посередник
2. equity	- капітал компанії, власний капітал (сформований за рахунок розміщення акцій) - (мн.) звичайні акції
3. mutual fund	взаємний (інвестиційний) фонд
4. hedge fund	хеджевий фонд, хедж-фонд - інвестиційний фонд з високим ступенем ризику, який використовує виробничі фінансові інструменти з метою одержання максимального прибутку
hedge	термінова угода, що укладається для страхування ціни та прибутку
hedge buying	купівля наперед через загрозу зростання цін
5. assets	активи, майно, фонди, капітал
6. securities	цінні папери
7. to securitize	конвертувати неліквідні активи у цінні папери, що вільно ходять на ринку
8. stock	основний(головний) капітал, фонди, акції
9. share	акція, доля, пай
10. stake	доля, частина
11. bond	облігація, боргове зобов’язання
12. to exceed	виходити за межі, перебільшувати
13. excess	надмірний, надлишковий
14. to pocket	класти в кишеню, привласнювати
15. to aggregate	об’єднувати , зосереджувати
16. money flows	грошові потоки
17. liquid asset	ліквідні активи

The field of finance refers to the concepts of time, money and risk and how they are interrelated. Banks are the main facilitators of funding through the provision of credit, although private equity, mutual funds, hedge funds, and other organizations have become important. Financial assets, known as investments, are financially managed with careful attention to financial risk management to control financial risk. Financial instruments allow many forms of securitized assets to be traded on securities exchanges such as stock exchanges, including debt such as bonds as well as equity in publicly-traded corporations.

An organization whose income exceeds its expenditure can lend or invest the excess income. On the other hand, an organization whose income is less than its expenditure can raise capital by borrowing or selling equity claims, decreasing its expenses, or increasing its income. The lender can find a borrower, a financial intermediary such as a bank, or buy notes or bonds in the bond market. The lender receives interest, the borrower pays a higher interest than the lender receives, and the financial intermediary pockets the difference.

A bank aggregates the activities of many borrowers and lenders. A bank accepts deposits from lenders, on which it pays the interest. The bank then lends these deposits to borrowers. Banks allow borrowers and lenders, of different sizes, to coordinate their activity. Banks are thus compensators of money flows in space.

Finance is used by individuals (personal finance), by governments (public finance), by businesses (corporate finance), as well as by a wide variety of organizations including schools and non-profit organizations. In general, the goals of each of the above activities are achieved through the use of appropriate financial instruments, with consideration to their institutional setting.

Finance is one of the most important aspects of business management. Without proper financial planning a new enterprise is unlikely to be successful. Managing money (a liquid asset) is essential to ensure a secure future, both for an individual and an organization.

7 Find in the text the words and word combinations which mean the following

1. To convert (an asset, especially a loan) into marketable securities, typically for the purpose of raising cash by selling them to other investors.
2. A market in which securities are sold and bought.
3. The action or process of investing money for profit or material result.
4. An official document promising that a government or company will pay back money that it has borrowed, often with interest.
5. The things that a company owns, that can be sold to pay debts.
6. Correct or suitable for a particular time, situation, or purpose.
7. Right, suitable or correct.
8. Easily changed into money by being sold or exchanged.
9. The money that a company or a person has, and the property they can exchange for money.
10. To put something into your pocket, to poach.
11. A company or corporation whose shares can be sold and bought freely in the fund market.
12. The management of money by governments or organizations; the money that an organization or person has and the way they manage it; money provided by a bank or other institution to help buy or do something.

8 Match the words in the box with the word fund to form names of different funds and then match the combinations with their definitions. Note: two words in the box are odd

mutual	hedge	friendship	pension	offshore	inshore

1. An investment program funded by shareholders that trades in diversified holding and is professionally managed.
2. A limited partnership of investors that uses high risk methods, such as investing with borrowed money, in hope of realizing large capital gains.
3. An investment program which is based/functions abroad in a country where you pay less tax than in your home country.
4. A fund from which pensions are paid, accumulated from contributions from employers, employees or both.

9 Replace the underlined words and word combinations with those used in both texts

1. They need more financial information to decide how to allocate their resources.
2. The basis of modern financial accounting is the double-entry bookkeeping system.
3. Some critics of standard accounting practices state that it has changed little since the time of Ancient Rome and Greece.
4. It is essential to keep bookkeeping in correspondence with capital assets or production capacity.
5. Accounting should not only include descriptions of purely economic events.
6. Internal auditing is typically realized by employees of the company.
7. An organization can increase capital decreasing its expenses, or increasing its income.
8. A bank totals the activities of many borrowers and lenders.
9. Banks give the opportunity to borrowers and lenders of different sizes to coordinate their activity.
10. An organization whose income exceeds its spending can lend or invest the excess income.

10 Answer the questions using the information you have learnt from both texts

1. Who uses financial information?
2. What do the users need this information for?
3. What branches of accounting do you know?
4. Can you describe the principles of the double-entry bookkeeping system?
5. What do different critical approaches challenge conventional accounting for?
6. What global organization represents the interests of the accountancy profession and what is it committed to?
7. What concepts does the field of finance refer to?

8. Does the lender receive the interest the borrower pays?
9. Who aggregates the activities of many borrowers and lenders?
10. Why is finance one of the most important aspects of business management?

LANGUAGE FOCUS

1 Complete the sentences with the correct form of the verb

1. I don't mind _ _ _ (to open) my account in this bank.
2. They want _ _ _ (to invest) their money in an offshore company.
3. Our company would like _ _ _ (to establish) cooperation with your fund.
4. They like _ _ _ (to establish) different market settings and environment to analyze agents' behavior.
5. We consider _ _ _ (to take) advantage of suddenly arising opportunities.
6. The company tries _ _ _ (to share) risks with the partners.
7. Our partners postponed _ _ _ (to negotiate) a new contract.
8. The bank refused _ _ _ (to lend) him any money because of his being unemployed (because of his poor financial history).
9. We keep _ _ _ (to take) necessary steps to ensure settlement of account.
10. The responsibilities of the credit department involve _ _ _ (to set) credit limits.

2 Fill in prepositions which are used with gerunds

1. Managerial or corporate finance is the task _ _ _ providing the funds for a corporation's activities.
2. Financial accounting is more concerned _ _ _ reporting financial information.
3. Credit gives the customer the opportunity _ _ _ buying goods and services, and paying for them at a later date.
4. There are several reasons _ _ _ keeping cash.
5. Experimental finance aims _ _ _ establishing different market settings and environments.
6. Research may proceed _ _ _ conducting trading simulations.
7. The International Federation of Accountants is committed _ _ _ protecting the public interest _ _ _ developing high quality international standards.
8. We could raise our capital _ _ _ selling some of our assets.
9. They are unlikely to achieve success _ _ _ planning thoroughly.
10. A lot of organizations are interested _ _ _ getting low-interest credits.
11. Credits can prevent _ _ _ going bankrupt.
12. The bank decided _ _ _ providing them a credit.
13. They succeeded _ _ _ providing financial services to the public.
14. The organization planned _ _ _ extending their services.
15. The committee warned _ _ _ paying credits back late.
16. They insisted _ _ _ settling the debts promptly.
17. Our credit department is responsible _ _ _ knowing the credit policy and procedures for credit control.

18. He is good _ _ _ timely reporting about all our accounts.
19. High interest rates didn't stop them _ _ _ borrowing from the bank.
20. The company's management don't approve _ _ _ their using the funds.

3 Combine the sentences using the gerund and prepositions that often go with it

after	before	without	instead of	for
in spite of	by	of	because of	

Example:
- First he learnt the financial state of the company then he bought its shares.
- Before buying the shares of the company he learnt its financial state.

1. You can not succeed in your business until you make proper financial calculations.
2. Before you go abroad you have to buy a health insurance.
3. He didn't pay for education; instead of this he wasted all his money.
4. They tried to maximize the company's wealth but it didn't work.
5. Their situation may be improved if the bank extends a line of credit.
6. They had to pay for a loan. That's why they could not afford to go on holiday abroad.
7. Treasury bonds were rising at that time, so some investors began to sell their bonds to earn more income.
8. When buying abroad you first change your money to the country's currency and then you can buy the goods you like.
9. First they accumulated excess money and then purchased real assets.
10. When a company develops a new plan it should identify the appropriate strategy.

SPEAKING I

1 Write the questions to receive the following answers

Q.
A. The field of finance refers to the concepts of time, money and risk and how they are related.
Q.
A. Banks as well as other organizations like mutual or hedge funds provide credits to businesses or individuals.
Q.
A. Investments are financially managed with careful attention to financial risk management to control financial risk.
Q.
A. Securities are traded on securities exchanges.
Q.

A. Finance is used by individuals, by governments, by businesses and other organizations.

2 Read the dialogue and be ready to comment on personal finance

T: Studying at university I have come to a conclusion that nobody can do without finance.
M: Really? I have always thought that finance is professional activity.
T: Don't be so sure. This seems true only from the first glance. But when you analyze your life carefully you will see that you make different financial decisions every day
M: That's interesting. I just think what to do, what to eat and what to buy.
T: That's it. There is a separate kind of finance called individual finance and it is concerned with many everyday decisions. You, like all people, think how much money you will need in your present and future life and where this money will come from.
M: Yes, you are right. These questions are important but there are so many unforeseen events in our lives. How can we protect ourselves against them and other risks?
T: Nobody can foresee the future but people should be realistic. Like ordinary bookkeepers they should balance their incomes and spending and, of course, they save some money in case of unforeseen events.
M: Nowadays more people prefer taking credits instead of saving money. It is natural that people like spending money and buying things.
T: But first they should think how credit affects their financial standing. It is so difficult to plan a secure financial future in an environment of economic instability.
M: What else may personal financial decisions involve?
T: They may involve paying for education, financing durable goods such as real estate and cars, buying insurance, e.g. health and property insurance, investing and saving for retirement.
M: As I see, to do well in life everybody should have special financial education.
T: In some way you are right. At least you should think carefully when making financial decisions.

3 Read the dialogue and comment on credits

A: Credits are very popular nowadays.
N: It goes without saying, they are. Credit gives the customer the opportunity to buy goods and services, and pay for them at a later date.
A: I understand that but what is the reason for businesses?
N: Oh, it is evident. For many shops and other trade organizations credit trade usually results in more customers than cash trade, they can charge more for goods to cover the risk of bad debt and they gain goodwill and loyalty of customers. As a result their sales increase.

A: If I understand correctly credits can be useful for farmers and they can buy seeds and implements, and pay for them only after the harvest. Thus credits stimulate agricultural and industrial production and commerce.

N: People should be very careful as there exist a lot of disadvantages of credit sale as well. Providing credits, organizations bare a risk of bad debt and high administration expenses. More working capital is needed. Moreover, people can buy more than they can afford and a risk of bankruptcy exists for everybody.

A: I guess the lender should consider the factor which influence credit conditions. Could you name some of them?

N: Among them are nature of the business' activity and its financial position, product durability and length of a production process. Besides, competition and competitors' credit conditions are very important.

A: I think the country's economic position and conditions at financial institutions should be taken into consideration. I would like to know how credit organizations can know creditworthiness of their clients.

N: There are different sources of information on creditworthiness like business and bank references, credit agencies, chambers of commerce and employers. Besides, when taking credits borrowers fill in credit application forms.

4 Read the dialogue and comment on accounts

C: Welcome to our credit department and I hope you will enjoy working here. Now I am ready to answer your questions if you have some.

E: Yes, please. As far as I know it is not easy to work with overdue accounts. Can you give me some advice?

C: In our department the work is arranged effectively. We keep cards arranged alphabetically in a card index system. We attach a notice of overdue account to the statement and send a letter asking for settlement of a debt. If the first letter is ineffectual we send a second or third letter. If it doesn't work we threaten a legal action.

E: What will my responsibilities be?

C: As I have mentioned before the duties of the credit department involve taking legal actions and necessary steps to ensure settlement of account, knowing the credit policy and procedures for credit control and setting credit limits. We are also responsible for ensuring that statements of account are sent out and that thorough checks are carried out on credit customers. We keep records of all amounts owing and ensure that debts are settled promptly. Besides, timely reporting to the upper level of management for better performance is essential.

E: Now I understand why effective credit control increases sales and profits, reduces bad debts, and builds customer loyalty.

C: So, join us and be part of our team.

5 Read and translate the dialogue

- Well, gentlemen, I have to tell you that these new competitive rates mean some difficult decisions for us. Нам потрібно платити більше, щоб залучити кошти and many of our accounts and services are simply money losers. I want you to work out effective measures that would help all of us cope with this new situation.

- Yes, while the government was setting ceilings on the interest rates that we paid on savings, ми могли використовувати це дешеве джерело to pay for the services that we provided. Deregulation is what we have to blame!
- Not really. Deregulation means new opportunities. What I'm thinking of is real diversification. We could attract big customers by поєднанням традиційних послуг із новими. Say, Merril Lynch, the world's biggest brokerage firm sells insurance to its customers and lends them money in addition to bond and stock transactions.
- That's a good example. Nevertheless, є і інший приклад для наслідування. I hope you do remember the way American National Bank cut its losses last year. They simply tripled the minimum balance required for free checking. How much was that?
- As far as I know, from $500 to $1000. And they managed to have nearly 20 percent of their checking and savings accounts closed by their customers.
- Doesn't that mean scandal?
- Beggars are not choosers. I mean the American National Bank! At least now вони можуть запропонувати a greater variety of new and more expensive services to their preferred customers – those with a household income of $100,000 or more.
- Then we could possibly follow both ways and win the game!

SPEAKING II

STUDENTS' RESEARCH WORK

Part 1

Read and practice the dialogues, role-play them.

T: Hello! How are things with you?
S: Very much the same, thank you. Busy as always: studying, working in the library.
T: Do you often go to the library?
S: Nearly every day. I need to find a lot of information about farm enterprises in our area. I am preparing a report on the work of farm enterprises.
T: Are you getting ready for the seminar?
S: No, we are having a students' scientific conference soon and I have to finish my report in time.
T: Then, good luck to you! Hope you will be a success at the conference.
S: Thanks.

B: Do you take part in any kind of research?
D: I have to. I want to take a post-graduate course and the research work is an inseparable part of studying there.

B: What does research work involve?
D: Oh, it involves many kinds of activities but first of all carrying out experiments, making analysis and collecting data.
B: Do you enjoy doing research?
D: To tell the truth, it is quite interesting, especially when you go into the heart of the matter.
B: Listening to you I've got an impression that you will make a good researcher.
D: Hope so.

P: Do you take part in any scientific society?
N: Yes, almost all our students are involved in research work.
P: How do you work in your scientific society?
N: We have scientific advisors and we read scientific literature and prepare reports under their supervision.
P: What do you do with the reports?
N: We make their presentations at the sittings of the scientific society.
P: How often do you have sittings?
N: Twice a month, as a rule.

N: I heard you were a success at the annual students' scientific conference.
K: Yes, I've got the first prize.
S: Congratulations! And what now?
A: There is a chance of going to Kyiv to take part in the contest at a national level.
S: Isn't it too difficult and nerves taking?
A: In some way it is. But at the same time it is a wonderful opportunity to test your knowledge and aptitude for scientific work.
S: You are right. Good luck!

Part 2

Read and translate the dialogues. Say what you have learnt about students' research work

- What are you doing this weekend?
- Я буду писати статтю до збірника наукових праць.
- Дійсно? Ти цікавишся науковою роботою?
- Yes, it is interesting for me to research different aspects of farming.
- Наскільки це корисно тобі?
- Research enriches our knowledge of the subjects, broadens the outlook and develops independent thinking.

- Які форми наукової роботи студентів існують у вашому університеті?
- There are some forms of students' research work at our university, such as scientific societies, students' scientific conferences, subject contests and publications in the Proceedings of the university.

- Do you do any kind of research?
- Так, я беру участь у роботі наукового гуртка з маркетингу.
- Ти готуєш доповідь до студентської наукової конференції?
- Yes, I do. I have collected a lot of interesting information about marketing development abroad and I want to make a presentation of my report at the conference.

- What aspect of farming would you like to research?
- Я ще не вирішив. Мені подобається бухгалтерський облік і я сподіваюсь, що можна дослідити, як працює фінансова система у сільському господарстві.
- Так, сільське господарство потребує інвестицій і грамотного регулювання фінансовими потоками.
- I am very interested in researching finance and accounting and I think that my future diploma project will be aimed at studying the optimum regulations of financial resources in agriculture.
- I wish you success in your research and hope that the topic of my diploma paper will be as interesting and useful as yours.
- Я раджу тобі звернутися до наукового керівника по допомогу у виборі теми. Мій керівник завжди рекомендує мені наукову літературу, яку потрібно прочитати; він також пояснює, як готувати доповідь.
- Дякую за пораду. Я думаю, що я скористаюся нею.

FARMER'S CORNER

IMPLEMENTS AND MACHINERY			
tillage	обробіток ґрунту	potato harvester	картоплезбиральний комбайн
to till, cultivate	обробляти	potato ridger	машина для підгортання
to plow, plowing	орати, оранка	spray killing	знищення обприскуванням
deep plowing	глибока оранка	dibber, dibble	садильний кілок
furrow	борозна	hoe	мотика
moldboard	відвал плуга	mechanical hoe	прополювач, машина для міжрядного обробітку
share	леміш	rotary cultivator	ротаційний культиватор, фреза
knife/coulter; cutter/colter	черешковий ніж	toolbar	рама для навішування робочих органів
skimmer/jointer	передплужник	single-canvas binder	жатка-снопов'язалка

three-furrow plow	трьохкорпусний плуг	combine harvester	комбайн, жатка-молотилка
trailed tractor plow	причіпний тракторний плуг	cutterbar	ріжучий апарат
tractor-mounted plow	навісний тракторний плуг	main table auger	шнек жатки
mounted disc plow	навісний дисковий плуг	reel	мотовило, барабан
disc harrow	дискова борона	threshing drum	молотильний барабан
zig-zag (offset) harrow	зубчата борона	grain auger conveyor	шнековий транспортер зерна
tine	зуб, палець	grain tank (bin)	зерновий бункер
ring roller	кільчатий каток	straw press baler	соломопрес
flat roller	гладкий каток	straw chopper	соломорізка, подрібнювач
fertilizer distributor, spreader	тукова сівалка, розкидач добрив	self-loading forage, self-loader	самонавантажувач
seed broadcaster	трав'яна сівалка	in-line windrower	рядкова, валкова жатка
seed drill	дякова сівалка	sprinkler irrigation	дощова установка
potato planter	машина для садіння картоплі	trailer	причіп
potato lifter	машина для викопування картоплі	grader, sorter	сортувальник

ГРАМАТИЧНИЙ ДОВІДНИК

ГЕРУНДІЙ (GERUND)

Герундій – це неособова форма дієслова, що має властивості дієслова та іменника.

<u>Як дієслово герундій</u>:

- називає дію

e.g. Credit gives the customer the opportunity of **buying** goods and services.

- може мати прямий додаток (герундій перехідних дієслів)

e.g. **Financing** *<u>durable goods</u>* is part of many financial decisions.

- може мати означення, виражене прислівником e.g. The speculative motive refers to the money kept aside to take advantage of *suddenly* **arising** different opportunities

- має форми Simple та Perfect

e.g. They are proud of **having worked** with him.
They are proud of **working** with him.

- має активний та пасивний стан

e.g. He insisted on **making** an account report.
He insisted on the plan's **being finished** in time.

ФОРМИ ГЕРУНДІЯ

	Simple	Perfect
Active	V-ing *Planning*	Having V_3 *Having planned*
Passive	Being V_3 *Being planned*	Having been V_3 *Having been planned*

Як іменник герундій:

- в реченні може виконувати функції підмета, додатка та предикатива

e.g. **Auditing** is a related but separate discipline, with two sub-disciplines.

- перед герундієм може вживатися прийменник

e.g. Experimental finance aims *at* **establishing** different market settings and environments.

- перед герундієм може вживатися присвійний займенник або присвійна форма іменника

e.g. Working capital is mostly provided by *a bank's* **extending** a line of credit.

Дієслова, після яких вживається герундій:

Like dislike love hate enjoy mind consider discuss involve

II.

Begin start continue go on keep keep on stop finish quit postpone

Дієслова і вирази з прийменниками, після яких вживається герундій:

be afraid of	be sorry for	apologize for	believe in	dream about
be excited about	feel like	forgive for	be good at	insist on
look forward to	it's no use	plan on	be responsible for	thank for
be tired of	worry about	succeed in	approve of	decide against
be fed up with	be aimed at	prevent from	suspect of	warn against
it's no good	be used to	think about/of	there is no point	
be interested in			be nervous about	

Прийменники, після яких вживається герундій:

after	before	without	instead of	for	in spite of	by	of

Герундій у сполученні з іменником або займенником може утворювати комплекси. Зазвичай комплекс складається з іменної частини та дієслівної. У герундіальному комплексі іменна частина складається із іменника у присвійному чи загальному відмінку або присвійного займенника. Дієслівна частина представлена герундієм, що передає дію, яка виконується особою чи предметом, що виражені іменною частиною.

Герундіальний комплекс перекладається підрядним реченням, підметом якого є іменник або займенник іменної частини, а герундій перекладається як присудок речення.

Приклад:
The management thanked the staff for their fulfilling the project in time.
Керівництво подякувало колектив за те, що вони виконали проект вчасно.

UNIT 7 BUDGETING AND AUDITING (sub-unit 14)

My budget is a solid, balanced plan that allows us to make real, sustainable progress and provides the revenue necessary to fund our priorities.
Michael F. Easley

The trouble with a budget is that it's hard to fill up one hole without digging another.
Dan Benett

Starter	1. What is a budget? 2. What do you think budgeting is? 3. Do people need budgets in their personal lives and in their families? 4. Is budgeting important? Why do you think so?
Reading Comprehension	Budgeting, audit
Vocabulary Practice	Key vocabulary
Language Focus/Grammar	Exercises
Speaking Comprehension	I Talks on accounting II Future profession
Farmer's Corner	Horticulture. Market gardening.
Grammar reference	Conditionals

STARTER

1. What is a budget?
2. What do you think budgeting is?
3. Do people need budgets in their personal lives and in their families?
4. Is budgeting important? Why do you think so?

VOCABULARY PRACTICE I

1 Match English words and phrases with their Ukrainian equivalents

1. legislature	a. урядові витрати
2. revenue	b. погашення боргу
3. expenses	c. урядові інвестиції
4. government consumption	d. грошові надходження, рух готівки
5. transfer payments	e. законодавчий орган влади
6. government bonds	f. витрати
7. debt repayment	g. допомога у зв‘язку з безробіттям
8. cash flow	h. дохід
9. government investment expenditure	i. державні облігації
10. unemployment benefit	j. трансфертні платежі(виплати)

2 Match the synonyms

1. inflow	a. prediction
2. outflow	b. purpose
3. forecast	c. pension
4. to obtain	d. expenses, spending, expenditure
5. smooth	e. planned
6. intent	f. public investment
7. to compile	g. income, revenue
8. government investment	h. transactions
9. intended	i. to make, to work out
10. operations	j. calm
11. retirement benefit	k. to get, to receive, to acquire

3 Match words and phrases with their definitions

1. transfer payment	a. to officially agree to or to accept as satisfactory
2. successor government	b. to obtain something from a special source
3. infrastructure	c. to put into effect by voting on it
4. software	d. a payment made or income received in which no goods or services are being paid for, such as a benefit payment or subsidy
5. to approve	e. the basic physical and organizational structures and facilities (e.g., buildings, roads, power supplies) needed for the operation of a society or enterprise
6. to derive	f. the programs and other operating information used by a computer
7. to pass	g. a government which comes after the acting government

READING

Text A

BUDGETING

A budget is an important concept in microeconomics. It is generally a list of all planned expenses and revenues. It is a plan for saving and spending.

The purpose of budgeting is to provide a forecast of revenues and expenditures and to enable the actual financial operation of the business to be measured against the forecast.

As different organizations and individuals act at the market we may speak about company budgets, government budgets and personal or family budgets.

The budget of a government is a summary or plan of the intended revenues and expenditures of that government. It is a legal document that is often passed by the legislature and approved by the chief executive or president.

The two basic elements of any budget are the revenues and expenses. In the case of the government, revenues are derived primarily from taxes. Government expenses include spending on current goods and services, which economists call government consumption; government investment expenditures such as infrastructure investment or research expenditure; and transfer payments like unemployment or retirement benefits.

Government budgets have an economic, political and technical basis. Unlike a pure economic budget, they are not entirely designed to allocate scarce resources for the best economic use. They also have a political basis where in different interests push and pull in an attempt to obtain benefits and avoid burdens. The technical element is the forecast of the likely levels of revenues and expenses.

Government can pay for spending by borrowing (for example, with government bonds). The accumulation of deficits over time is the total public debt. Deficit finance allows governments to smooth tax burdens over time, and gives governments an important fiscal policy tool. Deficits can also narrow the options of successor governments.

The budget of a company is often compiled annually, but may not be. A finished budget is a plan for the short-term future, typically one year. While traditionally the finance department compiles the company's budget, modern software allows hundreds or even thousands of people in various departments (operations, human resources, IT, etc.) to list their expected revenues and expenses in the final budget.

In a personal or family budget all sources of income (inflows) are identified and expenses (outflows) are planned with the intent of matching outflows to inflows (making ends meet.) It is a finance plan that allocates future personal income towards expenses, savings and debt repayment. Past spending and personal debt are considered when creating a personal budget.

VOCABULARY PRACTICE II

1 Match the verbs in column <u>A</u> with the words in column <u>B</u> to form the phrases used in the text

A	B
1. to derive	a. benefits
2. to narrow	b. revenues and expenses
3. to compile	c. tax burdens
4. to obtain	d. financial operations
5. to smooth	e. a budget
6. to list	f. options
7. to measure	g. revenues

2 Translate the sentences into English using the expressions of exercise 1

1. Необхідно скласти бюджет до кінця поточного року.
2. Починаючи роботу над бюджетом, слід скласти список прибутків та витрат/видатків.
3. Для розвитку малого і середнього бізнесу слід пом'якшити податковий тягар.
4. Невдало складений бюджет обмежує вибір у роботі компанії.
5. Уряд отримує прибутки із податків, які сплачують громадяни та організації.
6. У ринковій економіці конкурентноспроможні підприємства отримують переваги.
7. Ми оцінили фінансові операції компанії і пропонуємо оптимізувати її бюджет.

3 Answer the questions using the information you have learnt from the text

1. What sphere of economics is a budget part of?
2. What is the purpose of budgeting?
3. What is the procedure of adopting the government budget?
4. Who approves the government budget of Ukraine?
5. Are the revenues the only element of a budget?
6. What do the economists call government consumption?
7. Why is there a political basis in a government budget?
8. What gives governments an important fiscal policy tool?
9. What period is the budget of a company compiled for?
10. What is considered when creating a personal budget?

Text B

Read the text quickly and put the sentences below in the correct order

COMPANY BUDGETING

1. Budgeting is the most effective way for businesses to control their cash flow, allowing them to invest in new opportunities at the appropriate time.

2. If the business is growing, they may not always be able to be hands-on with every part of it. They may have to split their budget up between different areas such as sales, production, marketing, etc. The company will find that money starts to move in many different directions through their organization - budgets are a vital tool in ensuring that they stay in control of expenditure. There are sales budgets, production budgets, marketing budgets, cash flow budgets, project budgets, revenue budgets and expenditure budgets.

3. For a company a budget is a plan to control the company's finances, to ensure the company can continue to fund its current commitments, to enable the company to

make confident financial decisions and meet its objectives, to ensure the company has enough money for its future projects.

4. It outlines what the company will spend its money on and how that spending will be financed. However, it is not a forecast. A forecast is a prediction of the future whereas a budget is a planned outcome of the future - defined by the plan - which the business wants to achieve.

5. There are a number of benefits of drawing up a business budget, including being better able to:

- manage your money effectively
- allocate appropriate resources to projects
- monitor performance
- meet your objectives
- improve decision-making
- identify problems before they occur - such as the need to raise finance or cash flow difficulties
- plan for the future
- increase staff motivation

Creating, monitoring and managing a budget is key to business success. It should help you allocate resources where they are needed, and should not be complicated. You simply need to work out what you are likely to earn and spend in the budget period.

6. To use your budgets effectively, you will need to review and revise them frequently. This is particularly true if your business is growing and you are planning to move into new areas.

7. Using up-to-date budgets enables you to be flexible and also lets you manage your cash flow and identify what needs to be achieved in the next budgeting period.

Use the logical order

№	STATEMENT
	a. Business should not only create a budget. For a budget to work successfully, businesses should review it regularly.
	b. Budgeting helps businesses to be efficient.
	c. To be flexible businesses need up-to-date budgets.
	d. Sometimes businesses need more than one budget depending on the area they are involved in.
	e. Unlike a forecast which predicts the future, a budget plans how to meet the goals.
	f. A budget is important for good use of a company’s finance.
	g. Budgeting has many advantages.

4 Match the attributes with the term <u>budget</u> to form the names of different types of budgets and translate them into Ukrainian

revenue		cash flow
project	BUDGET	production
sales		expenditure

5 What budget is described? Match the definition with the term

TERM	DEFINITION
1. Sales budget	a. This budget is a prediction of future cash receipts and expenditures for a particular time period. It usually covers a period in the short term future. It helps the business determine when income will be sufficient to cover expenses and when the company will need to seek outside financing.
2. Production budget	b. A budget type which includes spending data items.
3. Cash flow budget	c. This budget is a prediction of the costs associated with a particular company project. These costs include labor, materials, and other related expenses. It is often broken down into specific tasks, with task budgets assigned to each.
4. Marketing budget	d. This budget is an estimate of future sales. It is used to create a company's sales goals.
5. Project budget	e. This budget is an estimate of the funds needed for promotion, advertising, and public relations in order to market the product or service.
6. Revenue budget	f. Product oriented companies create the budget which estimates the number of units that must be manufactured to meet the sales goals. It also estimates the various costs involved with manufacturing those units, including labor and material.
7. Expenditure budget	g. This budget consists of revenue receipts of government and the expenditure met from these revenues. Tax revenues are made up of taxes and other duties that the government levies.

6 Find in the text the words and word combinations which mean the following

№	EXPLANATION	TERM
1.	to divide something between different people or different spheres	
2.	to be active in doing something	

3.	to be able to direct a situation, a person, or an activity	
4.	the state of being dedicated to something	
5.	to make certain that something shall occur, to guarantee	
6.	to give a summary of something	
7.	the way a thing turns out, results	
8.	to compile a budget	
9.	to happen	
10.	to collect money, to accumulate finance	
11.	the purpose for people to work	
12.	something difficult, not easy	
13.	to assess something, to look at something again and decide whether it is working or not	
14.	to reconsider something or to change something in new conditions	
15.	to be new, modern, according to new data or information	

7 Replace the underlined words and word combinations with those used in both texts

1. Public investment is supposed to be used for the development of infrastructure.
2. Government revenues are derived from taxes.
3. Employees who worked for the state got their pension from the government.
4. In their program the candidates promised to even/level the tax burden for small businesses.
5. Making the budget of a company includes calculating the company's incomes and expenses.
6. According to the prediction for the next year our company will increase its market share.
7. Current financial transactions were considered for the strategic decisions of the company.
8. Their purpose was to monitor the company's performance.
9. We discussed planned financial indices at the meeting of the Board of Directors.
10. It was decided that expenses must not exceed their planned level.

LANGUAGE FOCUS

1 Read and translate the sentences paying attention to the type of Conditional sentences

1. If private markets supply enough goods many people will enjoy the same good at the same time.

2. If the budgeting process is complicated, it is more difficult for a person to keep up with it.
3. If there were sufficient funds to make the purchase you would have an opportunity to buy it.
4. If you are short of money, you will have to wait until you can allocate more money to a new project.
5. If you break down the budget creation process into a few easy to follow steps, you will be able to sit down and create a basic budget in just a few minutes.
6. Construct a model of how your business will perform financially if certain strategies, events and plans are carried out.
7. If you had planned for your business' future, you would not have these problems today.
8. If your business grows, you will not always be able to be hands-on with every part of it.
9. If you had invested some time in creating a comprehensive and realistic budget, it would have been easier to manage and ultimately more effective.
10. If you had balanced their estimates against your own, you would have achieved a more realistic budget.
11. If you use your sales and expenditure forecasts, you can prepare projected profits for the next 12 months.
12. If you used your sales forecasts it would enable you to analyze your margins and other key ratios such as your return on investment.

2 Complete the sentences with the correct form of the verb

1. If you control your cash flow, you _ _ _ (to invest) in new opportunities at the appropriate time.
2. If you _ _ _ (to invest) some time in creating a comprehensive and realistic budget, it will be easier for you to manage.
3. If you _ _ _ (to balance) the consultants' estimates against your own, you will achieve a more realistic budget.
4. You _ _ _ (to prepare) projected profits for the next 12 months if you use your sales and expenditure forecasts.
5. If you forecast your inflow, you _ _ _ (to be able) to analyze your return on investment.
6. If you base your budget on your business plan, you _ _ _ (to be creating) a financial action plan.
7. You will stay in control of your company's performance, if you _ _ _ (to review) your budgets regularly as part of your annual planning cycle.
8. We _ _ _ (to construct) a model of how our business may perform financially speaking if certain strategies, events and plans are carried out.

3 Change the sentences in exercise 1 to speak about the present and past situations

Example: 1. If you control your cash flow, you will invest in new opportunities at the appropriate time.
Present situation: If you controlled your cash flow, you would invest in new opportunities at the appropriate time.
Past situation: If you had controlled your cash flow, you would have invested in new opportunities at the appropriate time.

4 Ask questions using Conditionals (See the example)

Example: (Perhaps) one day you want to reach your target audience for your products' promoting. - What will you do if you want to reach your target audience?

1. You want to identify your income and expenditures. –What will you …
2. You want to compile a personal budget. –
3. You want to start your own business. –
4. You want to increase your income. –
5. You want to control your company's performance. –

5 Read the situation and write a sentence with *if*

Example: They supplied too little of their goods and did not receive the profit They expected.
If they had supplied enough goods, they would have received the profit they had expected.

1. They did not anticipate all budget-busting events and they were not able to keep up with the budget.
2. They had to lower their expenses on entertainment last month because they spent more on housing.
3. We established projected sales in our business plan and this helped us stay in control of the cash flow.
4. Our budget helped us keep our spending on track and even uncover some hidden cash flow problems because we worked it out in a proper way.
5. We used credit cards and we lost track of how much money was actually being spent.
6. We used cash instead of credit or debit cards and this helped us keep our daily spending under control.
7. Unfortunately the company did not create a focus for its direction and did not provide targets that would help it grow and the company became bankrupt.
8. You do not have a budget that tells you exactly how much you are supposed to spend and it is easy to overspend.

9. You do not have structured planning which is why you can not concentrate resources on improving your profits.
10. Unfortunately business planning is not effective in your firm because it is not an ongoing process.

6 Speak about your possible actions if you are a businessman. Use the prompts.

I. **Budgeting.** Example: to be a businessman, to compile a budget
- If I am a businessman I will compile a budget.
- If I compile a budget correctly, I will …..

1. To use budget spreadsheets with date-shifting, like Budget-Master
2. To have a detailed view of a 12 month income and expense plan
3. To break down the budget creation process into a few easy to follow steps
4. To create a basic budget in just a few minutes
5. Finances to be in good order
6. To be a success

II. **Planning**
1. To be a businessman
2. To plan one's business
3. To create a focus for the direction of your business
4. To provide targets that will help one's business grow
5. To have greater confidence in one's decision-making
6. To improve profits in the competitive environment

SPEAKING I

1 Write questions to receive the following answers

Q.

A. To be successful in the competitive business environment you need to compile your budget professionally.

Q.

A. You can look at costs and work out ways to reduce them.

Q.

A. If you collect historical information on sales and costs if they are available – these could give you a good indication of likely future sales and costs.

Q.

A. Your budget will serve several useful functions, if you review it regularly as part of your annual planning cycle.

Q.

A. If you use up-to-date budgets it will enable you to be flexible and also let you manage your cash-flow and identify what needs to be achieved in the next budgeting period.

2 Read the conversation between a businessman and a consultant on budgeting and be ready to comment on budgeting process

B. Good morning. Can I have a consultation on budgeting?
C. Sure, this is what we have been doing for ten years and I can say that we have experience in this domain. Before talking on budgeting, could you explain the reasons why you need advice?
B. You see, the previous year was not as successful as we supposed it would be. I am afraid the budget was not quite professional.
C. This problem is easy to solve. First of all, you should analyze the reasons for any shortfall - for example lower sales volumes, flat markets, underperforming products. Then, you should consider the reasons for a particularly high turnover - for example whether your targets were too low and compare the timing of your income with your projections and check that they fit. Analyzing these variations will help you set future budgets more accurately and also allow you to take action where needed.
B. Thank you so much. How can I prevent failures in my business?
C. Regularly review your actual expenditure against your budget. This will help you predict future costs with greater reliability. You should look at how your fixed costs differed from your budget, check that your variable costs were in line with your budget - normally variable costs adjust in line with your sales volume, analyze any reasons for changes in the relationship between costs and turnover and analyze any differences in the timing of your expenditure, for example, by checking suppliers' payment terms.

3 Read the dialogue, say what three basic concepts help in personal budgeting and give some comments on them

A. Good morning. Can I help you?
M. Good morning. I came to your consulting agency for advice. I need some recommendations for personal budgeting.
A. You are always welcome to our agency. We specialize in budgeting. As for personal budgeting, sticking to a few basic concepts helps avoid several common pitfalls of budgeting. They are purpose, simplicity and flexibility.
M. In my opinion every person has a purpose for budgeting and I don't think there must be anything special for the discussion.
A. You are right. But we would like to stress that a budget should have a purpose or defined goal that is achieved within a certain time period. Knowing the source and amount of income and the amounts allocated to expense events is very important.

M. So, I understand we should be more aware of the goals we want to achieve. What about simplicity. I agree that the more complicated the budgeting process, the more difficult it is to keep up with it.

A. The purpose of a personal budget is to identify where income and expenditure are present in the common household; it is not to identify each individual purchase ahead of time. How simplicity is defined with regards to the use of budgeting categories varies from family to family, but many small purchases can generally be summed up/totaled into one category (Car, Household items, etc.).

M. How can we make the budgeting process more flexible?

A. You should have an expectation that a budget will change from month to month, and will require monthly review. Cost overruns in one category of a budget should be accounted for or prevented in the next month. For example, if your family spends more than they have planned on food in spite of their best efforts, next month's budget should reflect the corresponding increase of spending on food and decrease in other parts of the budget.

M. Thank you very much. Your advice is very helpful. I suppose it will be easier for us to keep up with our budget.

SPEAKING II

MY FUTURE PROFESSION

Part 1

1 Work with dialogues and speak about the professions of accountants and economists

Economics

T: Hello! You have been studying at the university for the second year. Have you changed your ideas about your future profession?

S: Not very much indeed. I have always known that economics is an integral part of any business activity as almost everything we do is influenced in some way by economics.

T: Can you explain why economics is so important?

S: Any businessman should understand how an economic system works. It will help him develop the strategy. The better the strategy, the more competitive and profitable the company is.

T: What exactly do economists do?

S: They gather and interpret economic information; then business decisions will be made. The economist’s job is to work out policies which will help allocate resources in the best possible way.

T: Can you state that you are ready for your work?

S: Not yet. I am sure I need much more knowledge about specific economic issues that’s why I am going to continue my studies. Besides I hope to get more practical experience in this field.

T: I wish you good luck in your achieving the goals.

S: Thanks a lot. Bye.
T: See you.

Accounting

B: I know you are studying accounting. Why do they often call it "the language of business"?
D: Because we can't do without it as it is used to describe all types of business information.
B: What kind of information?
D: Like costs, prices, sales volume, profits and returns on investments. They are all accounting measurements.
B: Why have you chosen accounting as your future profession?
D: Because it opens the door to many career opportunities. It can be a "stepping stone" for positions in top management and administration.
B: Is the knowledge of bookkeeping enough for such high positions?
D: Bookkeeping is only a part of accounting. It is a clerical side of accounting – the recording of routine transactions and day-to-day record keeping.
B: Are accountants supposed to do anything else?
D: Yes, professional accountants are involved in the interpretation and use of accounting information rather than in its actual preparation. Their work includes evaluating the efficiency of operations, solving complex financial reporting problems, forecasting the results of future operations, auditing, tax planning and designing efficient accounting systems.
B: Thanks for your explanations. Now I understand your future job much better.

Part 2

1 Work with the dialogues, translate them and say what you have got to know.

- You are studying economics. Can you tell me what it is?
- Економіка – це наука про розміщення обмежених ресурсів для виробництва, обміну та збуту товарів та послуг.
- What does economics deal with?
- Економіка має справу із виробництвом, прибутками, робочою зайнятістю, витратами, відсотковими ставками, інфляцією, транспортуванням та багатьма іншими аспектами життя суспільства.
- Які є види економічної науки та що вони вивчають?
- Descriptive economics deals with gathering facts about a specific economic problem. Economic theory or economic analysis deals with economic principles, theories, and laws of economic behavior of individuals and institutions. Applied economics studies methods of correcting and avoiding problems.
- What are four major economic goals?
- Завданням економіки є повна робоча зайнятість, цінова стабільність, економічне зростання та справедливий розподіл прибутків.
- Who needs accounting information?
- Багато людей потребують цієї інформацію. Це – інвестори, кредитори та менеджери, урядові агенції та профспілки.

- Які існують галузі у бухгалтерській справі?
- They are public accounting and managerial accounting. Public accounting is the segment of the profession where a professional offers audit, tax and consulting services to clients. Managerial accounting is the segment of accounting where an accountant works for individual companies in a wide variety of capacities.
- Where do accountants work?
- Професійні бухгалтери та обліковці потрібні на кожному підприємстві. Багато обліковців працює в урядових агенціях. Деякі обирають освіту і навчають студентів бухгалтерської справи.

FARMER’S CORNER

HORTICULTURE, MARKET GARDENING			
market garden, truck farm	плодоовочеве господарство	pipeline	трубопровід
market gardener, commercial grower, truck farmer	садовод, плодовод	heating plant	нагрівальний прилад, опалення
vegetable growing	овочівництво	boiler house/room	котельня, бойлерна
field vegetable production	овочівництво відкритого ґрунту	solid fuels	тверде паливо
fruit growing, pomiculture	плодівництво, садівництво	liquid fuels	рідке паливо
flower growing, floriculture	квітникарство	fuel oil	мазут
bulb growing	вирощування цибулин	natural gas	природній газ
seed growing	насінництво	chimney	комин
arboriculture	лісівництво	peat pot	торфоперегнійний горщечок
tree nursery	розсадник дерев	plant tray	лоток для розсади
glasshouse nursery	тепличне господарство/комплекс	dung earth	угноєний ґрунт
glasshouse culture	вирощування у закритому ґрунті	peat soil	перегнійний/торф’яний ґрунт
low glass, frames,	Двоскатний парник голландського типу	peat dust/moss	торф’яний препарат, торф’яна

dutch lights			крихта
cold frame	не обігрівальний парник	border	рабатка, валик
heated frame	обігрівальний парник	path	доріжка
tunnel	теплиця аркова	lawn	газон, галявинка
plastic foil	пластикова плівка	sward, turf	дерен, трав'яний пласт
cloche	переносне укриття	rotary mower	ротаційна косарка
glasshouse, greenhouse	теплиця	tools	інструменти
cold house	не обігрівальна теплиця	spade	лопата, заступ
temperate glasshouse	помірна теплиця	shovel	совкова лопата
heated house, hothouse	обігрівальна теплиця	spading/digging fork	копальні вила
cucumber house	теплиця для огірків	hoe	мотика, культиваторна лапа
tomato house	теплиця для помідорів	rake	граблі
carnation house	теплиця для гвоздик	lawn sweep (rake)	граблі для газонів
forcing house	теплиця для вигону рослин	edging tool (iron)	інструмент для підрізки країв газону
pot plant house	теплиця для горщикової розсади	hedge shears/trimmers	ножиці для підрізки живого паркану
dutch(-type) glasshouse, sash house	складна теплиця із парникових рам	manure/dung fork	вила для гною
multispan glasshouse	тепличний комбінат	watering can	лійка
main path	центральний прохід	knife	ніж
ground bed	грядка	scissors	ножиці
bed border/edge, bench bed	рабатка	pruning/grafting knife	прищеплювальний ніж
staging, bench	стелаж	pruning shears, secateurs	садові ножиці, секатор
bench trolley	тепличний візок	to prune, lop, trim	підрізувати, обрізувати
working table	робочий стіл	saw	пила

cut flower basket	корзина для зрізаних квітів	budding knife	окулірувальний ніж
rolling mat (blind)	роликова штора	to bud	окулірувати, прищеплювати у вічко
shading mat, sunblind	жалюзі, що створюють тінь	to graft	прищеплювати, живцювати
lighting	освітлення	scion, graft	прищепа
irradiation	опромінення	wheelbarrow	візок
watering	полив	case, box	ящик
to sprinkle, sprinkling	дощувати, дощування	crate	решітчастий контейнер
irrigation	зрошення	tray	піддон
field/outdoor irrigation	зрошення на полях	bag, sack	мішок
garden hose	садовий шланг	pail, bucket	відро
sprinkler hose	шланг для дощування	brush	щітка
irrigation hose	шланг для поливу	ornamental garden	декоративний сад
trickle hose	шланг для крапельного зрошування	vegetable garden	овочева ділянка
mist irrigation	аерозольне зрошування	kitchen garden	город
hose reel	барабан для намотування зрошувального шлангу	small/allotment garden	садок, садова ділянка
herb growing	вирощування трав	auction sale	продаж на аукціоні

ГРАМАТИЧНИЙ ДОВІДНИК

УМОВНІ РЕЧЕННЯ (CONDITIONAL SENTENCES)

- Умовні речення – це складнопідрядні речення, в яких говориться про дію, що відбудеться в майбутньому або відбулася б у теперішньому чи минулому часі за певних умов.

e.g. If I work hard, I will become a good specialist.
Якщо я буду працювати наполегливо, я стану хорошим спеціалістом.

- Підрядні умовні речення вводяться сполучником **if**, який може перекладатись – *якщо* або *якби*.

e.g. **If** you look at last year's records and contact your suppliers for quotes, it will help forecast your costs.
Якщо ви подивитесь на минулорічні записи і зв'яжетесь із своїми постачальниками, це допоможе прогнозувати ваші витрати.

- Існує три типи підрядних речень:

CONDITIONAL SENTENCES

I. FUTURE

If V_1, will V_1

If you plan your business, it will help your business grow.
Якщо ви будете планувати свій бізнес, це допоможе бізнесу зростати.

II. PRESENT

If V_2, would V_1

If you got figures for income and expenditure, you would know how much money you are making.

Якби у вас були цифри щодо прибутку та витрат, ви б знали, скільки грошей ви заробляєте.

III. PAST

If had V_3, would have V_3

If you had looked at last year's records and contacted your suppliers for quotes, it would have helped forecast your costs.

Якби ви подивились на минулорічні записи і зв'язались із своїми постачальниками, це допомогло б спрогнозувати ваші витрати.

GLOSSARY

A		
	absolute advantage	the ability of a country to produce a good at a lower cost than its trading partners
	account	a detailed record of all the money that a person receives and spends
	accounts payable	the sums that a firm owes its suppliers
	accounts receivable	the sums owed to a firm by its customers
	account for	to give a satisfactory record of something, typically money, that one is responsible for
	accountancy	the theory and practice of keeping and inspecting accounts
	accountant	a person whose job is to inspect or keep accounts
	accounting	(1) analyzing and evaluating the economic information and conveying it to the user (2) the system that measures business activities, processes this information into reports, and communicates these findings to decision makers
	accounting profit	sales minus explicit cost; implicit costs are not considered
	accounting scholarship	the subject which studies the theory of accountancy
	advertisement	an announcement in mass media about a product, event, job vacancy, etc.
	advertising	(1) one of the ways to make goods and services known (2) communication intended both to inform and persuade
	advertising agency	a business which advises companies on advertising and makes ads
	advertising budget	an amount of money available for advertising during a particular period
	advertising campaign	a program of advertising activities over a period, with particular aims
	aggregate demand	(1) the total effective demand for the nation's output of goods and services (2) the sum of all expenditures for goods and services
	aggregate supply	the nation's total output of goods and services
	annual percentage rate	the percentage cost of credit calculated on an

		annual basis
	annual report	the report to the stockholders containing pertinent financial information
	antitrust laws	laws regulating the growth and use of monopolistic power or tendencies
	asset	something of value that is owned by a firm, household, or individual
	audit	the inspection of an organizations' annual accounts
	average fixed cost	fixed cost divided by output
	average tax rate	the percentage of taxable income that is paid in taxes; taxes divided by taxable income
	average total cost	total cost divided by output; represented by ATC
	average variable cost	variable cost divided by output; represented by AVC
B		
	balance of payment	summary of the flow of international transactions; statement of payments made to all other countries and payments received from all other countries
	balance of trade	the difference between the value of imports and exports
	balance sheet	financial statement summarizing a firm's assets, liabilities and net worth
	balanced budget	(1) when federal tax receipts equal federal government spending (2) a financial plan in which expenses exactly equal income
	bank	(1) a financial institution which offers the widest range of financial services –credits, savings, and payment services – and performs the widest range of financial functions of any business firm or an individual (2) a commercial bank or thrift institution that offers checkable deposits
	barter	the exchange of one good or service for another
	black market	the system in which people illegally buy and sell goods or foreign currency
	board of directors	elected representatives of corporate stockholders
	bond	a certificate representing indebtedness, usually of a corporation or unit of government, to the holder
	boom	the peak of the business cycle; business is producing at or near capacity
	budget	(1) a list of all planned expenses and revenues (2) a financial plan that summarizes income and

		expenditures over a period of time
	budget deficit	when federal tax receipts are less than federal government spending
	budget surplus	when federal tax receipts are greater than federal government spending
	business	(1) a company or a firm which produces/provides goods or services (2) work relating to the production, buying, and selling of goods and services
	business cycle	(1) a cycle or series of cycles of economic expansion or contraction (2) increases and decreases in the level of business activity that occur at irregular intervals and last for varying lengths of time
	business ethics	concern for keeping fair business practices
	business firm	an organization that produces goods and services
	bylaws (by-laws)	rules of operation for a corporation, stated in the charter, that govern the corporate officers' actions
C		
	capacity	the maximum number of units a firm can produce
	capital	(1) money created by people to produce other goods and services; business people refer this term to the money they can use to buy factories, machinery, factors of production, etc. (2) all means of production (mainly plant and equipment) created by people (3) something created to produce other goods and services; also money used to pay for the operations of a business
	capital gain	the increase in the value of an asset over a period of time
	capitalism	an economic system in which most economic decisions are made by private owners and moist of the means of production are privately owned
	cash flow	the amount of money coming into and going out of a firm
	cash flow budget	the budget which is a prediction of future cash receipts and expenditures for a particular time period; it usually covers a period in the short term future; it helps the business determine when income will be sufficient to cover expenses and when the company will need to seek outside financing

	central economic planning	a doctrine placing production decisions in the hands of government planners
	certificates of deposit	certificates issued by banks guaranteeing repayment of principal at a fixed rate of interest after a specified period of time
	checking account	a bank account against which the depositor can write checks
	checks	written orders directing a bank to pay a person or business a specific sum of money
	collateral	something with monetary value pledged as security for a loan
	command economy	an economic system in which major decisions concerning the allocation of resources are made by agencies of the government
	common stock	a security that represents ownership in a corporation
	comparative/competitive advantage	(1) the fact that the company or the country are doing something better than their competitors in a way that could benefit the customer (2) total output is greatest when each product is made by the country that has the lowest opportunity cost
	competition	(1) the rivalry among business firms for resources an customers (2) the rivalry among buyers and among sellers in the purchase and sale of resources and products
	consumers	people/companies who buy goods and services
	consumer behavior	where and how people buy goods and services
	consumer co-ops	retail business owned by members who sgare in the profits and/or purchase goods and services at lower costs
	consumer credit	an agreement whereby a consumer is provided cash, goods or services now with payment spread into the future
	consumer goods	things people buy for their own use
	consumer price index (CPI)	(1) a measure of changes in the general price level (2) the most important measure of inflation; this tells us the percentage rise in the price level since the base year, which is set at 100; represented by CPI
	consumer profile	description of a typical customer
	consumer surplus	the difference between what you pay for some good or service and what you would have been

		willing to pay
	consumption	the expenditure by individuals on durable goods, nondurable goods, and services; represented by C
	cooperative	a business owned and controlled by the people who use its services and whose benefits are derived and distributed equitably on the basis of use
	corporate bonds	a debt of the corporation; bondholders have loaned money to the company and are its creditors
	corporate stock	share in the corporation; the stockholders own the corporation
	corporation	a business firm that is a legal person; its chief advantage is that each owner's liability is limited to the amount of money he or she invested in the company
	correspondent banking	a system of formal and informal relationships among large and small banks established to facilitate the exchange of certain services such as clearing checks
	cost-push inflation	rising costs of doing business push up prices
	credit	the ability of a customer to obtain goods or services before payment, based on the trust that payment will be made in the future
	credit card	an identification card that entitles the lawful owner to make purchases on credit
	credit union	an association of people with something in common that offers insured savings plans similar to those offered by other savings institutions
	creeping inflation	a relatively low rate of inflation
	currency	(1) the part of the money supply which consists of coins and paper bills (2) paper money and coins issued by the federal government
	cyclical unemployment	when people are out of work because the economy is operating below the full-employment level; it rises sharply during recessions
D		
	default	failure to meet an obligation when it come due
	deficit	excess of expenses over expected income
	deflation	a general decline in the price level
	demand	(1) the need or desire that people have for particular goods and services (2) something that consumers want to buy (3) consumers' willingness and ability to buy

		products or services at a particular time and place (4) a schedule of quantities of a good or service that people will buy at different prices; represented by D
	demand deposit	checking accounts held by commercial banks; largest component of the money supply
	demand-pull inflation	rising prices because demand is increasing faster than industry's ability to satisfy that demand
	democratic socialism	socialist economic system in which the government owns and operates many, but not all, major industries
	depression	a deep and prolonged business downturn
	diminishing marginal utility	the last item consumed will be less satisfying than the one before
	direct tax	tax on a particular person; most important are federal personal income tax and payroll (Social Security) tax
	discount rate	the interest rate charged by the Federal Reserve on its loans to banks and other financial institutions
	distribution	when goods are supplied for the shops and companies to sell them
	dividends	payments made from the earnings of a corporation to its stockholders
	division of labor	breaking down a large task into a series of small ones so that each worker completes one or few of the steps involved
	double-entry bookkeeping system	a system of bookkeeping in which each transaction is entered as a debit in one account and a credit in another
	dumping	selling the same goods for a lower price abroad than at home
E		
	economic	concerned with economics and with the organization of the money, industry, and trade of a country, region, or social group
	economic growth	(1) an outward shift of the production possibilities frontier brought about by an increase in available resources and/or a technological improvement (2) increases in an economy's total output over a period of time
	economic institution	a physical or mental structure that significantly

		influences economic decisions
	economic policy	an action (or inaction) taken, usually by government, to influence economic events
	economic problem	when we have limited resources available to fulfill society's relatively limited wants
	economic profit	sales minus explicit costs and implicit costs
	economic system	(1) a nation's system for allocating resources among its citizens (2) the approach a country uses to deal with scarcity and achieve its economic goals
	economical	(1) something that does not require a lot of money to operate (2) using the minimum amount of time, effort, language, etc. that is necessary
	economics	(1) science of production and distribution of goods and services (2) the study of the production of wealth and the consumption of goods and services, and the organization of its money, industry, and trade (3) the social science that describes and analyzes how society chooses from among scarce resources to satisfy its wants
	economy	(1) a system of production and distribution of goods and services (2) a system according to which the money, industry, and trade of a country or region are organized (3) careful spending or the use of things in order to save money
	employee	someone who is paid to work for someone else
	employer	a person, a company or an organization that employs/hires people
	entrepreneur	a person who takes opportunities and risks involved in creating and operating a business
	entrepreneurship	(1) to be able to recognize a business opportunity and successfully set up a business/firm to take advantage of it (2) the managerial or organizational skills needed by most firms to produce goods and services at a profit
	equilibrium	when aggregate demand equals aggregate supply
	equilibrium price	the price of a good or service at which the quantity of goods demanded and the quantity of goods supplied are equal

	exchange rates	the price of foreign currency
	excise tax	a sales tax levied on a particular good or service (e.g., gasoline and cigarette taxes)
	expenditure	the money that we spend
	expenditure budget	the budget which includes spending data items
	export	good or service sold to a buyer in another country
F		
	factor market	the place where factors of production (land, labor, capital resources) are sold/purchased
	factors of production	(1) resources used to produce goods and services (2) the productive resources of land, labor, capital and entrepreneurship
	Federal Reserve System	Central bank of the United States, whose main job is to control the rate of monetary growth
	finance	(1) management of money (2) capital involved in a project (3) loan of money for a particular purpose (4) money resources of a state, a company or a person
	finance charge	the amount charged to use credit
	financial accounting	a branch of accounting which involves the processes by which financial information about a business is recorded, classified, summarized, interpreted, and communicated; this information is generally publicly-accessible
	financial institution	an organization that collects funds from individuals, other organizations or government agencies and invests these funds or lends them on to borrowers
	financial year	any year connected with finance (e.g., a company's accounting period or a year for which budgets are made up
	fiscal policy	1) to use the federal government's power to tax and spend to regulate economic activity (2) management to influence general economic activity (3) manipulation of the federal budget to attain price stability, relatively full employment, and satisfactory rate of economic growth
	fiscal year	budget year
	fixed costs	costs that remain the same no matter how much business a firm does; also called overhead
	flat tax	a tax that would eliminate most deductions and apply the same tax rate to all incomes

	foreign exchange market	a place where foreign currencies are bought and sold
	free market	a market that operates under conditions of perfect competition
	free trade	the absence of any trade restrictions
	frictional unemployment	(1) it refers to people who are between jobs or just entering or reentering the labor market (2) temporary, unavoidable unemployment
	fringe benefits	items other than wages that the employer pays for, such as health insurance, retirement plans and vacations
	full employment	(1) the condition in which all who are able and willing to work are employed (2) when a society's resources are all being used with maximum efficiency
	futures contracts	legally binding agreements to deliver or accept delivery of a specific commodity on a specific date
G		
	goods	tangible items of value
	government	a public body which is responsible for economic and social life of a community
	government bonds	long-term debt of the federal government
	gross domestic product	the nation's expenditure on all the goods and services produced in this country during the year at market prices; represented by GDP
	gross investment	a company's total investment in plant, equipment, and inventory; also, a nation's plant, equipment, inventory, and residential housing investment
	gross national product	a measure of the nation's total output of goods and services per year
H		
	hedge fund	a limited partnership of investors that uses high risk methods, such as investing with borrowed money, in hope of realizing large capital gains
	household	(1) a family/private business (2) one person or more people living in the same dwelling (such as a house or an apartment) and functioning as an economic unit
	housing co-ops	multiple dwelling units that are owned by their tenants
	human resources (labor)	the physical and mental effort needed to produce goods and services
	human wants	something that people would like to have

I		
	import	good or service purchased from a seller in another country
	in cash	using money
	income	(1) money earned for doing something (2) an incentive a company/an individual receives at the end of the year
	income effect	a person's willingness to give up some income in exchange for more leisure time
	income policy	wage controls, price controls, and tax incentives used to try to control inflation
	income statement	a summary of a firm's revenue, costs and taxes over a period of time
	income tax	a tax on the earning of individuals, corporations, estates, and trusts
	indirect tax	tax on a thing rather than on a particular person (e.g., sales tax)
	induced consumption	spending induced by changes in the level of income
	inflation	a general rise in the price level
	infrastructure	the basic physical and organizational structures and facilities (e.g., buildings, roads, power supplies) needed for the operation of a community or an enterprise
	in kind	using goods and services
	input	anything that goes into the production process
	interest rate	interest paid divided by amount borrowed
	investment	(1) the purchase or construction of any new plant, equipment, or residential housing, or the accumulation of inventory (2) using money to purchase real capital (equipment, new tools, industrial buildings) to be used in the production of goods and services
J		
	job discrimination	practice of favoring one group over another in hiring, salary or promotion for reasons that have nothing to do with ability
K		
L		
	labor	(1) mental and physical abilities of people, human resources (2) a group of people employed by a company or

		an individual to get the things done (3) the work and time for which employees are paid
	labor force	the total number of employed and unemployed people
	labor union	an association of workers formed to promote the interests of their members
	lender	an organization or a person that lends money
	less-developed countries (LDCs)	countries in which per capita real income is much lower than in industrialized nations
	level of output	the quantity of products manufactured
	liability	any claim on or debt of a business or an individual
	limited liability	advantage of a corporation allowing a stockholder no legal responsibility for its debts beyond the sum he or she has invested in the corporation
	liquidity	the degree of ease with which savings or other assets can be converted into money/cash without a significant loss in value
	long-run	when all costs become variable costs and firms can enter or leave the industry
	long-term loans	loans that mature (come due) in more than a year
M		
	macroeconomics	the study of the economy as a whole
	management	(1) the control and organizing of a business or other organization (2) the staff within the firm who exert control over its activities on behalf of owners
	management accounting	a branch of accounting which deals with the information used within an organization and is usually confidential and accessible only to a small group, mostly decision-makers
	manager	a person who controls and administrates a business or part of a business
	managing director	a company's director who is responsible for the day-to-day running of a company
	marginal cost	the cost of producing one additional unit of output; represented by MC
	marginal revenue	the revenue derived from selling one additional unit of output; represented by MR
	marginal tax rate	additional taxes paid divided by taxable income
	marginal utility	the additional utility derived from consuming one more unit of some good or service
	market	(1) gathering of people to trade goods and services

		(2) a place where goods and services are bought and sold
	market economy	(1) an economy that encourages entrepreneurship by offering profits as an incentive (2) an economic system in which individuals ad companies are free to enter and leave a market (3) an economy where the law of supply and demand works
	market leader	the company or product with the biggest share
	market niche	a small specific segment of a market, dominated by small firms selling some kind of goods
	market price	the price of a raw material, product, service that is charged in a free or competitive market
	market research	(1) the study carried out by a company before launching a new product: needs, lifestyles, incomes of potential buyers (2) a business activity which involves collecting information about what people buy and why they buy this
	market segment	the part of a market consisting of consumers with similar characteristics
	market share	the proportion of sales that a company or a product has in a particular market
	marketable	something which is able or fit to be sold
	marketing	(1) a process of research, promotion, sale, etc. (2) the part of business which deals with the ways of selling goods and services (3) the business activities that take place between production and consumption
	marketing budget	the budget which estimates the funds needed for promotion, advertising and public relations in order to market the product or service
	marketing efforts	measures taken to stimulate sales
	marketing mix	the strategic combination of product decisions regarding packaging, pricing, distribution, credit, service complaint handling and other marketing activities
	mass production	the production of goods and services on a large scale, using division of labor and machinery or technology
	media	a means or agency for communicating information, news, etc., to the public
	microeconomics	the study of the individual parts of the economy, with special attention top the market process and

		how it works
	middle management	the managers to whom top management delegates the day-to-day running of the organization
	mixed economy	an economy that has characteristics of both planned and market economies
	monetarism	the control of a country's economy by regulating the total amount of money that is available and in use at
	monetary	means relating to money
	monetary policy	the use of the Federal Reserve's power to control the supply of money and credit to influence economic activity in the nation as a whole, particularly to control inflation and stimulate economic growth
	money	(1) coins or banknotes used to pay for goods or services (2) main function is to be a medium of exchange; also serves as a standard of value and a store of value
	money supply	currency, checking deposits, and checklike deposits
	monetary policy	control of the money supply and interest rates by the Central Bank
	monopolistic competition	(1) an industry that has many firms producing a differentiated product (2) a market in which many firms are selling similar (but not identical) products
	monopoly	(1) an industry in which one firm produces all the output; the good or service produced has no close substitutes (2) a market in which there is only one seller
	mortgage	a long-term loan usually use to finance a building
	multinational company	(1) a very large organization that owns companies in more than one country (2) large companies operating in many countries
	mutual fund	(1) an investment program funded by shareholders that trades in diversified holding and is professionally managed (2) a corporation that sells stock and uses the proceeds to invest or speculate in the securities markets
N		
	national income	net domestic product
	natural monopoly	an industry in which a single firm can provide

		cheaper service than could several competing firms
	natural resources	materials supplied by nature, e.g., land, water, mineral deposits, etc.
	net investment	gross investment minus depreciation
	net national product	gross domestic product minus depreciation
	net productivity of capital	the expected annual profit rate
	nominal interest rate	the real interest rate plus the inflation rate
	non-price competition	methods other than selling-pre changes used by firms to compete with one another
	non-profit organization	a group organized for purposes other than generating a profit
	normative economics	the study of how the economy should be from society's standpoint
	notes payable	short-term loans owed by the corporation
O		
	offshore fund	an investment program which is based/functions abroad in a country where you pay less tax than in your home country
	organization	a large group of people that has particular aims
	oligopoly	(1) an industry with just a few firms (2) a market dominated by a few large firms
	open-book accounting	a branch of accounting which aims to improve accounting transparency
	open (public) corporation	the one whose stock is sold to the public
	open economy	an economy linked to the rest of the world through international trade
	opportunity cost	(1) the forgone value of what you give up when you make a choice (2) the amount of goods and services that must be given up in order to obtain other goods and services
	output per worker per hour	the term in which productivity is usually measured
	overhead costs	fixed costs of doing business
	ownership	legal possession of something
P		
	partnership	a voluntary association of two or more partners working together to get a profit
	patent	a monopoly to use a new product or idea exclusively for 17 years
	pension fund	a fund from which pensions are paid, accumulated

		from contributions from employers, employees or both
	per capita real GDP	real GDP divided by population
	per capita real GNP	GNP adjusted for changes in average prices and divided by the population; a figure showing the amount of real goods and services per person produced in the nation in a given year
	perfect competition	(1) an industry with so many firms that no one firm has any influence over price, and firms produce an identical product (2) a market for uniform products in which there are many buyers and sellers, no one of which is big enough to affect the price, and full knowledge of market conditions
	personal income	income received by household, including both earned income and transfer payments
	personal spending	money you use to buy goods and services
	planned economy	an economy that relies on a centralized government to control al of most factors of production and to make all or most production decisions
	positive economics	the study of what is, and how the economy works
	preferred stock	stock that receives a specified dividend before any dividends are paid on common stock and that receives a share of the assets of a liquidated corporation ahead of common stockholders
	price	(1) how much a product/service costs (2) the cost/money value of goods or services to the buyer
	price ceiling	government-imposed maximum legal price
	price discrimination	practice of selling the same product for less to one company than to another
	price floor	government-imposed minimum price (used almost exclusively to keep agricultural commodity prices up)
	price leadership	one firm, often the dominant firm in an oligopolistic industry, raises or lowers price, and the other firms quickly match the new price
	price stability	the absence of inflation or deflation – a period of time in which there is little change in what the dollar can buy
	price system	(1) mechanism that allocates resources, goods, and services based on supply and demand (2) an economic system in which resources are

		allocated as a result of the interaction of the forces of supply and demand
	pricing	(1) the act of deciding the price of something (2) fixing or establishing the price of a product
	prime rate	rate of interest that banks charge their most creditworthy customers
	principal	the amount borrowed
	private property	basic right of the free enterprise system that guarantees the individual's right to own, use, and dispose of things of value
	privatization	the process of changing state-run enterprises into privately owned companies
	producer co-ops	manufacturers and marketers of products on behalf of their members
	products	goods and services that are sold
	product differentiation	the process of creating uniqueness in a product
	product launch	introduction of a product to the market
	product life cycle	the length of time people continue to buy a product
	product range	a set of products made by a company
	production	any good or service for which people are willing to pay
	production budget	the budget which estimates the number of units that must be manufactured to meet sales goals; it also estimates the various costs involved with manufacturing those units, including labor and material
	production capacity	the ability or power to produce
	productive capital	things used to produce goods and services; machines, tools, factories, equipment, etc.
	productivity	(1) output per unit of input; efficiency with which resources are used (2) the output of goods and services as measured per unit of time, or per person, per company, per industry, or for the whole economy
	profit	(1) the difference between income and expenses (2) an incentive that motivates businesses to make things that consumers want (3) the money gained in a business deal (4) the difference between the amount earned and the amount spent
	profit-and-loss statement	a summary of a firm's revenues, costs and taxes over a period of time
	profit margin	difference between cost and selling price

	progress (-ive) tax	(1) the tax which places greater burden on those with best ability to pay and little or no burden on the poor (e.g., federal personal income tax) (2) a tax that takes a larger percentage of a higher income and a smaller percentage of a lower income
	project budget	the budget which is a prediction of the costs associated with a particular company project; these costs include labor, materials, and other related expenses; it is often broken down into specific tasks, with task budgets assigned to each
	promotion	(1) an activity intended to help sell a product or a service (2) informing customers about products and persuading them to buy
	property	things owned (land, home, furniture, car, etc.)
	proportional tax	the tax that takes the same percentage of all incomes regardless of size
	proprietorship	a business firm owned by one person
	protective tariff	tariff levied to protect a domestic industry from foreign competition
	public debt	the amount of federal securities outstanding, which represents what the federal government owes (accumulation of federal deficits minus surpluses over the last two centuries)
	public goods	goods that are consumed equally by everyone whether they pay or not
	public utilities	privately owned firms that provide an essential public service and are subject to government regulation
	purchasing power	value of money
Q		
	quality control	maintaining acceptable and dependable levels of quality in production
	quotas	restrictions on the number of goods that can enter the country from abroad
R		
	rate of exchange	the price at which a particular currency sells in terms of other currencies
	rate of inflation	annual percentage increase in the general level of prices
	rate of return	the amount of interest or dividends stated as a

		percentage of the principal of an investment
	real GDP	GDP corrected for inflation; actual production
	real GNP	GNP adjusted for changes in the price level; the value of goods and services produced in the nation in a given year
	real interest rate	nominal interest rate minus inflation rate
	real wages	(1) the amount of money determined by the size of a nominal wage and a price level (2) nominal wages corrected for inflation
	recession	(1) a decline in real GDP for two consecutive quarters (2) the bottom of the business cycle; a period of low business activity and high unemployment
	regressive tax	(1) the tax which falls more heavily on the poor than on the rich (2) the tax that takes a higher percentage of a low income and a lower percentage of high income
	rent	(1) the price for the use of land or other property (2) return paid to those who supply the factor of production known as land
	research and development (R&D)	activity directed toward discovering new products and processes
	reserves	fixed portion of bank's deposits that cannot be loaned
	resources	anything used as an input in the creation of goods and services
	revenue	a business gets after selling its output
	revenue budget	the budget which consists of revenue receipts of government and the expenditure met from these revenues
	revenue tariff	tax on imports designed to raise money for the government
S		
	sales budget	the budget which estimates future sales; it is used to cerate a company's sales goals
	sales forecast	a prediction of future sales of a product
	sales tax	a regressive tax added to the price of goods at the time they are sold
	savings institution	financial institution that holds personal savings for safekeeping and pays interest
	scarcity	(1) small amount or lack of something (2) failure to satisfy consumers' wants (3) a limit to the supply of productive resources or consumer goods in relation to producers' or

		consumers' demand for them
	science	an aspect of knowledge, a sphere of studying
	S corporation	a business organization that enjoys the advantages of the corporation without being subject to corporate taxes (small corporation)
	security exchange	a market where brokers meet to buy and sell stocks and bonds
	services	intangible items of value, such as the work of physicians, lawyers, actors or mechanics
	shipment	the act of sending goods from one place to another by sea, road, or air
	shortage	a situation in which the quantity demanded exceeds the quantity supplied
	short-run	the length of time it takes all fixed costs to become variable costs
	short-term loans	loans that must be repaid in a year or less
	social security tax	a tax paid equally by employee and employer, based on employee's wages; most proceeds are used to pay Social Security retirement and Medicare benefits
	socialist economy	an economic system on which the principal means of production are owned by the state, and resources are allocated by central planning
	software	the programs and other operating information used by a computer
	sole proprietorship	a firm/business owned and operated by a single person
	specialization	(1) division of productive activities so that no one is self sufficient (2) production of a limited variety of products by a business, region or country
	stagflation	a period of either recession or stagnation accompanied by inflation
	standard of living	a measure of the amount of goods and services an individual or group considers essential
	stock	share in the ownership in a corporation
	stockholder	an owner of stock in a corporation
	strategy	the direction the marketing effort takes over some period of time
	strike	when a collective bargaining agreement cannot be reached, a union calls for a work stoppage to last until an agreement is reached
	structural unemployment	(1) when people are out of work for a couple of years or longer

		(2) unemployment resulting from changes in technology, consumer preference or movement of jobs from one region to another
	subsidy	financial aid
	supply	(1) the amount of something that is available for sale (2) the offer of the market (3) producers' willingness and ability to sell at every price at a particular time and place (4) a schedule of quantities that people will sell at different prices; represented by S
	surplus	(1) a situation in which the quantity supplied exceeds the quantity demanded (2) excess of revenue over expenditures
T		
	tactics	steps or decisions made in order to follow the strategy established
	target market	(1) a group of consumers a company plans to sell its products (2) customers identified as those possessing needs which can be addressed by marketing efforts, as the marketer believes
	tariff	a tax or duty on imported goods
	tax	(1) an amount of money that you must pay to the government according to your income, property, goods, etc, and which is used to pay for public services (2) a financial charge or other levy imposed on an individual or a legal entity by a state
	taxation	a system of raising money to finance services
	tax accounting	the accounting needed to comply with jurisdictional tax regulation
	tax base	the money, property and people on whom taxes could be levied
	tax rate	a fixed amount of money imposed on an individual or a business
	trade	the process of exchanging goods and services for money
	trade loans	credit extended by vendors to their customers
	trademarks	special designs, names or unique symbols that identify a product, service or company
	trade-off	giving up one thing in order to obtain something else
	traditional economy	an economic system that allocates scarce

		resources according to customs; change and growth are very slow; people do what their parents did before them; and most goods are produced and consumed locally
	transfer payments	payments that represent a redistribution of wealth, such as Social Security benefits, pensions, welfare, rather than an exchange for goods or services
	technology	the application of science to commerce and industry
	terms of trade	the ratio of exchange between an imported good and an exported good
	thrift institutions	savings and loan associations, mutual savings banks and credit unions
	top management	the chief executive of an organization, his or her deputy or deputies, the board of directors and the managers in charge of the divisions or departments of the organization
	total cost	the sum of fixed and variable costs
	transfer payment	(1) payment made or income received in which no goods or services are being paid for, such as a benefit payment or subsidy (2) payment by one branch of government to another or to an individual
	trust	(1) an arrangement whereby a bank provides safekeeping and management of funds for individuals, estates or institutions such as pension funds (2) a specific form of monopolistic practice, a monopoly in general
U		
	unemployment rate	(1) the number of unemployment within a certain period (2) the number of unemployed divided by the labor force (3) an indicator of economic activity that compares the number of people in the labor force to the number looking for work; percentage of the labor force unable to find jobs
	union shop	(1) all employees must join the union, usually within 30 days after they are hired (2) it allows nonunion workers to be hired on condition that they join the union

	unit cost	the cost of producing an item; determined by dividing total costs by the number produced
	unlimited liability	requirement that the owner or owners assume full responsibility for all losses or debts of a business
	utility	the satisfaction you derive from a good or service that you purchase; how much utility you derive is measured by how much you would be willing to pay
V		
	value	worth derived by the customers from owning and using the product
	value-added tax	a tax imposed by a government at each stage in the production of a good and service
	variable costs	(1) these costs vary with output; when output rises, variable costs rise; when output declines, variable costs fall (2) costs that increase as the number of units produced increases
	venture capital	money available for high-risk investments
W		
	wages	(1) the price paid to the labor for the job done (2) the price paid for the use of labor
	wage and price controls	rules established by the government that either place a ceiling on wages and prices or limit their rate of increase
	wealth	the total value of one's tangible assets
	workfare	a plan that requires welfare recipients to accept jobs or to enter training programs
	World Bank	officially, the International Bank for Reconstruction and Development; the bank is an international agency that makes loans to less-developed countries as a way of stimulating economics growth
X		
Y		
	yield	actual amount of interest earned; it depends on the rate of return and the frequency of compounding
Z		

Навчальне видання

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