

МІНІСТЕРСТВО ОСВІТИ І НАУКИ УКРАЇНИ
ДЕРЖАВНИЙ ЕКОНОМІКО-ТЕХНОЛОГІЧНИЙ УНІВЕРСИТЕТ
ТРАНСПОРТУ

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АНГЛІЙСЬКА МОВА
(ЗА ПРОФЕСІЙНИМ СПРЯМУВАННЯМ)

**Методичні рекомендації щодо проведення практичних занять і
самостійного опрацювання матеріалу. Для студентів освітнього ступеня
«Бакалавр» напряму підготовки 6.030504 «Економіка підприємства» усіх
форм навчання**

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Кушмар Л. В. Англійська мова (за професійним спрямуванням)

Методичні рекомендації щодо проведення практичних занять і самостійного опрацювання матеріалу. Для студентів освітнього ступеня «Бакалавр» напряму підготовки 6.030504 «Економіка підприємства» усіх форм навчання / Л. В. Кушмар. – К. : ДЕДУТ, 2015. – 129 с.

Методичні рекомендації рекомендовано для вивчення навчальної дисципліни «Англійська мова за професійним спрямуванням» для студентів I та II курсів економічного факультету денної та заочної форм навчання освітнього ступеня «Бакалавр» та розроблено відповідно до Робочої навчальної програми «Англійська мова (за професійним спрямуванням)».

Навчальні матеріали методичної розробки спрямовані на розвиток навичок розуміння й аналізу оригінальних текстів з основних проблем економіки, нагромадження словникового запасу, удосконалення навичок розмовної мови, уміння вести бесіду, брати участь у дискусіях англійською мовою, формування соціально-комунікативної позиції фахівця у галузі економіки.

Методичні рекомендації розглянуто та рекомендовано до друку рішенням кафедри ІМ ДЕДУТ (протокол № 8 від 20 квітня 2015 р.), методичної комісії факультету УЗТ (протокол № від травня 2015 р.).

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ПЕРЕДМОВА

Сучасний стан міжнародних зв'язків України, її вихід до європейського та світового простору змушують суспільство розглядати іноземну мову як важливий засіб міжкультурного спілкування. Цей чинник зумовлює нагальну потребу в розробці національних типових програм, навчальних планів, підручників та методичних матеріалів з професійної англійської підготовки, які б задовольняли сучасні освітні потреби до якості підготовки висококваліфікованих фахівців економічних спеціальностей в умовах розбудови ринкової економіки в Україні, розширення міжнародних економічних зв'язків України.

Методичні рекомендації з навчальної дисципліни «Англійська мова (за професійним спрямуванням)» призначені для студентів освітнього ступеня «Бакалавр» напряму підготовки 6.030504 «Економіка підприємства» усіх форм навчання і спрямовні на практичне оволодіння студентами навичками та вміннями комунікації в усній і письмовій формах відповідно до мотивів, цілей і соціальних норм мовленнєвої поведінки у типових сферах і ситуаціях англійського спілкування у сфері професійної діяльності. Методична розробка містить навчально-методичні матеріали, які включають увесь необхідний матеріал, побудований за принципом взаємопов'язаності, тобто одночасне, паралельне навчання усіх видів мовленнєвої діяльності – говоріння, аудіювання, читання та письма, та визначений Програмою навчальної дисципліни «Англійська мова (за професійним спрямуванням)». Усі ці аспекти відображені у структурі навчального видання, що містить методичні рекомендації щодо проведення практичних занять – 15 окремих економічних тем (з розрахунку – одна тема на три практичні заняття); критерії оцінювання навчальних досягнень студентів та їхньої аудиторної роботи; методичні рекомендації щодо самостійного опрацювання студентами навчального матеріалу, що включають практичні завдання за відповідними темами; критерії оцінювання самостійної роботи студентів; рекомендована література та список використаної літератури та джерел.

МЕТОДИЧНІ РЕКОМЕНДАЦІЇ ЩОДО ПРОВЕДЕННЯ ПРАКТИЧНИХ ЗАНЯТЬ

Метою проведення практичних завдань із навчальної дисципліни «Англійська мова (за професійним спрямуванням)» є розширення та засвоєння лексики загальноекономічної тематики, формування вмінь працювати з автентичними текстами, удосконалення вмінь і навичок активного використання навчального матеріалу в мовній діяльності з урахуванням комунікативних потреб майбутніх економістів з тем: *What is Economics, Economic Systems, Economy of Ukraine, Economy of Great Britain, Economy of the United States of America, Economic Organizations, Marketing, Markets, Income, Money, Inflation, Accounting and Bookkeeping, Banking, International Trade, Economic Stability.*

Цій меті підпорядковано структуру завдань кожної із 15 тем, що передбачає навчання студентів читанню та перекладу текстів за фахом; засвоєння лексичного матеріалу з фаху; розвиток навичок усного та письмого мовлення з фаху та забезпечує ефективне засвоєння студентами необхідних знань, розвиток умінь і навичок професійної комунікації. Так, кожна тема включає:

1. Роботу над новим матеріалом (темою), що починається із загального ознайомлення з його змістом, тобто *ознайомлювального читання* нового тексту з відповідної теми. Такий вид читання дає відповідь на запитання не тільки про *що* цей текст, але й *що саме* говориться у ньому. Це читання «для себе», без попередньої спеціальної настанови на подальше використання або відтворення одержаної інформації.
2. Опрацювання *нових слів і словосполучень* під назвою *Vocabulary Notes*, що розміщені після тексту для більш точного і глибокого розуміння інформації, що наявна в тексті, а в разі необхідності це робота зі словником, що дає можливість ефективно сформувати репродуктивні лексичні навички, тобто навички правильного вживання лексичних одиниць активного мінімуму в говорінні згідно із ситуацією спілкування і метою комунікації. Також і

завдання 2 (під назвою *Match each term in Column A with its definition in Column B*) спрямоване на те, щоб проводити роботу над вивченням нової лексики регулярно і систематично. Тільки за цієї умови можна сподіватися на глибоке засвоєння необхідного лексичного матеріалу та ключових понять зі спеціальності.

3. *Вивчаюче читання нового тексту з відповідної теми.* Таке читання передбачає максимально повне і точне розуміння усієї інформації, що міститься у тексті, та критичне її осмислення. Об'єктом вивчення під час цього виду читання є інформація, що міститься в тексті. Добування повної інформації з тексту означає розуміння фактів, деталей, установлення взаємозв'язків між подіями; порівняння інформації тощо. Доцільно законспектувати переклад опрацьованого тексту або скласти план прочитаного, виписати ключові слова.
4. Розвиток *діалогічних навичок* з відповідної теми (завдання 1) під назвою *Questions to the text*, що передбачає розвиток вміння висловити й запитати судження під час обговорення теми, аргументувати свою точку зору на відповідні питання, переконання, згоду чи незгоду, висловити пропозицію (у формі прохання, наказу, поради) – прийняття / неприйняття запропонованого, взаємопереконання / обґрунтування власної точки зору.
5. Розвиток *монологічних навичок* з відповідної теми у процесі виконання творчих завдань (завдання 3). Такі завдання під назвою *Communicative situations*, є хорошим засобом підвищення ефективності вивчення лексичної теми, адже викликають мимовільну увагу, емоційно-вольову і розумову активність студентів, сприяють створенню мовного середовища та можливість для багаторазового повторення мовленнєвого зразка в умовах, максимально наближених до реального мовного спілкування з притаманними йому властивостями: емоційністю, спонтанністю, цілеспрямованістю мовленнєвого впливу.

TOPIC 1

«Economy is the art of making the most out of life.»

George Bernard Shaw

WHAT IS ECONOMICS?

Economics was defined as the study of mankind in the everyday business life. This means that economics deals with production, distribution, exchange and consumption. It answers such questions as: How do we produce all the things we need? How are prices determined? Economics is also concerned with unemployment, inflation, international trade, the interaction of business and labour, and the effects of government spending and taxes.

Economics does not stop with the description of economic activity because description alone leaves unanswered many important *why* and *how* questions.

Economics is a social science like history, geography, politics, psychology and sociology. It is the study of human efforts to satisfy what seems like unlimited and competing wants through the careful use of relatively scarce resources. Economists study what is or tends to be and how it came to be. People must make up their own minds about that.

Economics is therefore concerned with activities relating to wealth, i.e. production, consumption, exchange and distribution. For our own purpose, we shall define economics as the study of man in his attempts to gain a living by utilizing his limited resources.

Economics like any other social science has its own vocabulary. To understand economics, a review of some key terms is necessary: needs, wants, and demands. *A need* is a basic requirement for survival. People have basic needs such as food, clothing and shelter. People also have higher level needs, such as communication, love, acceptance, knowledge, hope and accomplishment. *A want* is a means of expressing a need. Food, for example, is a basic need related to survival. To satisfy this need, a person may want a pizza, hamburger or other favourite food. There is any number of foods that will satisfy the basic need for food.

The point is that the range of things represented by the term «want» is much broader than those represented by the term «need». Sometimes the difference between a want and a need is clear, at other times, it is not.

A basic need is reflected in a want for a particular product. A want cannot be counted in the marketplace until it becomes *a demand* – the willingness and ability to purchase a desired object. Since an individual has limited resources, only some wants will end up as measurable demands.

The study of economics is concerned with economic products – goods and services that are useful, relatively scarce and transferable to others. The important thing is that economic products are scarce in an economic sense. That is one cannot get enough to satisfy individual wants and needs. The fact that economic products command a price shows that they have these characteristics.

The terms *goods* and *services* are used to describe many things people desire. Consumer goods are intended for final use by individuals to satisfy their wants and needs. Manufactured goods used to produce other goods and services are called capital goods. An example of capital goods would be a computer in a school.

The other type of economic product is a work that is performed for someone. Services can include haircuts, repairs to home appliances and forms of entertainment like rock performances. They also include the work performed by doctors, lawyers and teachers. The difference between goods and services is that the services are something that cannot be touched or felt like goods.

Many other things – sunshine, rainfall, fresh air – are known as free products because they are so plentiful. No one could possibly own them, nor would most people be willing to pay anything for them. In fact, some are so important, that life would be impossible without them. Even so, free products are not scarce enough to be major concern in the study of economics.

In economics the term *value* means something having a worth that can be expressed in dollars and cents. Someone may say, for example, that he or she has a valuable coin; the value is determined by the price someone would pay for the collection.

But what makes some things worth more than others? The diamond-water paradox, also known as the paradox of value, helps answer this question. Early economists observed that some things like water were essential to life, yet had little monetary value. Other things, like diamonds, were not essential but had higher value.

Later economists decided that part of the reason was due to scarcity. For example, water is so plentiful in many areas that it has little or no value. On the other hand, diamonds are so scarce that they have great value. In order to have value, it has to be somewhat scarce. Scarcity, however, is not enough. If something is to have value, it must also have utility, or the capacity to be useful to someone. Utility is not something that is fixed and can be measured like weight or height. Instead, the utility of goods or services may vary from one person to the next. One person may, for example, get a great deal of enjoyment from a home computer, another may get very little. In the end, for something to have value, it must be scarce and have utility.

Another economic concept is *wealth* – the sum of those economic products that are tangible, scarce, useful and transferable from one person to another. Most economic goods are counted as wealth, but services are not. The reason for this is that it is difficult to measure the value of services accurately. For example, it is difficult to measure the contribution made by people's abilities and talents to a nation's wealth [5].

Vocabulary Notes:

wants and needs – бажання та потреби

to be intended for – призначатися для

capital goods – засоби виробництва

home appliances – побутові прилади

free products – безкоштовні продукти

what makes some things worth more than others? – чому деякі речі коштують дорожче, ніж інші?

monetary value – грошова вартість

the reason was due to – причина була викликана

a great deal of – багато

stockpile of useful scarce – запас корисного дефіциту

tangible things – реальні речі

what economics is all about – що складає економіку

to be concerned with – мати справу із; займатися

the effects of government spending – ефективність урядових витрат

unlimited and competing wants – необмежені потреби, що постійно зростають

to make up one's own mind – вирішувати самому

to gain a living – заробляти на життя

key terms – основні терміни

needs – потреби

wants – бажання

demand – попит

the point is – річ у тім, що

particular product – певний продукт

measurable demand – урахований попит

I. Questions to the text

1. What is necessary to know studying economics for the first time?
2. What does economics deal with?
3. What questions does economics answer?
4. What kind of science is economics?
5. What does economics study?
6. What do economists study?
7. What must people make up their own minds about?
8. How shall we define economics?
9. What is necessary to understand economics?
10. What are the key terms of economics?

II. Match each term in Column A with its definition in Column B:

Column A

1. goods
2. services
3. price
4. capital goods
5. product
6. free products
7. consumer goods
8. scarce

Column B

- a. Something in short supply; not enough to meet demand.
- b. Something intended for final use by individuals to satisfy their wants and needs.
- c. The goods or services one receives in an exchange.
- d. Tangible commodities or merchandise.
- e. Work performed for someone. Intangible commodity.
- f. The money value of goods or services.
- g. Something created to produce other goods or services.
- h. Products existing in such large quantities that they need not be rationed out among those wishing to use them.

III. Communicative situations:

1. You are at the conference. The theme of your report is: «As the economy moves from «recession» to «expansion», what is likely to happen to wages, investment, employment, profits?».
2. You have an exam. Your question is: «During which phase of the cycle («recession» or «expansion») is production increasing? Why?».
3. Although economists know a great deal about how to stabilize the economy, our system still goes through periods of expansion and contraction. Describe some of the problems facing decision makers who are trying to use fiscal and monetary policies to keep the economy growing steadily.

TOPIC 2

*«Success in business requires training, discipline and hard work.
But if you're not frightened with these things, the opportunities are just as
great today as they ever were.»*

John Rockefeller

ECONOMIC SYSTEMS

The survival of any society depends on its ability to provide food, clothing and shelter for its people. Since these societies are also faced with scarcity decisions concerning *What, How* and *for Whom* to produce must be made.

All societies have something else in common. They have an economic system or an organized way of providing for the wants and needs of their people. The way in which these decisions are made will determine the type of economic system they have. There are three major kinds of economic systems: traditional, command and market.

In a society with a traditional economy nearly all economic activity is the result of ritual and custom. Habit and custom also prescribe most social behaviour. Individuals are not free to make decisions based on what they want or would like to have. Instead, their roles are defined. They know what goods and services will be produced, how to produce them, and how such goods and services will be distributed.

An example of traditional economy is the society of polar eskimo of the last century. For generations, parents taught their children how to survive in a harsh climate, make tools, fish and hunt. Their children, in turn, taught these skills to the next generation. The main advantage of the traditional economy is that everyone has a role in it. This helps keep economic life stable and community life continuous. The main disadvantage of the traditional economy is that it tends to discourage new ideas and even punishes people for breaking rules or doing things differently. So it tends to be stagnant or fails to grow over time.

Other societies have a command economy – one where a central authority makes most of the *What, How* and *for Whom* decisions.

Economic decisions are made at the top and people are expected to go along with choices made by their leaders. It means that major economic choices are made by the government. It decides goals for the economy and determines needs and production quotas for major industries. If the planning body wants to stress growth of heavy manufacturing, it can shift resources from consumer goods to that sector. Or, if it wants to strengthen national defence, it can direct resources from consumer goods or heavy manufacturing to the production of military equipment and supplies.

The major advantage of a command system is that it can change direction drastically in a relatively short time. The major disadvantage of the command system is that it does not always meet the wants and needs of individuals.

The second disadvantage of the command economy is the lack of incentives that encourage people to work hard. In most command economies today workers with different degrees of responsibility receive similar wages. In addition, people seldom lose their jobs regardless of the quality of their work. As a result, there is a tendency for some to work just hard enough to fill production quotas set by planners. The command economy requires a large decision-making bureaucracy. Many clerks, planners, and others are needed to operate the system. As a result, most decisions cannot be made until a number of people are consulted, or a large amount of paperwork is processed. This causes production costs to increase and decision-making to slow down. Thus, a command system does not have the flexibility to deal with day-to-day problems.

In a market economy, the questions of *What*, *How* and *for Whom* to produce are made by individuals and firms acting in their own best interests. In economic term a market is an arrangement that allows buyers and sellers to come together to conduct transactions.

Since consumers like products with low prices and high quality, producers in a market economy will try to supply such products. Those who make the best products for the lowest prices will make profits and stay in business. Other

producers will either go out of business or switch to different products consumer can buy.

A market economy has several major advantages that traditional and command economies do not have. First, a market economy is flexible and can adjust to change over time.

When gas prices in the United States began to level off in 1985 and then decline in 1986, the trend slowly began to reverse.

The second major advantage of the market economy is the freedom that exists for everyone involved. Producers are free to make whatever they think will sell. They are also free to produce their products in the most efficient manner. Consumers on the other hand are free to spend their money or buy whatever goods and services they wish to have.

The third advantage of the market economy is the lack of significant government intervention. Except for national defence, the government tries to stay out of the way. As long as there is competition among producers, the market economy generally takes care of itself.

The final advantage of the market economy is the incredible variety of goods and services available to consumers. In fact, almost any product can and will be produced so long as there is a buyer for it [5].

Vocabulary Notes:

to conduct transactions – проводити ділові операції

to make profits – отримувати прибуток

to stay in business – залишатися в бізнесі

to switch to – переорієнтуватись

to stay out of the way – не втручатися

incredible variety – неймовірна різноманітність

social behaviour – *тут*: поведінка суспільства

polar eskimo – ескімоси півночі

to discourage – розхолоджувати

tends to be stagnant – має схильність до застою

fails to grow over time – не може розвиватися далі

people are expected to go along with – сподіваються, що люди приєднуються

to shift resources – перемістити ресурси

the lack of incentives – брак стимулів

in addition – до того ж; крім того

regardless of – незважаючи на

production costs – витрати виробництва

I. Questions to the text:

1. What does the survival of any society depend on?
2. What are all societies faced with?
3. What have all societies in common?
4. What determines the type of economic system?
5. What are the major kinds of economic systems?
6. What prescribes most social behaviour?
7. What is the role of individuals in a traditional economy?
8. What did polar eskimo teach their children?
9. What is the main advantage/disadvantage of the traditional economy?
10. Who makes most of *What, How* and *for Whom* decisions in a command economy?

II. Match each term in Column A with its definition in Column B:

Column A	Column B
1. economic system	a. An economic system that allocates scarce resources according to custom.
2. traditional economy	b. An economic system in which major decisions concerning the allocation of resources are made by agencies of the government.
3. command economy	c. The approach a country uses to deal with scarcity and achieve its economic goals.

- | | |
|----------------|---|
| 4. business | d. The production, distribution, and sale of goods and services for a profit. |
| 5. consumer | e. The rivalry among buyers and sellers in the purchase and sale of resources and products. |
| 6. competition | f. A person who buys and uses goods or services. |
| 7. market | g. The difference between revenues and operation costs incurred by a business. |
| 8. profit | h. Place where buyers and sellers come together to conduct transactions. |

III. Communicative situations:

1. You are going to meet a specialist in the history of the economy and ask him questions about the history of Economic Systems. Make up a list of about 10 questions.
2. You are at the conference. The theme of your report is: «What goods and services are to be produced?»
3. You have an exam. Your question is: «How are goods and services to be produced?»
4. Make a report in your class: For whom are goods and services to be produced?
5. Make a list of your wants. Discuss it with your partner.

What do you actually need from your list?

What is the difference between a need and a want?

Which of the companies you know satisfy your wants?

Which of them satisfy your needs?

What are the five basic needs of humans? Notice your ideas.

6. Discuss the problems to be solved in the course of new economic reforms.

TOPIC 3

«There is no device whatever to be invented for securing happiness without industry, economy, and virtue».

William Graham Sumner

ECONOMY of UKRAINE

Ukraine is an agro-industrial country. Ukraine is rich in natural resources. The main minerals are iron, ore, coal, rock, salt, cement, gypsum, uranium, different metals and other natural resources. Ukraine fully satisfies its needs in minerals but it still has to import some of them. So, oil and gas are imported from Russia and Turkmenistan as the oil and gas deposits of Ukraine cannot satisfy country's needs in these energy resources. In the current structure of Ukraine's industry a great proportion is occupied by heavy industry, especially, the iron and steel, machine building and coal industries. A considerable part is played by the food, light and chemical industries. Defence industry is being restructured and converted, with the emphasis on the output of consumer goods.

However, today's industries are unable to satisfy the consumers' wants because they are not integrated into the world process of economic, technological and scientific progress. The national industries have low standard in processing raw materials and outdated and worn-out production equipment.

Ukraine is one of the world's most productive farming regions and is known as *Europe's granary*. There are two main branches of agricultural production in Ukraine crop production and animal husbandry.

Among the crops grown in Ukraine are sugar beet wheat rye barley oats corn, sunflower, a large variety of grain cultures, fruit and vegetables.

The most widespread branches of animal husbandry are dairy and beef cattle breeding and pig raising.

The economy of the Soviet Union was functioning for decades as an aggregate national economic system linked by united management cooperated links and applied technologies. This predetermined the inherited dependence of Ukraine on economic ties with former republics of the former Soviet Union.

On August 24, 1991, the Ukrainian Parliament solemnly proclaimed Ukraine's independence and the formation of the independent state of Ukraine.

Clearly the emergence of political and economic borders in a formally united economy, the emergence of the national monetary-credit and financial systems breaking the system of traditional links, brought the economy of Ukraine to a crisis.

The government of Ukraine and the Verkhovna Rada see the way out of the crisis in realization of the programme of economic reforms.

However, because of a battle of the old and the new the process of economic reforms took a winding and thorny path.

Two interrelated processes characterize Ukraine's economy today namely its assertion as that of an independent state, and its transition from planned-centralized to market-controlled.

Since the attainment of independence Ukraine has been consistently moving the road of radical economic reforms. The primary tasks for the government are obtaining stable economic growth and speeding-up Ukraine's transition to a market economy. The main directions of market reforms include economic liberalization, macroeconomic stabilization, increase of the investment activity, implementation of the structural economic changes, favouring the establishment of new enterprises in the private sector, and the privatization of state-owned enterprises.

Ukraine has currently achieved macroeconomic stability. Prices, domestic and foreign trade have been liberalized. An austere monetary policy has been introduced. Tax and budget systems are also being reformed.

After it was proclaimed independent, Ukraine started creating a national banking structure and a stock market. In four years a twin-level banking structure took shape: the National Bank of Ukraine, and commercial banks of all types and forms of property. Measures concerned with a further development of the stock market are carried out.

The government of Ukraine cooperates with the National Bank on efforts to improve the efficiency of the banking system in the country. As of January 1, 1998 the banking system switched to international accounting standards.

Privatization is one of the key directions of economic reforms. «Small-scale» privatization is nearly completed in Ukraine today. Privatization has sped up for large and medium size enterprises, including enterprises in the agro-industrial sector.

The foreign policy of Ukraine is aimed at a further integration into the International economic community. Creation of the regulatory mechanism for foreign trade is being completed. Ukrainian companies conduct business transactions with partners in near 200 countries across the world. The CIS and Baltic countries are the main trade partners of Ukraine. A share of export-import transactions with other countries is 25% of the total foreign trade turnover.

Ukraine's foreign policy is aimed at wide and long-term cooperation. Ukraine is acting on the assumption that this is the most effective way of solving not only economic but also political problems.

Vocabulary Notes:

to be rich in smth – бути багатим на щось

iron and steel industry – чорна металургія

outdated and worn-out equipment – застаріле та спрацьоване обладнання

Europe's granary – житниця Європи

crop production – рослинництво

animal husbandry – тваринництво

dairy and beef cattle breeding – розведення молочної та м'ясної худоби

pig raising – свинарство

transition from planned-centralized to market-controlled – перехід від планово-централізованої до ринково-регульованої

austere monetary policy – жорстка монетарна політика

twin-level banking structure – дворівнева банківська система

to speed up – прискорювати

to aim at smth – націлювати на щось

wide and long-term co-operation – широкомасштабне і довгострокове співробітництво

on the assumption – виходячи з припущення

I. Questions to the text:

1. What economic areas are in Ukraine?
2. Which of them has a high population density?
3. What natural resources is Ukraine rich in?
4. Why does Ukraine have to import oil and gas?
5. What industries are highly developed in Ukraine?
6. Why are today's industries unable to satisfy the consumers' wants?
7. What are the two branches of agricultural production?
8. What crops are grown in Ukraine?

9. What are the branches of animal husbandry?

II. Match each branch of industry with its production:

1. machine-building	tractors	turbines
2. instrument-making	plant equipment	wool
2. ship-building	transport vehicles	sugar
4. motor vehicle	combine harvesters	pottery
5. farm machinery	electron microscopes	wine
6. food	passenger vehicles	plastics
7. light	sowing machines	sandstone
8. chemical	passenger cars	garment
9. building materials	canned fruit	cement cheese
	excavators	linen
	detergents	butter
	generators	limestone
	cine-cameras	cotton
	vegetable oils	silk
	seagoing vessels	china
	pharmaceuticals	fertilizers
	footwear	

III. Communicative situations:

1. You are at the conference. The theme of your report is: «The development of the railway transport in Ukraine».
2. You have an exam. Your question is: «Ukraine as an industrial country».
3. Make a report in your class: «Industry – the most important area in Ukraine’s economy».
4. Speak about the tasks facing Ukraine’s people in the building-up the economy today.

5. Imagine you are a successful businessperson. You are going to write your own career profile. Before doing this think, what steps you should take to start your own business. Answer the following questions:

Where did you take money for your business?

When did you start your business?

What product or service do you produce?

Why is your product or service successful?

Who are your competitors?

Who are your customers?

What do you do to succeed in business?

TOPIC 4

«There is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud»

Milton Friedman

ECONOMY of GREAT BRITAIN

Great Britain is a highly-developed naval and industrial power. Its economy was primarily based on private enterprises. However, some industries were nationalized after World War II. Now it has a mixed private- and public-enterprise economy. The government controls the coal-mining and electric power industries, ferrous metallurgy and shipbuilding. Part of public transport, civil aviation and national bank are also managed by the state.

The main sectors of British economy are manufacturing, services and agriculture. The share of industry in GNP is 11 times more than that of agriculture. Manufacturing plays a vital role in British economy. It accounts for 1/5 of the GNP and employs less than 1/3 of the workforce. Small companies predominate, though companies with 500 or more employees employ a larger percentage of the workforce.

The rise of Great Britain as an industrial nation was partly due to the presence of considerable mineral resources, the most important of them being coal and iron. Next to coal and iron the chief minerals found on the British Isles are the building stone, marble, granite, slate, lead, tin, copper, zinc, salt and china clay. But in the course of the last hundred years many of Britain's most valuable and accessible deposits have been worked out.

Coal-mining, metallurgy, textile, shipbuilding are the older branches of industry. The new industries are the chemical, electro technical, automobile, aero missile and electronics. The new industries have developed hand in hand with science and technology and are equipped to meet present technical demands.

Big cities and towns such as London, Glasgow, Manchester, Liverpool, Newcastle, Sheffield and Birmingham have enterprises of nearly all branches of

industry. The main centres of cotton and woollen industry are Leeds, Bradford and Manchester.

Services play an important role in British economy and make up an increasing proportion of the national income. They account for about 60 per cent of gross domestic product and 68 per cent of employees. This sector includes health, education, retail and wholesale trade, tourism, financial and business services, insurance, transport, etc.

Banking, finance, insurance, business services and leasing account for 14 per cent of the British economy's total output. London has the world's largest insurance market, and its banks are responsible for about a fifth of the international bank lending. London is the world's principal trading centre for commodities, as well as an increasingly important centre for financial futures markets.

Britain's banking system comprises the Bank of England, the commercial banks, branches of foreign and Commonwealth banks and building societies. The Bank of England acts as the government's bank. It helps to implement the government's financial and monetary policy and supervises the banking system as a whole. Commercial banks provide financial services to individuals and companies, particularly account and loan facilities. Building societies accept deposits and arrange mortgages for house purchase. They also offer home loans and a wide range of banking and insurance services.

Agriculture is one of the most important sectors in British economy. It supplies nearly 2/3 of the country's food and directly employs about 2.5 per cent of the working population. However its share of the gross domestic product is less than 3 per cent – the lowest figure among the developed countries.

Great Britain is self-sufficient in milk, eggs, to a very great extent in meat, potatoes and wheat. However it has to import butter, cheese, sugar, tea, fruit and some other agricultural products.

There are more than 250 thousand farms in Great Britain. Most of them are small family farms, where all the work is done by the farmer and his family. The

tendency in agricultural development of the country is the disappearance of small traditional farms as they cannot compete with big industrial farms.

Britain has an open economy, in which international trade plays a vital role. About one-quarter of its gross domestic product comes from the export of goods and services. It is the fifth largest trading nation in the world. Since 1973 Britain has been a member of the European Economic Community, an association of 12 democratic states. About half Britain's trade is with its European Community partners. Britain's main exports are automobiles, textile, machinery, aircraft, electronic equipment and many others [5].

Vocabulary Notes:

mixed private- and public-enterprise economy – змішана економіка, що ґрунтується на приватному та державному підприємстві

GNP – ВВП (валовий національний продукт)

workforce – робоча сила

industrial nation – промислова держава

due to – зумовлено

hand in hand – пліч-о-пліч

to make up – складати

national income – національний дохід

retail and wholesale trade – роздрібна та оптова торгівля

insurance – страхування

to be responsible for – відповідати за, бути відповідальним за

Commonwealth banks – банки Співдружності

building societies – житлово-будівельні товариства

to accept deposits – приймати вклади

mortgage – застава

share – частка

gross domestic product – внутрішній валовий продукт

is self-sufficient – сама себе забезпечує; незалежна; економічно самостійна

to a great extent – значною мірою

disappearance – зникнення

I. Questions to the text

1. What is the role of services in British economy?
2. What services does this sector include?
3. What does Britain's banking system comprise?
4. What do you know about the Bank of England?
5. What kind of services do commercial banks provide?
6. What do building societies offer to their customers?
7. What can you say about international trade of Great Britain?
8. What are the main Britain's exports?
9. Is agriculture one of the most important sectors in British economy?
10. What is the share of the gross domestic product?

II. Match each term in Column A with its definition in Column B:

Column A	Column B
1. service	a. The activity of selling goods and services in order to make a profit.
2. national income	b. A financial institution that accepts demand deposits and makes commercial loans.
3. gross domestic product	c. An economy in which a significant percentage of its goods and services are traded internationally.
4. trade	d. The total annual money value of the goods and services produced by a country.
5. bank	e. A financial institution that accepts deposits and arrange mortgages for house purchase.
6. building society	f. The monetary value of all the goods and services produced by an economy over a specified period.
7. open economy	g. Intangible commodity.
8. exports	h. Goods and services sold to foreign countries.

III. Communicative situations:

1. You have an exam. Your question is: «Great Britain as an industrial country».

2. You are at the conference. The theme of your report is: «The role of services in British economy».

3. Your English friend tells you about Great Britain as one of the largest trading nations in the world.

4. You have just come from Great Britain. Make a report in your class: «Agriculture – one of the most important sectors in British economy».

5. Ask someone about British economy:

if Great Britain is a highly developed naval and industrial power; its economy was primarily based on private enterprises; now Great Britain has a mixed private- and public-enterprise economy; in the course of the last hundred years many of Britain's most valuable and accessible deposits have been worked out;

when some industries were nationalized;

what industries the government controls; the main sectors of British economy are; the share of industry in GNP is; role manufacturing plays in British economy; the rise of Britain as an industrial country was due to; the chief minerals found on the British Isles are; the older branches of industry are; the new industries are; cities and towns have enterprises of nearly all branches of industry; the main centres of cotton and woollen industry are.

TOPIC 5

«Entrepreneurs and their small enterprises are responsible for almost all the economic growth in the United States».

Ronald Reagan

ECONOMY of the UNITED STATES of AMERICA

The United States of America is one of the largest countries in the world. It has a developed free enterprise economy. It means that people are able to own capital and property and to run their own businesses for making profit. Most economic decisions in the country are made in the marketplace. Nearly 90 per cent of the goods and services produced in the country each year come from privately owned companies and firms.

Despite the fact that the United States has a free enterprise system, government's role in the economy is so important that economists describe it as a mixed economy. It is an economic system that combines elements of public ownership of the means of production with private ownership, and elements of free enterprise with government participation and control.

The USA is a country with a highly developed economy. With only 5 per cent of the world's population and about 6 per cent of its land area the USA produces 25 per cent of the world's industrial products, agricultural goods, and services. It leads the capitalist world in industrial and agricultural production, leaving the other capitalist countries far behind.

The United States owes its high level of economic development to its great wealth of minerals and fertile farm soil, together with a moderate climate. The territory is extremely rich in such minerals as coal, oil, natural gas, iron ore and non-ferrous metals. They provide a solid base for modern industry.

The country has very powerful industries, advanced technologies, and science. The structural composition of the US industry shows a marked predominance of heavy industry, namely mining, chemical, metallurgy, machine-building, nuclear power and aero missile industries. Electronic and electric

engineering, transport, communication and machine-tool industries can be found almost in all large cities of the USA.

Agriculture is one of the most important sectors of the US economy. It accounts for about 3 per cent of the GNP. Farms are owned by the people who operate them and by business corporations. Farming is largely mechanized and scientifically controlled.

The dominant trend in American agriculture can be summarized in two words – increased productivity. Gross agricultural output has increased dramatically: 50 years ago a farmer fed 10 people; at present the average farmer feeds 75.

American agriculture produces more food products than any other capitalist country. Production of most crops substantially exceeds domestic needs, making the United States a leading exporter of food. About a fifth of the country's territory is arable. The rainfall is not high, and irrigation is widely used there. The principal crops grown in the country are: corn, wheat, soy-beans, sugar-cane and sugar beets, sunflower, tobacco, hay, rice, cotton, oats, and barley.

The United States harvests a lot of vegetables such as tomatoes, potatoes and onions. Florida and California are famous for their fruit production. They grow oranges, lemons, tangerines and grapefruit. Strawberries, pears and apples are also produced in large quantities.

Animal husbandry is also developed in the country. Pastures occupy more than one-fourth of the United States. The highlands in the West of the country are famous for their dairy and beef cattle breeding, pig raising, and sheep farming. Dairying is well developed, and milk, cheese, and butter production exceed domestic needs. Wool production, leather and textile industries are also developed there. Poultry-farming and vegetable growing are concentrated in the countryside near all the big cities [5].

Vocabulary Notes:

free enterprise economy – економіка, що ґрунтується на вільному підприємстві

to own – мати, володіти

to run a business – вести діло, управляти підприємством
for making profit – для отримання прибутку
goods and services – товари та послуги
despite – незважаючи на
mixed economy – змішана економіка
public ownership – державна власність
means of production – засоби виробництва
private ownership – приватна власність
to owe smth to – бути зобов'язаним чимось комусь; завдячувати
fertile soil – родючий ґрунт
moderate climate – помірний клімат
iron ore – залізна руда
non-ferrous metals – кольорові метали
marked predominance – значна перевага
GNP – ВВП (валовий національний продукт)
farming – сільське господарство
increased productivity – зростання продуктивності
gross agricultural output – обсяг валової продукції сільського господарства
domestic needs – внутрішні потреби
arable land – орна земля
soy-beans – соя, соєві боби
sugar-cane – цукрова тростина
pasture – пасовище
wool production – виробництво вовни
leather industry – шкіряна промисловість
countryside – сільська місцевість

I. Questions to the text:

1. Is the United States of America one of the largest countries in the world?
2. What type of economic system does the USA have? What does it mean?

3. Where are most economic decisions made in the country?
4. What is the role of the government in the US economy?
5. What is a mixed economy?
6. What place does the USA hold in the capitalist world?
7. What does the country owe its high level of economic development to?
8. What minerals is the territory rich in?
9. What do they provide?
10. Does the country have powerful industries, advanced technologies, and science?

II. Match each term in Column A with its definition in Column B:

Column A

Column B

- | | |
|---------------------|--|
| 1. mixed economy | a. The money needed to start and continue operating a business commerce and industry. |
| 2. capitalism | b. The application of science to commerce and industry. |
| 3. marketplace | c. The production, distribution and sale of good and services for a profit. |
| 4. private property | d. Any place in which goods are bought and sold. |
| 5. capital | e. Economic system that combines elements of free-market and command economies. |
| 6. ownership | f. Free enterprise system. |
| 7. technology | g. Right over property, including right of possession, exclusive enjoyment, destruction etc. |
| 8. business | h. Goods owned and controlled by individuals. |

III. Communicative situations:

1. You are at the conference. The theme of your report is «One of the famous companies in the USA». Tell according to the plan:

History (The company was set up in The company was founded in The founder of the company was At the beginning it produced (sold))

Location (The company is based in The head office is in The subsidiary/ factory/ store/ office is located in Products and services The

company specializes in The main products are The company manufactures/produces/makes)

Size (The company has sales of The annual turnover is)

2. Ask someone about American economy:

if agriculture is one of the most important sectors of the US economy; it accounts about 3 per cent of the GNP; farming is largely mechanized and scientifically controlled; gross agricultural output has increased dramatically; animal husbandry is also developed in the country;

what the principal crops grown in the country are; vegetables the United States harvests; Florida and California are famous for; they grow; territory pastures occupy; the highlands are famous for; industries are developed there;

how the dominant trend in American agriculture can be summarized;

why irrigation is widely used in the country;

where poultry-farming and vegetable growing are concentrated.

TOPIC 6

«I think the most important CEO task is defining the course that the business will take over the next five or so years. You have to have the ability to see what the business environment might be like a long way out, not just over the coming months. You need to be able to both set a broad direction, and also to take particular decisions along the way that make that broad direction unfold correctly.»

Chris Corrigan

BUSINESS ORGANIZATIONS

One of the major economic institutions is the business organization, a profit-seeking enterprise that serves as the main link between scarce resources and consumer satisfaction. These businesses compete with one another for the chance to satisfy people's wants.

There are three major kinds of business organizations: the sole proprietorship, the partnership and the corporation.

The most common form of business organization is the sole proprietorship – a business owned and run by one person. The main advantage of a sole proprietorship is that it is the easiest form of business to start and run. There is almost no red tape involved. Most proprietorships are able to open for business as soon as they set up operations. In the event that the owner wants to dissolve the business, a sole proprietorship is as easily dissolved as it is formed.

Sole proprietors own all the profits of their enterprises and are free to make whatever changes they please. They have minimal legal restrictions and do not have to pay the special taxes placed on corporations. They also have the opportunity to achieve success and recognition through their individual efforts. Sole proprietorships are generally found in small-scale retail and service businesses such as beauty salons, repair shops, or service stations.

The major disadvantage of a sole proprietorship is the unlimited liability that each proprietor faces. Since the business and the owner are legally the same, the sole proprietor is liable for all financial losses or debts that the business may incur. If a business fails, the owner must personally assume the debts. This could mean the loss of personal property such as automobiles, homes and savings.

A second disadvantage of the sole proprietorship is that it has limited financial resources. The money that a proprietor can raise is limited by the amount of savings and ability to borrow. Another serious problem faced by the sole proprietorship is the lack of continuity of the business. When the owner dies, the business also legally terminates.

A partnership is a business that is jointly owned by two or more people who have combined their talents and resources for the purpose of earning a profit. Partnerships are most common in such professional fields as medicine, law, accounting, stockbrokerage, but they are also found in manufacturing, wholesaling and retailing.

The most common form of partnership is a general partnership. General partners own the business, work in it and share the profits and losses. They are responsible for the management of the business and usually agree with each other before making any major decisions.

There may be a special type of partnership, called limited partnership. Limited partners are only liable for the amount they have invested in the business. They are usually not involved in the management of the firm.

Partnerships have more advantages than sole proprietorships. Like sole proprietorship they are easy to form and often get tax benefits from the government.

Partnerships have certain disadvantages too. The major disadvantage is unlimited financial liability. It means that each partner is responsible for all debts and is legally responsible for the whole business. But one of the greatest problems in partnerships is that partners may disagree with each other causing management conflicts.

Nearly 90 per cent of all business is done by corporations. A business corporation is an institution established for the purpose of making profit. It is operated by individuals. People, who would like to form a corporation, must file for permission in the state where the business will have its headquarters. If approved, a charter, government document that gives permission to create a corporation, is

granted. The charter states the name of the company, address, purpose of business etc.

The charter specifies the number of shares of stock, or ownership parts of the firm. These shares are certificates of ownership and are sold to investors called shareholders or stockholders. The money is then used to set up corporation. If the corporation is profitable it will eventually issue dividend or a check, representing a portion of the corporate profits to shareholders.

There are several advantages of the corporate form of ownership. The major advantage is the ability to acquire greater financial resources than other forms of ownership. The next advantage is that the corporation attracts a large amount of capital and can invest it in plants, equipment and research. It can offer higher salaries and thus attract talented managers and specialists. Corporations have great capacity for growth and expansion.

Corporations face some major disadvantages. It is difficult and expensive to organize a corporation. The process of obtaining a charter usually requires the services of a lawyer. Most small firms prefer to avoid these expenses by forming proprietorships and partnerships. There is also an extra tax on corporate profits. The government taxes corporate income in addition to the taxes paid by shareholders on their dividends [5].

Vocabulary Notes:

stockbrokerage/stockbroking – біржове маклерство

wholesaling and retailing – оптова та роздрібна торгівля

general partnership – товариство з необмеженою відповідальністю

limited partnership – товариство з обмеженою відповідальністю

tax benefits – податкові пільги

file for permission – звернутися за дозволом

the number of shares of stock – кількість акцій основного капіталу

certificates of ownership – свідоцтво про власність

shareholder/stockholder – акціонер; власник акцій

a profit-seeking enterprise – прибуткове підприємство

sole proprietorship/sole trader/one-man firm – одноосібна власність

partnership – партнерство

corporation – корпорація

red tape – бюрократизм

to dissolve the business – припинити діяльність підприємства

to achieve success – досягти успіху

unlimited liability – необмежена юридична відповідальність

to be liable for – бути відповідальним за

to assume the debts – приймати/брати на себе борги

savings – заощадження

Company limited by shares and guarantee – компанія з обмеженою відповідальністю і запорукою

Limited company – компанія з обмеженою відповідальністю

Unlimited company – компанія з необмеженою відповідальністю

I. Questions to the text:

1. What is a business organization?
2. What are the major kinds of business organizations?
3. What is the most common form of business organization?
4. Is the sole proprietorship a business owned and run by one person?
5. What is the main advantage of a sole proprietorship?
6. In what businesses are sole proprietorships generally found?
7. What are the major disadvantages of a sole proprietorship?
8. What is a partnership?
9. In what professional fields are partnerships most common?
10. What is the most common form of a partnership?

II. Match each term in Column A with its definition in Column B:

Column A

1. organization

Column B

a. A business that is owned by two or more

- | | |
|------------------------|---|
| 2. sole proprietorship | people.
b. People or groups working for a common purpose and whose tasks are often divided into specializations. |
| 3. partnership | c. Payments made from the earnings of a corporation to its stockholders. |
| 4. corporation | d. Owner of stock in a corporation. |
| 5. charter | e. A business organization created under a government charter. |
| 6. stockholder | f. A document issued by a state government granting a corporation permission to operate. |
| 7. dividends | g. Owners of the partnership have unlimited liability. |
| 8. general partnership | h. A business that is owned by one person. |

III. Communicative situations:

1. Make a report in your class: «Sole proprietorship is the most common form of business ownership».
2. You would like to open your own business. What type of business organizations would you prefer? Explain your choice.
3. You want to go into business with a partner. Consult a lawyer how to form a partnership.
4. You are at the conference. The theme of your report is: «Advantages and disadvantages of the corporate form of ownership».
5. What companies or people do you know that succeed in business?

TOPIC 7

Marketing transforms brands, making them stand for things that they just

don't stand for. They don't deliver».

Naomi Klein

MARKETING

Marketing can be defined as human activity which is directed at satisfying needs and wants by creating and exchanging goods or services. The marketing concept has replaced the selling concept. The *selling concept* means that consumers have to be persuaded by selling techniques to buy non-essential goods and services. The «marketing concept», on the contrary, means that the producer should produce the products which the customers need.

Marketing can be approached in terms of marketing mix. Its components are four Ps – product, price, place, promotion that is selling the right product, at the right price, through the right channels, with the right support and communication.

Let's consider the case of the company Harley-Davidson, the company in the USA which produced bikes. For a number of years the company has serious problems. Its profits decreased, and the company was facing a possibility of bankruptcy. In its operation the company was orienting to a rather narrow market that is young people in black leather jackets.

In order to survive, the company had to use the main principles of marketing.

1. Determine the customer groups or segments.
2. Determine their needs.
3. Position the product in a proper way.

While the company was trying to determine a new group of customers, it identified a numerous group of customers; it identified a numerous group of baby-boomers, born after World War II. At that time they were in their forties. The second stage of this work was determination if these rather grown-up and conservative people could become buyers of bikes. The company studied this group and the features of its buying behaviour and came to a conclusion that it was possible. These people were experiencing the crisis typical

for people of their age, and they had to get new opportunities, new experience and relaxation.

The company decided to launch a new model and position it in such a way it could meet the needs of the target group. The new model was meant for top-end, or upmarket (Am. upscale) instead of mid-range market. The motorcycle was made large and reliable. The company realised that new buyers would not repair the motorcycle themselves, so it used a new motor hard metal to a softer variant. Such famous personalities as Kurt Russell and Elizabeth Taylor were advertising the new model. The company was successful. Its sales have risen, and its profit margins have grown more than three times. Now the company is looking for new markets at home and internationally. It didn't suffer from foreign competition, as many automobile and electronic companies did. The company survived and began to prosper as it followed the principles of marketing.

Marketing has become a key factor in the success of western business. In the 20th century, marketing has played an increasingly larger role in determining company policy, influencing product development, pricing, methods of distribution, advertising and promotion techniques [2].

Vocabulary Notes:

to define – визначати

to satisfy a need – задовольняти потребу

to persuade – переконувати

selling – прийоми та методи продажу

non-essential – не першої необхідності

marketing – комплекс маркетингу; змішана система реалізації

market segment – сегмент ринку, тобто, група покупців зі схожими потребами та характеристиками

to launch – запускати (завод, продукт, торгову марку)

position the product – позиціонувати товар, тобто, використовувати рекламу и ті інші елементи комплексу маркетинга, щоб показати переваги товару

product positioning – позиціонування товару

conclusion – вихід

to come to a conclusion – робити висновок

target group – цільова група

top-end market / upmarket – ринок для елітарних покупців (Am. upscale)

mid- range market – ринок для покупців із середнім доходом

I. Questions to the text:

1. What is marketing?
2. What does the term *marketing* mean?
3. What does marketing research involve?
4. What is the task of marketing research?
5. What is the difference between market research and marketing research?
6. What does services marketing relate to?
7. What is a service typically defined?
8. What activities do marketing consist of?
9. What do marketing operations include?
10. Why is it important for the producer to predict the trends?

II. Match each term in Column A with its definition in Column B:

Column A	Column B
1. Marketing research	a. a set of buyers sharing common needs or characteristics that the company decides to serve.
2. Middlemen	b. business whose sales come primarily from retailing, i.e. all activities involved in selling goods or services directly to final customers for their personal, non-business use.
3. Retailers	c. distribution channel firms that help the company find customers or make sales to them, including wholesalers and retailers who buy and resell goods.

4. Wholesaler d. the function, that links the customer, the consumer, and public to the marketer through information used to identify and define marketing opportunities and problems, to generate, refine and evaluate marketing actions; to monitor marketing performance, and to improve understanding of the marketing process.
5. Service e. anything, that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need. It includes physical objects, services, persons, places, organizations, and ideas.
6. Target markets f. a firm engaged primarily in wholesaling, i. e. in all activities involved in selling goods and services to those buying for resale or business use.
7. Product g. any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything.

III. Communicative situations:

1. You are taking part in a seminar on the problems of marketing conducted by European and American marketers. It's a question and answer session. Ask the lecturers a number of questions about the role of marketing in the independent societies of the twenty-first century. Ask your fellow-students to answer them. Make use of the following helpful phrases:

- To ask questions:

- Do you mind if I ask you a few questions?
- Would you be kind enough ...
- Could you spare me a minute and ...

- Could I possibly ask you ...
 - There must have been times when ...
 - I hope you don't mind my asking, but I'd like to know ...
 - To ask for clarification:
 - Sorry, I don't quite understand why (where) ...
 - Could you tell me a bit more about ...
 - Does that mean that ...
 - I don't quite catch the full implication of ...
 - Am I to take it that ...
 - To express willingness:
 - Yes, certainly
 - Yes, with pleasure
 - Yes, by all means
2. One of your friends who is a sociology major, has asked why you are studying marketing. Tell, please, describing the benefits you expect to receive from studying marketing.
3. Read the following statements about the role of marketing and express your own minds:
- «Marketing is too important to be left to the marketing department». (David Packard).
 - «In a truly great marketing organization, you can't tell who is in the marketing department. Everyone in the organization has to make decisions based on the impact on the consumer». (Professor Stephen Burnett).
 - «The aim of marketing is to make selling superfluous. The aim is to know and understand the customers so well that the product or service fits him and sells itself». (Peter Drucker).

TOPIC 8

«The government is indeed an institution, but «the market» is nothing more than an option for each individual to chose among numerous existing institutions, or to fashion new arrangements suited to his own situation and taste.»

Thomas Sowell

MARKETS

Economists classify markets according to conditions that prevail in them. They ask questions like the following: How many supplies are there? How large are they? Do they have any influence over price? How much competition is there between firms? What kind of economic product is involved? Are all firms in the market selling exactly the same product, or simply similar one? Is it easy or difficult for new firms to enter the market? The answer to these questions helps to determine market structure, or the nature and degree of competition among firms operating in the same market. For example, one market may be highly competitive because a large number of firms produce similar products. Another may be less competitive because of fewer firms, or because the products made by each are different or unique.

Markets can be classified according to certain structural characteristics that are shared by most firms in the market. Economists have names for these different market structures: pure competition, monopolistic competition, oligopoly, and monopoly.

An important category of economic markets is pure competition. This is a market situation in which there are many independent and well-informed buyers and sellers of exactly the same economic products. Each buyer and seller acts independently. They depend on forces in the market to determine price. If they are not willing to accept this price, they do not have to do business.

To monopolize means to keep something for oneself. A person who monopolized a conversation, for example, generally is trying to stand out from everyone else and thus attract attention.

A situation much like this often exists in economic markets. For example, all

the conditions of pure competition may be met except that the products for sale are not exactly the same. By making its product a little different, a firm may try to attract more customers and take over the economic market. When this happens, the market situation is called monopolistic competition.

The one thing that separates monopolistic competition from pure competition is product differentiation. The differences among the products may be real, or imaginary. If the seller can differentiate a product, the price may be raised a little above the market price, but not too much.

The term *market*, as used by economists, is an extension of the ancient idea of a market as a place where people gather to buy and sell goods. In former days part of a town was kept as the market or marketplace, and people would travel many kilometres on special market-days in order to buy and sell various commodities.

Today, however, markets such as the world sugar market, the gold market and the cotton market do not need to have any fixed geographical location. Such a market is simply a set of conditions permitting buyers and sellers to work together.

In a free market, competition takes place among sellers of the same commodity, and among those who wish to buy that commodity. Such competition influences the prices prevailing in the market. Prices inevitably fluctuate, and such fluctuations are also affected by current supply and demand.

Whenever people who are willing to sell a commodity contact people who are willing to buy it, a market for that commodity is created. Buyers and sellers may meet in person, or they may communicate in some other way: by telephone or through their agents. In a perfect market, communications are easy, buyers and sellers are numerous and competition is completely free. In a perfect market there can be only one price for any given commodity: the lowest price which sellers will accept and the highest which consumers will pay. There are, however, no really perfect markets, and each commodity market is subject to special conditions. It can be said, however, that the price ruling in a market indicates the point where supply and demand meet [5].

Vocabulary Notes:

pure competition – чиста конкуренція

monopolistic competition – монополістична конкуренція

to keep something for oneself – затримати щось для себе

to stand out from – відійти/відділитися від

to attract attention – привертати увагу

to take over the economic market – змінити економічний ринок

product differentiation – диференціація (індивідуалізація) продукції

gold market – ринок золота

free market – ринок, вільний від обмежень; вільна торгівля

commodity market – ринок товарів; товарна біржа

I. Questions to the text:

1. What was a market originally?
2. What is a modern market?
3. What does competition influence?
4. What three things cause prices to fluctuate?
5. When is a market created?
6. What three means are mentioned by which buyers and sellers can communicate if they don't meet in person?
7. What price operates in a perfect market?
8. What does the ruling price indicate?
9. What is a monopoly?
10. What happens when certain companies obtain complete control over particular commodities?

II. Match each term in Column A with its definition in Column B:

Column A

1. monopoly

Column B

a. The process of creating uniqueness in a product.

- | | |
|-----------------------------|---|
| 2. oligopoly | b. A market dominated by a few large firms. |
| 3. pure competition | c. A market in which there is only one seller. |
| 4. monopolistic competition | d. Place where buyers and sellers come together. |
| 5. product differentiation | e. The price at which supply exactly equals demand. |
| 6. competition | f. A market situation in which there are many independent and well-informed buyers and sellers of exactly the same economic products. |
| 7. market | g. The rivalry among buyers and sellers in the purchase and sale of resources and products. |
| 8. market price | h. A market in which many firms are selling similar (but not identical) products. |

III. Communicative situations:

1. Round-table discussion. The question on the agenda is «Competition is one of the cornerstones of free enterprise».

You may include the following points in your discussion:

- the principal kinds of market structures;
- perfect competition and perfectly competitive markets;
- imperfect competition: monopolistic competition and oligopoly;
- legal monopolies (public utilities, patents, copyrights and trademarks);
- the distinguishing features of perfect and imperfect competition.

2. Ask someone:

if markets can be classified according to certain structural characteristics that are shared by most firms in the market; each buyer or seller acts independently in the market; a firm may try to attract more customers and take over the economic market;

what questions economists ask; helps to determine market structure, or the nature and degree of competition among firms operating in the same market; is the

difference between highly and less competitive market; names the economists have for different market structures; is pure.

TOPIC 9

«Wealth is not without its advantages and the case to the contrary, although it has often been made, has never proved widely persuasive.»

John Kenneth Galbraith

INCOME

One of the economic issues is the question of income that is income distribution, the way in which income – that's what people earn – is distributed or shared around.

You, and you family, have an income. You have an annual income that is what you earn in a year. This income allows you to enjoy various goods and services. It means you have a certain standard of living. Your standard of living, of course, includes what you think of as necessary to your life, things like food, water, somewhere to live, health and education. But your income doesn't just cover the necessities of life. It also includes recreation, whether that's sport or TV or a holiday. Your income will be less than some of your neighbours', but it will be more than some of your neighbours'. Your neighbours' means not just people living in your own country, but also people living in other countries.

Just as you and your family have an income, so nations, different countries, also have an income – the national income, it's often called. A national income is not the money the government gets. The national income is the sum total of the incomes of all the people living in that country, in other words, everyone's income added together. In the same way one can think of world income as the total of all the incomes earned by all the people in the world.

Concerning the distribution of national and world income, some questions are to be asked: who, in the world, gets what share of these incomes? The distribution of income, either in the world or in a country, tells us how income is divided between different groups or individuals. Table 1 shows the distribution of world income. There are three headings down the left-hand side of the table: income per head, percentage of world population and percentage of world income.

In poor countries, like India, China and the Sudan, the income per head is only one hundred and fifty-five pounds per year. But at the same time, they have fifty point seven per cent of the world's population. These poor countries only have five per cent of the world's income.

In middle-income countries the income per head is eight hundred and forty pounds, that's in countries like Thailand and Brazil. In the major oil countries, like Kuwait and Saudi Arabia, it's seven thousand, six hundred and seventy. In industrial countries it's six thousand, two hundred and seventy.

Turning to middle-income countries again, they have twenty-five point one per cent of world population, with fourteen point two per cent of world income. The major oil countries have point four per cent of population, the industrial countries fifteen point six. The oil countries have one point five per cent of world income, the industrial countries sixty-four point eight.

The first economic question is for whom does the world economy produce? As the table shows, it produces essentially for the people living in the rich industrial countries. They get sixty per cent of the world's income, although they only have sixteen per cent of its population. This suggests an answer to the second question that is of what is produced. The answer is that most of world production will be directed towards the goods and services that these same rich industrialized countries want.

The third question is how goods are produced. In poor countries, with little machinery, not very much technical training and so on, workers produce much less than workers in rich countries. And poverty is very difficult to escape. It continues on and on. And this goes some way towards accounting for the differences in national incomes. It accounts for an unequal distribution of income, not just between countries but also between members of the same country, although there individual governments can help through taxation. In other words, governments can act to help distribute income throughout their population [10].

Vocabulary Notes:

income distribution – розподіл прибутку

an annual income – річний дохід

a certain standard of living – певний рівень життя

to cover the necessities of life – охоплювати основні життєві потреби

recreation – відпочинок

national income – національний прибуток

share of income – частка прибутку

income per head – прибуток на одиницю населення

percentage of world population – відсоток світового населення

percentage of world income – відсоток світового прибутку

essentially – в основному

world production – світове виробництво

rich industrialized countries – заможні промислові країни

not very much technical training – недостатнє технічне навчання

to escape – уникати

to account for (syn. to explain) – пояснювати

the differences in national incomes – різниця в національних прибутках

unequal distribution of income – нерівний розподіл прибутку

throughout population – серед населення

I. Questions to the text

1. What is income?
2. What are two ways to earn income?
3. Who gets wages?
4. Who gets salaries?
5. What is wealth?
6. How can wealth earn income?
7. What is rent?
8. What is interest?
9. What are other types of income?
10. What is the role of governments in distributing incomes?

II. Match each term in Column A with its definition in Column B:

Column A	Column B
1. money	a. The exchange of one good or service for another.
2. currency	b. Anything generally accepted as payment for goods and services.
3. barter	c. A book of forms for writing cheques.
4. inflation	d. The total amount of money that exists in the economy of a country at a particular time.
5. check	e. Period of rising prices during which the purchasing power of the dollar is falling.
6. money supply	f. An institution, such as a bank, that deals in short-term loans, foreign exchange, etc.
7. money market	g. Paper money and coins issued by the federal government.
8. check book	h. Metallic forms of money.
9. coin	i. A special printed form on which one writes an order to a bank to pay a sum of money from one's account.

III. Communicative situations:

1. You have an exam. Your question is «The distribution of world income».
2. Project. Think of a new product or service you would like to launch. Then follow some of the stages:
 - Decide what information you need to find out from market research and why.
 - Decide which research techniques are the best for your kind of product or service.
 - Write your questionnaire or interview script.

- Analyze your research and present your findings.

TOPIC 10

«Money often costs too much».

Emerson

MONEY

The main feature of money is its acceptance as the means of payment or medium of exchange. Nevertheless, money has other functions. It is a standard of value, a unit of account, a store of value and a standard of deferred payment.

Money is a medium of exchange in economy. It is a means of payment for goods and services and in settlement of debts. Money is also a standard of value for measuring the relative economic worth of different goods and services. The price of the commodity is the number of units of money required to buy this commodity. The main functions of money are a medium of exchange and the measure of value. Without the use of money, trade would be reduced to barter, that is to direct exchange of one commodity for another. Barter trade was the means used by primitive peoples, and it is still practiced in some parts of the world. In a barter economy, a person having something to trade must find another who wants it and has something acceptable to offer in exchange. In a money economy, the owner of a commodity may sell it for money and buy anything he wants for this money.

Money can also serve as a standard of value. Society considers it convenient to use a monetary unit to determine relative costs of different goods and services. In this function money appears as the unit of account, is the unit in which prices are quoted and accounts are kept.

To be accepted in exchange, money has to be a store of value. Money is a store of value because it can be used to make purchases in the future.

Houses, stamp collections, and interest-bearing bank accounts all serve as stores of value. Since money pays no interest and its real purchasing power is eroded by inflation, there are almost certainly better ways to store value.

Finally, money serves as a standard of deferred payment or a unit of account over time. When you borrow, the amount to be repaid next year is measured in money value.

The most important types of money are commodity money, credit money, and fiat money.

The value of commodity money is about equal to the value of the material contained in it. The principal materials used for this type of money have been gold, silver, and copper. Credit money are documents with promises by the issuer to pay an equivalent value in the standard monetary metal. Fiat money is paper money the value of which is fixed by government. Most minor coins in circulation are also a form of fiat money, because the value of the material of which they are made is usually less than their value as money. Golden coins are the examples of commodity money, because their gold content is a commodity.

A token money is a means of payment whose value or purchasing power as money greatly exceeds its cost of production or value in uses other than as money.

By collectively agreeing to use token money, society economizes on the scarce resources required to produce money as a medium of exchange.

Society enforces the use of token money by making it legal tender. The law says it must be accepted as a means of payment. In modern economies, token money is supplemented by IOU money. An IOU money is a medium of exchange based on the debt of a private firm or individual.

A bank deposit is IOU money because it is a debt of the bank. When you have a bank deposit the bank owes you money. You can write a cheque to yourself or a third party and the bank is obliged to pay whenever the cheque is presented. Bank deposits are a medium of exchange because they are generally accepted as payment [7].

Vocabulary Notes:

the means of payment – засіб платежу
medium of exchange – засіб обігу
commodity – товар
worth – ціна, вартість, цінність
a standard of value – міра вартості
a unit of account – одиниця обліку
a store of value – засіб заощадження
a standard of deferred payment – засіб погашення боргу
to borrow – брати в борг
measure – міра
settlement of debts – сплата боргів
purchasing power – купівельна спроможність
to swap (to exchange, to barter) – міняти
a monetary unit – грошова одиниця
an interest-bearing bank account – рахунок в банку з виплатою відсотків
to erode – фактично зменшуватись
money value – грошова вартість
commodity money – товарні гроші
token money – символічні гроші (грошові знаки, жетони, тощо)
legal tender – законний платіжний засіб
IOU money (I Owe You money) – боргове зобов'язання (я вам винен гроші)
a bank deposit – вклад в банку
fiat money – нерозмінні паперові гроші
to enforce – втілювати в життя, посилювати
to oblige – зобов'язувати, примушувати
to supplement – доповнювати

I. Questions to the text

1. What is money?
2. What are the main functions of money?

3. What are the most important types of money?
4. What qualities must money have?
5. What is commodity money?
6. What is the difference between credit money and fiat money?
7. What does IOU mean?
8. Why bank deposits are a medium of exchange?
9. Why do people accept money?
10. What are the functions of money?

II. Match each term in Column A with its definition in Column B:

Column A

Column B

- | | |
|-----------------|--|
| 1. Money | a) are the examples of commodity money. |
| 2. Barter | b) is paper money the value of which is fixed by government. |
| 3. Fiat money | c) is any generally acceptable medium of exchange. |
| 4. Golden coins | d) is accepted by the laws as a means of payment. |
| 5. Token money | e) is trade without using money |

III. Communicative situations:

1. You have an exam. Your question is «Money in our society».
2. Discuss the functions of money:
 - Medium of Exchange - Standard of Value - Store of Value
3. Discuss the types of money and give examples of each type: commodity money, representative money, fiat money, checkbook money.
4. Express your attitude to the following expressions:
 - Money spent on the brain is never spent in vain.
 - Time is money.
 - Money is the root of all evil.
 - Money is the guarantee of security.
 - Money has no smell.
 - No bees, no honey; no work, no money.

TOPIC 11

«Many economists see inflation as being the most damaging economic phenomenon which can affect an advanced nation»[9].

INFLATION

Inflation is an increase in the average level of prices, not a change in any specific price.

We first determine the average price of all output – the average price level – then look for changes in that average. A rise in the average price is referred to as inflation.

The average price level may fall as well as rise. A decline in average prices – a *deflation* – occurs when price decreases on some goods and services outweigh price increases on all others. Relative price is the price of one good in comparison with the price of other goods.

Because inflation and deflation are measured in terms of average price levels, it is possible for individual prices to rise or fall continuously without changing the average price level. Nominal income is the amount of money you receive in a particular time period; it is measured in current dollars. Real income, by contrast, is the purchasing power of that money, as measured by the quantity of goods and services your dollars will buy. If the number of dollars you receive every year is always the same, your nominal income doesn't change – but your real income will rise or fall with price changes.

There are two basic lessons about inflation to be learned:

- Not all prices rise at the same rate during an inflation. Typically, some prices rise very rapidly, others only modestly, and still others not at all.
- Not everyone suffers equally from inflation. Those people who consume the goods and services that are rising faster in price bear a greater burden of inflation; their

real income fall more. Other consumers bear a lesser burden or even none at all, depending on how fast the prices rise for the goods they enjoy.

Money illusion is the use of nominal dollars rather than real dollars to gauge changes in one's income or wealth. The most common measure of inflation is the Consumer Price Index. As its name suggests, the CPI is a mechanism for measuring changes in the average price of consumer goods and services. Inflation Rate is the annual rate of increase in the average price level.

Price stability is the absence of significant changes in the average price level; officially defined as a rate of inflation of less than 3 percent. Our goal of "full" employment is defined as the lowest rate of unemployment consistent with stable prices.

The most familiar form of inflation is called demand-pull inflation. Demand-pull inflation is an increase on the price level initiated by excessive aggregate demand. The name suggests that demand is pulling the price level. If the demand for goods and services rises faster than production, there simply won't be enough goods and services to go around.

Cost-push inflation is an increase in the price level initiated by an increase in the cost of production. In 1979, for example, the Organization of Petroleum Exporting Countries (OPEC) sharply increased the price of oil. For domestic producers, this action meant a significant increase in the cost of producing goods and services. Accordingly, domestic producers could no longer afford to sell goods at prevailing prices. They had to raise prices. The result was a cost-push inflation [1].

Vocabulary Notes:

inflation – інфляція

deflation – дефляція

relative price – відносна ціна

nominal income – номінальний дохід

real income – реальний дохід

money illusion – грошова ілюзія

Consumer Price Index – індекс споживчих цін

inflation rate – темп інфляції

demand-pull inflation – інфляція, спричинена попитом

cost-push inflation – інфляція, спричинена вартістю

a persistent rise – постійне зростання

with no corresponding rise in output – що не супроводжуються зростанням виробництва

mild inflation – низький рівень інфляції

entails enormously high rates of inflation – веде до величезного зростання інфляції

insurmountable – колосальний

demand-pull inflation – інфляція, яка викликана високим попитом

in order to improve their profit margins – з метою збільшення прибутку

I. Questions to the text

1. What is inflation?
2. What do you know about demand-pull inflation?
3. What can you say about cost-push inflation?
4. What is deflation?
5. What do we call the price of one good in comparison with the price of other goods?
6. What are the two basic lessons about inflation?
7. What phenomenon do economists call money inflation?
8. Are demand pull influences factors which cause an increase in aggregate demand to levels beyond the ability of the economy to deliver the appropriate level of output?
9. What factors include increases in public spending, or sudden increases in credit creation and money supply by the banking system?

10. Are cost push influences factors on the supply side of the economy which leads to increases in the costs of production which are then passed on in higher prices?

II. Match each term in Column A with its definition in Column B:

Column A	Column B
1. inflation	a. the amount of money that you must pay for sth
2. deflation	b. the quality or state of being steady and not changing in any way
3. price	c. used to describe a rate or other figure that refers to current prices or numbers, but has not been changed to consider the effects of inflation
4. income	d. a rise in the general prices of goods and services in a particular country over a period of time, resulting in a fall in the value of money; the rate at which this happens
5. nominal	e. a person who buys goods or services for their own use
6. increase	f. a reduction in the amount of money in a country's economy so that prices fall or remain the same
7. relatively	g. a rise in the amount, number or value of sth
8. consumer	h. a system that shows the level of prices, wages, etc. so that they can be compared with those of a previous day or time
9. index	i. the money that a person, a region, a country, etc. earns from work, from investing money, from business, etc
10. stability	j. to a fairly large degree, especially in comparison to sth else

III. Communicative situations:

1. You have an exam. Your question is «Can inflation be beneficial?» Give your reasons.
2. You are at the conference. The theme of your report is: «Causes of inflation».
3. Discuss the following questions:

- Can you identify any groups of who are particularly helped or hurt by inflation? Explain.
- Does an increase in the price level automatically lower society's real income? Explain.
- Would it be advantageous to borrow money if you expected prices to rise? Why, or why not? Provide a numerical example.

TOPIC 12

Accounting is the language of business.

ACCOUNTING AND BOOKKEEPING

If you were a bookkeeper, the first task you would perform would be to divide all of the firm's paperwork into meaningful categories. Those categories would probably include the following:

Various expense documents

Sales documents (sales slips, cash register receipts, invoices)

Purchasing documents

Shipping documents

Bank documents (checks, deposit slips)

Payroll records

If you collected all this information, you would have several piles of papers, much like the piles that are generated in the preparation of income tax forms. If this information is not compressed somehow, it will become too unmanageable.

Therefore, the bookkeepers must begin to record the data from the original transaction documents into record books called journals. Journals are the books where accounting data are first entered. The term journal comes from the French word *jour*, which means day.

There are eight steps to the bookkeeping cycle. A bookkeeper is a person that performs one or more of these steps or sometimes called AAT (accounting technicians). In large companies, for instance, the bookkeeping cycle might be

divided into departments such as Accounts Receivable, Accounts Payable, or Payroll.

While most often these people are referred to as «clerks», they might also be considered bookkeepers as they are «keeping the books» for a company. In small companies, the bookkeeper may perform the entire bookkeeping process, or might just enter data to give to the «accountant».

All bookkeeping steps are mechanical in nature. Bookkeeping is a regimented process usually occurring in monthly cycles consisting of entering transactions into the journals, making adjustments, and preparing reports. The accounts Receivable Clerk may be assigned to enter all sales on account, and all payments from the customers. The Accounts Payable Clerk's responsibility would be to enter purchase orders and checks. Again, in a small company, both duties may be performed by the same person. The full-charge bookkeeper is someone who can do it all – including compiling the data into the General Ledger and preparing financial statements.

Bookkeeping is an essential accounting tool. A small business or company may employ only one bookkeeper, who records all of the financial data by hand; large organizations may employ many bookkeepers, who use electronic and mechanical equipment for a large part of their work.

Someone has to set up the bookkeeping system, monitor it, and interpret the results. These processes are called «Accounting». Accounting is the recording, classifying, summarizing and interpreting of financial events and transactions to provide management and other interested parties the information they need to make better decisions. The accounting process is much less mechanical and more subjective. It begins with designing a system that will benefit the business, by capturing the financial information in a useful manner without being overly burdensome to the bookkeeper. Once set up, the accountant monitors the systems to ensure it's doing what it's supposed to do. And finally, on a monthly basis usually, the accountant presents the financial statements to the business management in such a way that decisions can be made.

Since accounting requires an understanding of the bookkeeping process, accountants typically supervise the bookkeepers. In a large corporation there may be several, possibly even thousands of accountants. One will be designated as the «Controller» who oversees the entire accounting and bookkeeping system. In a small business, one person, often a freelancer (a contract accountant or full charge bookkeeper) will perform all the phases of accounting and bookkeeping for a company. Since «Accountant» is the more prestigious title, most small business jack-of-all trades call themselves an «Accountant». It merits some note that a few states actually regulate the use of the title «Accountant». In these states, the «Accountant» title is reserved for CPA's only. This does not necessarily coincide with the definition of an accountant since most CPA's don't perform the role of an «Accountant» as described above and many people that perform the accountant's roles are not CPA's. Nevertheless the laws define it as such [4].

Vocabulary Notes:

cash account – рахунок, який враховує розрахунки готівкою

liabilities account – рахунок зобов'язань

ledger – бухгалтерська книга, журнал

double-entry bookkeeping – двійний запис в книзі

cash credit – кредит готівкою

stock account – рахунок цінних паперів

to reduce – зменшувати, знизити, скоротити

expense – витрати

slip – бланк, реєстраційна картка

sales slip – касовий чек

deposit slip – депозитна квитанція

piles – гроші, кіпа

to pile up – накопичувати

cash pile – купа грошей

jack of all trade – на всі руки майстер

to merit – бути вартим уваги, заслуговувати

freelancer – нештатний

hand – контроль, влада

to hang on hand – не мати збуту

regimented – організований

to regiment – розподіляти по групах, організовувати

I. Questions to the text

1. What is bookkeeping?
2. What qualities does a good bookkeeper need?
2. Would you like to work as a bookkeeper?
3. If not, which type of accounting do you think is the most interesting and why?
4. Who did recommend you to be a bookkeeper?
5. Is a ledger a book of original entry?
6. Is a chart of accounts a list of all the accounts in a company's general ledger?
7. What should be higher than the total amount of debit balances?
8. Are Balance sheet accounts closed at the end of the accounting year?
9. How do Revenue and expense accounts begin the financial year?
10. What is Accounting journal?

II. Match each term in Column A with its definition in Column B:

Column A

1. account
2. accounting period
3. credit
4. debit

Column B

- a) A length of time for which financial statements are made, usually a year.
- b) An amount of money paid out, entered on the left side of an account.
- c) A statement of transactions (money paid, received or owed).
- d) An amount of money received, entered on the

- | | |
|-----------------|---|
| 5. ledgers | right side of an account.
e) Books of accounts. |
| 6. revenue | f) Business deals (sale or purchases). |
| 7. suppliers | g) Businesses that sell materials or goods to other companies. |
| 8. transactions | h) Money received by a business for goods sold and services provided. |

II. Communicative situations:

1. You have an exam. Your question is «Can we increase consumption in given year without cutting back on either investment or government services?» Give your reasons.
2. You are at the conference. The theme of your report is: «If the price index increases from 50\$ to 160\$ in a single year, are the individuals living within the economy worse off or better off?».
3. Have you visited any accounting firm and watched an accountant at work? Can you picture how accounting will grow in importance if accountants work more closely with top management and the finance department?
4. Discuss with your partners Bookkeeping and Accounting as information system, identify business goals and activities, and describe the role of accounting in making informed decisions.
5. Discuss the ethical choices in the situations below. In each instance, determine the alternative courses of action and tell what you would do.
 - You are the payroll accountant for a small business. A friend asks you how much another employee is paid per month.
 - You are an accountant in the purchasing department of a construction company. When you arrive home from work on the New Year eve, you find a present marked «Happy New year. It's a pleasure to work with you». The gift is from a supplier who has bid on a contract your employer plans to award next week.
 - A company uses false advertising, cheats customers.

- You are an accountant and the employer makes you to mislead investors by presenting false financial statements.

TOPIC 13

*«A bank is a place that will lend you money
if you can prove that you don't need it».*

Bob Hope

BANKING

It dates to March 1991 the Ukrainian Parliament passed the law *On Bank and Banking Activities*, determining this system as two-level, composed of the National Bank and commercial banks.

Starting from almost nil, when even Ukraine's Central Bank was little more than a transit for funds coming from Moscow, a new Ukrainian banking system has managed to materialize in just a few short years. It has been steadily developing and growing since 1989, and by November 1994, 227 banks were registered in Ukraine. These Financial institutions range from credit unions to full-scale banks offering up to 30 different type services.

The activity of these banks – most of them commercial – is overseen by the country's central bank, the National Bank of Ukraine (NBU). Although the NB is under jurisdiction of the country's legislature.

Two of Ukraine's largest banks are still state-owned: Ukreximbank – the State Export – Import Bank of Ukraine, and Ukroshchadbank – the Ukrainian savings Bank. Ukreximbank specialises in international trade, providing wide scale services to over 11,000 clients. Currently, Ukreximbank controls an estimated 80% of all export-import operations of Ukrainian State – owned enterprises. It has correspondence accounts in 12 of the largest banks in Europe, North America and Asia.

Ukroshchadbank holds all the saving accounts for Ukraine's 52 mln citizens in branches that stretch across the country. It has also opened privatisation accounts for Ukrainians to take part in the privatisation drive. Plans are already underway by the NB to turn Ukroshchadbank into a joint-stock company, which is expected to improve and widen its daily operations. When this happens Ukroshchadbank will

join 3 other former state banks that have already turned into joint-stock companies: Prominvestbank Bank, Ukraina and Ukrspotsbank. The state still finances many of its programmes through those banks.

Although these former state banks hold 88% of the country's financial market a new wave of young commercial banks is quickly edging its way into their territory. Most of these are banks formed by small state enterprises with the help of private capital. These banks are serving the new and growing private sector, particularly trade and export-import companies. Even state businesses are slowly starting to turn to these enterprising young banks to take advantage of their competitive services.

There are yet other banks in Ukraine that were established by ministries and large state enterprises. These include banks such as Gazbank, Energobank, Naftabank and others, which serve specific sectors of the economy. Ukraine also boasts 2 banks with foreign investments: Credit Lyonnais Ukraine and First Ukrainian International Bank.

Regardless of the NB's tight fiscal policy – aimed to combat inflation – Ukrainian banks are still working at increasing their resources and capital shares, and technically improving their banking operations. In so doing they hope to promote Ukraine's economic development, bring its banks to world standards, and enter the world banking system.

More than 10 of the country's largest banks are already connected to the SWIFT international settlement system. As well, a number of banks, in the effort to meet growing customer's demands have established correspondence accounts with foreign banks, and started working with credit card and traveller's cheques. The Interbank electronic payment system was launched.

These new commercial banks have already gained experience from working in the Ukrainian and foreign financial markets. The Ukrainian Association of Banks – the largest banking association in the country – views banks, both small and large, as paying a vital supporting role in the country's transitions to a market economy [3].

Vocabulary Notes:

1. Compete

to compete in smth – конкурувати в чомусь

competition – конкуренція

competitive pressure – конкурентний тиск

competitive advantage – конкурентна перевага

competitor – конкурент *syn.* **rival**

to be competitive – бути конкурентоспроможним

2. Market

market segmentation – сегментація ринку

market niching – пошуки найбільш сприятливого положення на ринку
(для певної фірми)

3. Management

effective management – ефективне керівництво будь-чим

top (senior) management – найвище керівництво *syn.* **heads of departments** – начальники відділів

management (managerial) personnel – адміністративно-управлінський персонал

managerial staff – старший керуючий персонал *ant.* **staff** – службовий персонал, рядові службовці

to manage – керувати *syn.* **to run a bank**

4. Executive

chief executive – президент (компанії, банку), директор

top executive – керівники вищого рангу

senior executive – старший адміністратор, керівник вищого рангу *syn.*

officer – посадове лице

5. Organization

bank organization – організаційна структура банку

functional (line) organization – функціональна (лінійна) структура банку

staff organization – організаційна схема підпорядкованості

organization chart – схема організаційної структури

6. Line

line of activity – род, сфера діяльності

product line – предметно-виробнича спеціалізація

line and staff – лінійний і (функціональний) штатний (про керуючий персонал)

line (operational personnel) – персонал із підрозділу, оперативні працівники *ant.* **managerial personnel**

line division – оперативний підрозділ *syn.* **operative (operating) division**

7. Division

bank division – керівництво банку

bank department – відділ банку

line division – лінійне (оперативне) керівництво

to head a division (department) – очолювати керівництво (відділ)

8. Function

functions (pl.) – посадові обов'язки, функції

routine functions – повсякденні обов'язки

staff functions – функції центрального апарату;

marketing functions – діяльність по забезпеченню збуту (продукції)

function (sing.) – функція, призначення

deposit function – банківська функція по прийманню депозитів

loan function – функція по видачі займів

to perform a function – здійснювати функцію

9. Operate

to operate (intr.) – діяти, виконувати операції

bank operation – банківська операція *syn.* **transaction**

banking facilities – банківські операції, банківські послуги

to monitor operations – здійснювати контроль за операціями *syn.* **to control (supervise) operational activity**

operating (operative) divisions (departments) – оперативні керівництва, відділи *syn.* **line divisions**

to realize (conduct) an operation – здійснювати операцію

10. Responsible

to be responsible for smth – відповідати за когось

to accept responsibility for – взяти на себе відповідальність

11. Report

to report to smb – звітувати перед кимось, підпорядковуватись комусь

12. Board

board of directors – рада директорів, правління

to be on the board – бути членом правління

13. Branch

branch bank – відділ банку

branch office – відділ (компанії), філіал *ant.* **head office** – головна контора

branch banking – система банків, яка має філіали

branch network – мережа філіалів (відділів)

nation-wide network of branch offices – мережа відділів банку по всій країні

14. Correspondent

correspondent banking – система кореспондентських відношень *syn.* **correspondent relationship**

15. Capital

to raise capital (funds) – мобілізувати капітал, кошти

16. Banking

retail banking – операції банків з широкою клієнтурою

wholesale banking – операції банків з великими промисловими підприємствами

banking business – банківська справа, банківські операції

banking services – банківські послуги *syn.* **bank services**

banking facilities – банківські послуги (операції)

deposit banking – депозитні операції банків

banking institution – установи банківського типу *syn.* **financial institution** – кредитно-фінансовий заклад

depository (thrift, savings) institution – депозитний заклад

lending institution – кредитний заклад *ant.* **institutional investor** – інституціональний інвестор, небанківський кредитний заклад

17. Service

full service – повний комплекс обслуговування *syn.* **large service menu** – широкий вибір послуг *syn.* **mix of services** – асортимент (номенклатура) послуг

service fee – винагорода за послуги

large (small) scale services – послуги, які банки надають великим фірмам (невеликим фірмам та населенню)

personal services – послуги приватним особам

commercial services – послуги фірмам

trust services – трастові послуги, довірливі послуги

cash management services – послуги за контролем та регулюванням грошових операцій (в банку, фірмі)

investment services – послуги з керівництва інвестиціями

agency services – посередницькі (агентські) послуги

insurance services – страхові послуги

real estate services – послуги з керівництва нерухомістю за дорученням

18. Indent(ure)

under indenture – по контракту

19. Covenant – договір, окрема стаття договору

to agree to a covenant – прийти до угоди з усіх зобов'язань, які впливають з договору

to adhere to a covenant – притримуватись домовленостей

20. Trust

trust agreement – договір про заснування трасту (зазвичай письмовий)

trust indenture – контракт між власником акцій та компанією, що їх випускає

trust deed – доручення на управління власністю

trust operations – довірливі послуги (операції), трастові послуги (операції)

trust division (department) – трастове керівництво, траст-відділ

trustor – особа, що заснувала траст; довіритель

trustee – довірена особа, опікун; установа, яка орудує майном на користь іншої особи

trustee under indenture – довірена особа з облігаційного займу

to act as a trustee – діяти в якості довіреної особи

to appoint (to designate) a trustee – призначити довірену особу

21. Estate *syn.* assets – майно, активи

trust estate – майно, кероване за дорученням

estate statement – встановлення довірливої власності на майно, розпорядження всім майном клієнта

22. Realty

realty company – компанія, яка займається операціями з нерухомим майном *syn.* **real estate company**

real estate – нерухоме майно

real estate brokerage – брокерські операції з нерухомості

23. Administer

to administer an estate – розпоряджатися (керувати) майном *syn.* **to manage an estate**

trust administration – розпорядження (керування) власністю на довірливій основі

24. Fiduciary (n); (attr.)

fiduciary relationship – майнові відношення довірливого характеру

to act as a fiduciary – діяти в якості довіреної особи (трансагента)

25. Mortgage

mortgage loan – позика під нерухомість *syn.* **real estate loan**

real estate mortgage – заставна під нерухомість

to borrow on mortgage – отримувати позику під заставу нерухомого майна

to redeem a mortgage – викупати заставну

to mortgage property – закладати майно

26. Letter of credit

to issue a letter of credit – відкривати аккредитив *syn.* **to open a letter of credit**

terms of a letter of credit – умови акредитива

27. Pay off

to pay off smb – розраховуватися з кимось

pay off bonds – погасити облігації *syn.* **to retire a bond at maturity** – погасити облігацію з настанням строку

II. Questions to the text

1. What do banks provide?
2. How do banks make their money?
3. How do banks make their profits?
4. What factors determine the profitability of a bank?
5. Who owns the commercial banks?
6. How does a bank start?
7. What are the bank's main activities?
8. How are the profits distributed?
9. How are the shareholders kept informed?
10. How was a new Ukrainian banking system developing?

II. Match each term in Column A with its definition in Column B:

Column A

Column B

- | | |
|--------------------------------|---|
| 1. market economy | a) company whose shares are held by many people |
| 2. company capital | b) system where the government does not interfere in business activity in any way |
| 3. joint-stock company | c) money, property and assets used in a business |
| 4. limited company | d) company where a shareholder is responsible for repaying the company's debts only to the face value of the shares he owns |
| 5. financially secure | f) operations with money, paid by a company in salaries (by means of bank transfer) |
| 6. payroll transfer operations | g) company (or a customer) which is profitable and has strong assets |
| 7. allocation of credit | h) holding and controlling of property for someone else |
| 8. investment activity | i) a dividing a sum of money in various ways; giving money to people who have applied for it |
| 9. trust operations | j) placing of money so that it'll increase in value and produce an income |
| 10. factoring operations | k) business of buying debts at a discount |
| 11. deposit operations | l) operations with money placed in a bank |

III. Communicative situations:

1. You have an exam. Your question is « How do British banks differ from banks in Ukraine in the way they make their profits?» Give your reasons.
2. Make a report in your class:
 - «Banks and Business» - «Risks involved in banking»
 - «Commercial banks offer very many services to their customers».
3. Speak with your group friends about different problems which the banks face.
4. Give your viewpoint on the role which banks play in increasing the total money supply of the country and the necessity to control the creation of credit by the banking system.

TOPIC 14

«No nation was ever ruined by trade.»

Benjamin Franklin

INTERNATIONAL TRADE

International trade is when companies from one country sell their products or services in other countries. For example, the UK produces cars, machinery, oil and chemicals, which it exports to overseas markets. Other British exports include services like banking and travel. These earn foreign currency for the UK. Imports to the UK include cars, food, and electrical goods.

International trade enables countries to obtain some goods and services more cheaply than they could produce them for themselves or to consume goods and services which would otherwise be unobtainable from domestic supply sources.

Through International trade countries can improve their living standards. International trade keeps domestic price down by creating competition at home and provides large markets abroad.

Governments can control international trade. The most common measures are tariffs, quotas, exchange controls. They raise the price of imported goods to protect procedures.

The international trade that takes place without barriers such as tariffs, quotes and exchange controls is called free trade. Free trade area is a form of trade integration between a number of countries, in which members eliminate all trade barriers among themselves on goods and services, but each continues to operate its own barriers against trade with the rest of the world.

Changes in the exchange rate can make a company more or less competitive. The exchange rate is the amount of one currency needed to buy another currency. For example, in 2002, one British pound bought about 200 Japanese yen, so the exchange rate was 1:200. If the exchange rate falls, exports become cheaper, so

companies become more competitive. If the exchange rate rises, exports become more expensive, so companies become less competitive [8].

Vocabulary Notes:

export – експорт

exchange rate – обмін валюти

foreign currency – іноземна валюта

international trade – міжнародна торгівля

consume – споживати

unobtainable – недосяжний, недоступний

living standard – життєвий рівень

domestic – вітчизняний, внутрішній

tariff – тариф

quota – квота

exchange control – валютне регулювання

protect procedures – захищати заходи

free trade – вільна торгівля

national producer – національний виробник

barrier – бар'єр

free trade – вільна торгівля

overseas market – закордонні ринки

I. Answer the questions:

1. What is the *international trade*?
2. Why do countries engage in international trade?
3. Does international trade influence on domestic prices?
4. Does the government control international trade?

5. What are the most common protectionist measures?
6. What reasons are generally given for imposing trade barrier?
7. What is the free trade?
8. What is the *living standard*?
9. What is the *tariff*?
10. What is the *quota*?

II. Match each term in Column A with its definition in Column B:

Column A

Column B

- | | |
|---------------------|---|
| 1. living standard | a) the level of material comfort and wealth that a person or a community has |
| 2. quota | b) an amount that must be paid when particular goods are imported into a country, or sometimes when they are exported |
| 3. barrier | c) a limit on the amount of a particular good that may be imported into country during a given a period of time |
| 4. tariff | d) a set of restrictions imposed by a government on buying and selling foreign currencies |
| 5. exchange control | e) trade between countries with few government restrictions |
| 6. free trade | f) a system of import controls set up by a government to protect the country from foreign competition |
| 7. domestic | g) inside a particular country |

III. Communicative situations:

1. Choose a product that you would like to sell online. Prepare an advertisement to post on an auction website.
2. Give the reasons why nations trade with one another.

3. Discuss the ways a country can hold an absolute advantage in international trade or can get a comparative advantage in the trade with other countries.

TOPIC 15

«It is because every individual knows little and, in particular, because we rarely know which of us knows best that we trust the independent and competitive efforts of many to induce the emergence of what we shall want when we see it.»

Friedrich Hayek

ECONOMIC STABILITY

Ever since the days of the Great Depression, the federal government has sought to stabilize the economy.

To achieve these goals the government relies upon two sets of tools or strategies: fiscal policy and monetary policy.

Fiscal Policy. Fiscal policy is applied by changing the level of tax receipts relative to federal spending. It is the responsibility of the President and Congress because they control taxing and spending. When taxes are reduced, individuals and business firms will have more money available to spend for the things they want. As business and consumer spending begins to increase, the economy will enter the expansion phase. If taxes are increased consumers and business would have less to spend. This would create a contraction in the total demand for goods that should reduce inflation.

Fiscal Policy Has Its Critics: Many economists feel that when properly applied, fiscal policies can provide effective tools with which to fight recession and inflation. Others, however, believe fiscal policy solutions have several serious drawbacks. When government reduces taxes to fight a recession, it often creates a budget deficit. That is its revenues will be less than its expenditures, and the government's debt will increase. When taxes are reduced, the government can still spend because it can borrow or print money. If the government chooses to borrow from the public to offset a tax reduction, the money it borrows cannot be spent by the lenders. The federal government can also finance its debts by printing money

Unfortunately, such increases in the money supply tend to fuel inflation by pushing up prices. For that reason a number of economists are opposed to this strategy. Fiscal policies must be timed so that they are applied at the right moment.

Monetary Policy. Monetary policy refers to regulating the supply of money as a way of stabilizing the economy. Monetary policy is the responsibility of the Federal Reserve System. There is a direct relationship between the amount of money in circulation and the level of business activity. When the money supply is increased, consumer spending and business spending tend to increase with it. It follows that in time of contraction and recession, an increase in the money supply will help to bring about economic recovery. When the opposite situation prevails and the booming economy is pushing up prices in an inflationary spiral, a reduction in the money supply will serve to reduce demand and lower prices [1].

Vocabulary Notes:

circumstance – обставина

to have serious drawbacks – мати серйозні недоліки

revenue – прибуток

fiscal policy – фінансова політика

monetary policy – грошова політика

tax receipts – грошові надходження від оподаткування

budget deficit – дефіцит бюджету

money supply – грошові надходження

I. Answer the questions:

1. What strategies does government rely upon to promote maximum employment, production and purchasing?
2. Has Ever since the days of the Great Depression, the federal government sought to stabilize the economy?
3. Is it responsibility of the President because he controls taxing and spending.
4. What is fiscal policy?

5. How is fiscal policy applied?
6. In what ways could the recession be reserved?
7. What will happen when business and consumer spending begins to increase?
8. Can fiscal tools be used to slow the economy?
9. What serious drawbacks have fiscal policy solutions?
10. What is monetary policy?

II. Match each term in Column A with its definition in Column B:

Column A	Column B
1. revenue	a) what you can use to buy and sell things and earn through your work, investments, sales, etc
2. supply	b) money that a business, bank or government receive
3. money	c) the way in which a government charges taxes or spends money in order to manage the economy
4. deficit	d) connected with money or currencies
5. budget	e) the money that is received by a business usually from selling goods or services
6. receipt	f) a plan for a particular period of time of the income and spending of a company, an organization or part of a company, etc
7. tax	g) the act of providing sth or making it available to be used
8. monetary	h) the amount by which money that a government or business spends or owes is greater than money received in a particular period of time
9. fiscal policy	i) plan of action agreed or chosen by a business, an organization or a political party
10. policy	j) money that you have to pay to the government so that it can pay for public services

III. Communicative situations:

1. Although economists know a great deal about how to stabilize the economy, our system still goes through periods of expansion and contraction. Describe some of the problems facing decision makers who are trying to use fiscal and monetary policies to keep the economy growing steadily.
2. You have an exam. Your question is «How do British banks differ from banks in Ukraine in the way they make their profits?» Give your reasons.
3. Make a report in your class: «As the economy moves from *recession* to *expansion*, what is likely to happen to wages, investment, employment, profits?»

ОЦІНЮВАННЯ НАВЧАЛЬНИХ ДОСЯГНЕНЬ СТУДЕНТА

Оцінювання навчальних досягнень студентів з опанування змісту навчальної дисципліни «Англійська мова (за професійним спрямуванням)» здійснюється за шкалою ECTS:

За шкалою ECTS	За національною шкалою	За шкалою навчального закладу
A	відмінно	90-100
B	дуже добре	82-89
C	добре	74-81
D	задовільно	64-73
E	достатньо	60-63
FX	незадовільно з можливістю повторного складання	35-59
F	незадовільно з обов'язковим повторним курсом	1-34

Для визначення загальної кількості балів, отриманих студентом з навчальної дисципліни «Англійська мова (за професійним спрямуванням)» за семестр, складаються разом бали за такі елементи оцінювання:

- 1) кількість балів, отриманих студентом за *аудиторну роботу* за перший (від 0 до 15 балів) і за другий модуль (від 0 до 15 балів);
- 2) кількість балів за *самостійну роботу* за перший (від 0 до 10 балів) і за другий модуль (від 0 до 10 балів);
- 3) кількість балів за *модульну контрольну роботу* (від 0 до 10 балів) за перший і за другий модуль (від 0 до 10 балів);
- 4) кількість балів, отриманих студентом за виконання *навчально-дослідного завдання* за перший (від 0 до 5 балів) і за другий модуль (від 0 до 5 балів);
- 5) кількість балів, отриманих студентом за *залік* чи за *іспит* (від 0 до 20 балів).

КРИТЕРІЇ ОЦІНЮВАННЯ АУДИТОРНОЇ РОБОТИ СТУДЕНТА

Контроль та оцінювання рівня сформованості всіх видів комунікативної компетенції студентів здійснюється на практичних заняттях під час виконання студентами завдань, спрямованих на опанування ними навчального матеріалу. При оцінюванні рівня сформованості комунікативної компетенції студентів викладачі дотримуються таких методичних положень і критеріїв, розроблених у Curriculum for Universities (Програма з англійської мови для професійного спілкування / Г. Є. Бакаєва, О. А. Борисенко, І. І. Зуєнок [та ін.]. – К. : Ленвіт, 2005. – 120 с. – Текст укр. і англ. мовами) на основі загальноєвропейських рекомендацій з мовної освіти (Загальноєвропейські Рекомендації з мовної освіти : вивчення, викладання, оцінювання / Рада з питань співпраці в галузі культури ; Ком. з освіти ; Від. сучас. мов. – Страсбург. / наук. ред. С. Ю. Ніколаєва ; пер. О. М. Шерстюк. – К. : Ленвіт, 2003. – 261 с.):

Критерії оцінювання рецептивних умінь (читання та аудіювання).

- розуміння студентом ідеї тексту, його сутності, деталей і структури тексту;
- здатність визначати головні думки, конкретну інформацію;
- уміння робити припущення про ідеї і ставлення;
- розуміння особливостей дискурсу.

Критерії оцінювання продуктивних умінь (говоріння та переклад).

- оцінюється мовлення (логічна послідовність, обсяг, якість, чіткість передачі інформації) студентів відповідно до критеріїв, розроблених для їхнього РВМ;
- здатність студента брати активну участь у бесіді, обмін репліками та підтримання інтеракції оцінюються відповідно до РВМ студента;
- здатність студента продукувати розбірливі висловлювання, дотримання наголосу, ритму, інтонації оцінюється відповідно до РВМ студента;
- точність і доречність використання мовних засобів;
- лексичний і граматичний діапазон відповідно до дескрипторів рівня;
- стиль (напр., уникнення повторення лексичних одиниць);
- чітка структура, належна розбивка текстової інформації на абзаци;

- зв'язний текст із належними з'єднуючими фразами, що допомагають читачеві орієнтуватися в тексті.

Аудиторна робота студента оцінюється за шкалою від 0 до 15 балів за кожний модуль. Студентам, які виконали всі завдання аудиторної роботи у відповідності з програмою у повному обсязі ставиться **за кожний модуль:**

«15 балів» – студенту, робота якого на практичних заняттях відповідала оцінці «відмінно» і який виконав усі завдання на високому рівні (допустимими є незначні помилки, що складають не більше, ніж 5 % завдань);

«13 – 14 балів» – студенту, робота якого на практичних заняттях відповідала оцінці «дуже добре» і який виконав усі завдання, зробив помилки не більше, ніж у 10 % завдань, проте здатний виправити помилки після того, як викладач привернув до них його увагу;

«10 – 12 балів» – студенту, робота якого на практичних заняттях відповідала оцінці «добре» і який виконав усі завдання, зробив помилки не більше, ніж у 20 % завдань, проте здатний виправити помилки після того, як викладач привернув до них його увагу;

«7 – 9 балів» – студенту, робота якого на практичних заняттях відповідала оцінці «задовільно» і який виконав усі завдання, зробив помилки не більше, ніж у 30 % завдань, проте не здатний виправити помилки після того, як викладач привернув до них його увагу;

«4 – 6 балів» – студенту, робота якого на практичних заняттях відповідала оцінці «достатньо» і якщо студент виконав усі завдання і зробив помилки не більше, ніж у 40 % завдань;

«0 – 3 бали» – у разі, якщо студент не виконав усіх завдань або ж зробив помилки більше, ніж у 40 % завдань і не здатний виправити свої помилки (робота такого студента відповідає оцінці «незадовільно»).

МЕТОДИЧНІ РЕКОМЕНДАЦІЇ ЩОДО САМОСТІЙНОГО ОПРАЦЮВАННЯ СТУДЕНТАМИ НАВЧАЛЬНОГО МАТЕРІАЛУ

Самостійна робота студентів, зміст якої визначено навчальною програмою, робочою навчальною програмою, передбачає самостійне опрацювання студентами відповідного матеріалу за темами: *What is Economics, Economic Systems, Economy of Ukraine, Economy of Great Britain, Economy of the United States of America, Economic Organizations, Marketing, Markets, Income, Money, Inflation, Accounting and Bookkeeping, Banking, International Trade, Economic Stability.*

Завдання, підбрані для самостійної роботи мають на меті допомогти студентам в самостійній роботі над придбанням практичних навичок перекладу літератури за спеціальністю; розвивати уміння та навички усного мовлення з розглядуваної теми; виробити навички письмового перекладу текстів за спеціальністю:

Завдання 1 *Questions to the Topic* вимагає від студентів концентрації уваги на адекватності використання лексичних і граматичних засобів, логічності і чіткості відповіді. Формування діалогічних мовленнєвих навичок відбувається в умовно-заданих мовленнєвих ситуаціях. Поряд із запитально-відповідними завданнями, які вимагають розширеної відповіді або висловлювання своєї думки, пропонуються запитання проблемного характеру, інтелектуально насичені, що розвивають вміння творчо міркувати. Від студента вимагається не тільки знання того чи іншого запитання, але й уміння додати у відповідь свій особистий досвід і спостереження. Завдання можна виконувати як усно, так і письмово.

Завдання 2 *Complete the following sentences according to the Topic* та завдання 3 *Find equivalents* направлені, насамперед, на засвоєння спеціальної лексики і сприяють накопиченню та актуалізації певного обсягу економічних термінів.

Завдання 4 *Read the text and retell it* передбачає розвиток навичок іншомовного читання, що полягає в умінні читати й розуміти текст без його

перекладу рідною мовою. Саме читання відіграє найважливішу роль у професійно спрямованому володінні іноземною мовою. По-перше, читання – це такий вид діяльності, у якому можна практикуватися самостійно. По-друге, студент може самостійно вибирати посильний для нього темп роботи.

Систематична самостійна робота над професійно спрямованою літературою є базою вироблення таких навичок, які звужують відстань між перекладом і розумінням тексту без його перекладу, і загалом зводять нанівець необхідність перекладу.

Крім того, самостійна робота з літературою економічного спрямування привчає студента до самостійної роботи з такою літературою; розвиває й удосконалює мовленнєві навички; розширює професійно спрямований словниковий запас; виявляє і розвиває індивідуальні творчі здібності студента; прищеплює студенту звичку користуватися іншомовною літературою у навчальних та професійних цілях; розширює кругозір студента у сфері економіки.

Тексти для читання, підібрані з автентичних джерел, є уривками з наукової і науково-популярної літератури і можуть використовуватись для навчання різним видам читання.

На завершальній стадії з вивчення кожної теми студент має відтворити одержану інформацію в усній або письмовій формі, користуючись планом або ключовими словами, що передбачає завдання 5 *Speak on the Topic using the following words and word-combinations*.

Виконання самостійної передбачає комплекс завдань різних типів відповідних рівнів складності. Запропоновані завдання із кожної теми для самостійної роботи студентів відповідають таким вимогам: професійна результативність (формулювання завдання, яке має гарантувати формування хоча б одного професійного вміння в термінах та поняттях майбутньої спеціальності), продуктивність, конструктивність, когнітивність (перевага розумових дій над психомоторикою в процесі вирішення завдання).

TOPIC 1

I. Questions to the Topic 1:

- 1) What does the term *need* mean?
- 2) What are basic people's needs?
- 3) What is a means of expressing a need?
- 4) Is the difference between *a want* and *a need* always clear?
- 5) What is *demand*?
- 6) What does the term *value* mean in economics?
- 7) Diamonds are so scarce that they have great value, aren't they?
- 8) What has to be a thing in order to have value?
- 9) What does the term *wealth* mean in economics?
- 10) Are services counted as wealth?

II. Complete the following sentences according to the Topic 1:

1. Economics was defined 2. It answers such questions as 3. Economics is also concerned with 4. It does not stop with the description of economic activity because 5. Economics is a social science like 6. Economics is the study of 7. The point is that the range of things represented by the term «want» is much broader than those represented by the term «need». 8. In economics the term value means 9. Someone may say that 10. Early economists observed that 11. Later economists decided that 12. If something is to have value 13. Utility is not something that 14. Wealth is the sum of those economic products that are 15. A country's total worth, then is

III. Find equivalents:

- | | |
|------------------------|-----------------------|
| 1. for the first time | a. необмежені потреби |
| 2. production | b. розподіл |
| 3. distribution | c. споживання |
| 4. exchange | d. виробництво |
| 5. consumption | e. уперше |
| 6. to determine price | f. недостатні ресурси |
| 7. international trade | g. вирішувати самому |

- | | |
|-------------------------------|------------------------|
| 8. unemployment | h. обмін |
| 9. scarce resources | i. безробіття |
| 10. unlimited wants | j. обмежені ресурси |
| 11. to make up one's own mind | a. визначати ціну |
| 12. limited resources | k. міжнародна торгівля |
| 13. to gain a living | l. податки |
| 14. taxes | m. заробляти на життя |

IV. Read the text and retell it:

FOUR KEY ECONOMIC PROBLEMS

Most problems studied by economists can be grouped under four main headings.

1. What Is Produced and How? The allocation of scarce resources among alternative uses, called resource allocation, determines the quantities of various goods that are produced. Choosing to produce a particular combination of goods means choosing a particular allocation of resources among the industries or regions producing the goods. This is because to produce more of a good, additional resources must be added to its production. Further, because resources are scarce, it is desirable that they be used efficiently. Hence it matters which of the available methods of production is used to produce each of the goods.

2. What Is Consumed and by Whom? What is the relationship between an economy's production of products and the consumption enjoyed by its citizens? Economists seek to understand what determines the distribution of a nation's total output among its people. Who gets a lot, who gets a little, and why? What role does international trade play in this? Questions 1 and 2 fall within microeconomics, the study of the allocation of resources and the distribution of income as they are affected by the working of the price system and government policies that seek to influence it.

3. How Much Unemployment and Inflation Exist? When an economy is in a recession, unemployed workers would like to have jobs, the offices and factories in which they could work are available, the managers and owners would like to be

able to operate their offices and factories, raw materials are available in abundance, and the goods that could be produced by these resources are wanted by individuals in the community, but for some reason resources remain unemployed. This means that the economy is operating within its production possibility boundary. The world's economies have often experienced bouts of prolonged and substantial changes in price levels.

4. Is Productive Capacity Growing?

The capacity to produce goods and services to satisfy human wants grows rapidly in some countries, expands slowly in others, and actually declines in still others. Growth in productive capacity can be represented by an outward shift of the production possibility boundary. If an economy's capacity to produce goods and services is growing, combinations that are unattainable today will become attainable tomorrow. Growth makes it possible to have more of all goods.

V. Speak on the Topic 1 using the following words and word-combinations:

the term *value*; valuable coin; diamond-water paradox; to be essential to life; the paradox of value; monetary value; higher value; the reason was due to; scarcity; on the other hand; to have great value; in order to; utility; a great deal of; the capacity to be useful to someone; economic concept; wealth; transferable; economic goods; contribution; people's abilities and talents; nation's wealth; in existence at a given time; tangible things; natural resources.

TOPIC 2

I. Questions to the Topic 2:

1. Who determines needs and production quotas for major industries?
2. What is the major advantage of a command system?
3. What disadvantages does the command economy have?
4. What does the command economy require?
5. The command system doesn't have the flexibility to deal with day-to-day problems, does it?

6. Who asks the questions of *What, How* and *for Whom* to produce in a market economy?
7. What is a market in economic term?
8. Who will stay in business in a market economy?
9. What advantages does market economy have? Explain it in details.
10. What does the final advantage of the market economy consist in?

II. Complete the following sentences according to the Topic 2:

1. In a command economy decisions are made 2. It means that
3. Government decides 4. If the planning body wants to strengthen national defence, it can 5. The major advantage of a command system is 6. The major disadvantage of a command system is 7. The second disadvantage of the command economy is 8. The command economy requires 9. The survival of any society depends on 10. Since these societies are also faced with scarcity 11. All societies have an organized way of providing for 12. The way in which these decisions are made 13. There are three major kinds of economic systems: 14. In a society with traditional economy nearly all economic activity is 15. Individuals are not free to make decisions based on

III. Find equivalents:

- | | |
|---------------------------|-----------------------------|
| 1. to make decisions | a. із покоління в покоління |
| 2. to have smth in common | b. традиційна економіка |
| 3. economic system | c. поведінка суспільства |
| 4. traditional economy | d. головні типи |
| 5. command economy | e. головний недолік |
| 6. market economy | f. приймати рішення |
| 7. social behaviour | g. командна економіка |
| 8. major kinds | h. головна перевага |
| 9. for generations | i. ринкова економіка |
| 10. main advantage | j. економічна система |
| 11. main disadvantage | k. мати щось спільне |
| 12. to make tools | l. виробляти знаряддя |

IV. Read the text and retell it:

THE FIRST SOCIO-ECONOMIC FORMATION

The first socio-economic formation was the primitive-communal system, which covered the period of many hundred years. At first people were in a semi-savage state, powerless against nature. They gathered nuts, wild fruit and berries, roots and plants. Man's first instruments were roughly chipped stones and sticks. Later people learnt to make the simplest tools.

The basis of production relations was communal ownership of the primitive labour instruments and production means. People lived together in communes. With the advance of cattle-breeding and agriculture there arose a social division of labour: animal husbandry separated from agriculture.

This led to higher productivity and productive forces growing. Productive forces continued to expand and man began to produce more. It became possible to use workmen obtained through warfare. Captured prisoners became slaves. There followed the first division of society into classes known as slavery. Slave-owners possessed both the means of production and the people engaged in production. The ancient world achieved considerable progress in economy and culture. But time passed, and the necessity to replace the slave-owning relations arose: the new feudal mode of production began to take shape.

V. Speak on the Topic 2 using the following words and word-combinations:

command economy; central authority; to go along with smth; production quotas; major economic choices; major industries; to direct resources; to stress growth of heavy manufacturing; to strengthen national defence; in a relatively short time; to change direction drastically; consumer goods; to determine needs; to meet the wants and needs of individuals; the lack of incentives; regardless of; to shift resources; to operate the system; a large decision-making bureaucracy; production costs; to deal with day-to-day problems.

TOPIC 3

I. Questions to the Topic 3:

1. What characterizes Ukraine's economy today?
2. What reforms have been made in the banking system?
3. What can you say about privatization?
4. What is Ukraine's foreign policy aimed at?
5. What is the most effective way of solving both economic and political problems?
6. What processes are characteristic of Ukraine's economy today?
7. These processes are rather complicated, aren't they?
8. What potential does Ukraine have to develop its economy?
9. What are the main directions of the programme of economic reforms?
10. What problems is much attention given to?

II. Complete the following sentences according to the Topic 3:

1. Two interrelated processes are characteristic of Ukraine's economy today, namely 2. Present-day independent Ukraine has 3. Reforms, started in the national economy after the proclamation of independence, are aimed 4. The main directions of the programme of economic reforms are as follows: 5. These and other problems must be solved 6. In a short period of time the Verkhovna Rada and government of Ukraine have succeeded in 7. Much attention is given to 8. Legislative basis is created 9. Since the attainment of independence Ukraine has been consistently moving the road 10. The primary tasks for the government are 11. Ukraine has currently achieved , ... have been liberalized. 12. Privatization is one of 14. The foreign policy of Ukraine is aimed 15. Creation of the regulatory mechanism for foreign trade is

III. Find the equivalents:

- | | |
|-----------------------------------|----------------------------------|
| 1. nation-wide referendum | a. енергоносії |
| 2. industrial potential | b. економічний розвиток |
| 3. united management | c. програма економічних реформ |
| 4. monetary-credit system | d. внутрішній валовий продукт |
| 5. inherited dependence | e. всенародний референдум |
| 6. machine-building | f. промисловий потенціал |
| 7. gross domestic product | g. вихід із кризи |
| 8. closed productive cycle | h. успадкована залежність |
| 9. traditional economic links | i. спільне управління |
| 10. economic development | j. замкнутий виробничий цикл |
| 11. power carriers | k. грошово-кредитна система |
| 12. way out of the crisis | l. традиційні економічні зв'язки |
| 13. programme of economic reforms | m. відновити стимули |
| 14. to restore stimuli | n. машинобудування |

IV. Read the text and retell it:

ECONOMIC DEVELOPMENT

Economic development is the increase in the standard of living in a nation's population with sustained growth from a simple, low-income economy to a modern, high-income economy. Also, if the local quality of life could be improved, economic development would be enhanced. Its scope includes the process and policies by which a nation improves the economic, political, and social well-being of its people.

The study of economic development by social scientists encompasses theories of the causes of industrial-economic modernization, the phases or waves of economic development historically used by economic developers, plus organizational and related aspects of enterprise development in modern societies. It embraces sociological research on business organization and enterprise development from a historical and comparative perspective; specific processes of the evolution (growth, modernization) of markets and management-employee relations; and culturally related cross-national similarities and differences in

patterns of industrial organization in contemporary Western societies. On the subject of the nature and causes of the considerable variations that exist in levels of industrial-economic growth and performance internationally, it seeks answers to such questions as: Why are levels of direct foreign investment and labour productivity significantly higher in some countries than in others?

Economic development typically involves improvements in a variety of indicators such as literacy rates, life expectancy, and poverty rates. GDP does not take into account other aspects such as leisure time, environmental quality, freedom, or social justice; alternative measures of economic wellbeing have been proposed (more).

A country's economic development is related to its human development, which encompasses, among other things, health and education. These factors are, however, closely related to economic growth so that development and growth often.

V. Give the characteristic of Ukraine's industry using some of the following words and word-combinations:

heavy industry; steel, food and light industries; service industry; mineral deposits; machine-building and coal industries; major industrial base; with bias towards; national industrial output; ferrous metallurgy; to satisfy the consumers' wants; raw material; to yield; the world process of economic, technological and scientific progress; progressive techniques and approaches; economic reforms; outdated and worn-out production equipment; market economy.

TOPIC 4

I. Questions to the Topic 4:

1. What agricultural products is Great Britain self-sufficient in?
2. What products does the country import?
3. How many farms are there in Great Britain?
4. What is the tendency in agricultural development of the country?
5. Why the British agriculture is efficient?

6. What was the process of restoration of British economy caused by?
7. What facts can prove that the average level of life in the country rose?
8. What do you know about the rates of unemployment and inflation in the country?
9. Does the United Kingdom play the role of the world financial leader?
10. What has been a key part of British economy for centuries? Why?

II. Complete the following sentences according to the Topic 4:

1. Services account for 2. This sector includes 3. Banking, finance, insurance, business services and leasing account for 4. London has the world's largest insurance market, and its banks are responsible for 5. Commercial banks provide 6. Britain's banking system comprises 7. Since 1973 Britain has been 8. Britain's main exports are 9. The share of industry in GNP is 10. The main sectors of British economy are 11. The rise of Great Britain as an industrial nation was partly due to 12. The new industries are 13. Services play an important role in British economy and make up 14. Commercial banks provide 15. Britain has an open economy, in which

III. Find the equivalents:

- | | |
|--------------------------|---------------------------------------|
| 1. coal-mining | a. змішана економіка |
| 2. GNP | b. авіаракетна промисловість |
| 3. hand in hand | c. приватне підприємство |
| 4. industrial nation | d. енергетична промисловість |
| 5. private enterprise | e. суднобудування |
| 6. power industry | f. промислова держава |
| 7. public transport | g. пліч-о-пліч |
| 8. workforce | h. чорна металургія |
| 9. shipbuilding | i. громадський транспорт |
| 10. mixed economy | j. ВВП (валовий національний продукт) |
| 11. cotton industry | к. робоча сила |
| 12. aeromissile industry | l. бавовництво |

IV. Read the text and see what happened when a famous British company was faced with the dilemma. Retell it:

Transco, a UK pipeline company, which was originally part of British Gas opted for the Safety Charity Challenge when many other attempts to introduce a safety culture had failed the company.

It dramatically reduced accidents (33 per cent in 18 months) saving 2,521 workdays! It also led to huge cost savings and generated a lot of good publicity, which had a positive effect on workforce morale. Efficiency also improved greatly.

The challenge was also very beneficial for the charity Mencap, which deals with people with learning disabilities.

The Institute for Business Ethics says, 'If a way can be found to improve both the productivity of the company and the well-being of the community, then necessity will become a virtue'.

V. Give the characteristic of British Economy using the following words and word-combinations:

highly-developed naval and industrial power; mixed private- and public-enterprise economy; coal-mining and electric power industries; ship-building; ferrous metallurgy; private enterprise; public transport; civil aviation; national bank; manufacturing; services; agriculture; vital role; to account for; workforce; GNP; due to; considerable mineral resources; new industries; electro technical, automobile, aero missile industries; hand-in-hand; science and technology; to meet present technical demands.

TOPIC 5

I. Questions to the Topic 5:

1. What does the structural composition of the US industry show?
2. What industries can be found in large cities?
3. Has the American economy always been immensely successful? Why?

4. What do you know about the U.S. productivity and standard of living?
5. What issues have persisted in the American economy since the early days of the republic?
6. Has the government been involved, to some extent, in economic decision-making? What facts prove it?
7. What helped the United States become the world's manufacturing powerhouse?
8. What industries gradually replace some of the old stalwarts of the traditional industrial base?
9. What can you say about the role of trade in the development of the US economy?
10. What are certain fundamental characteristics of the American economy?

II. Complete the following sentences according to the Topic 5:

1. The United States of America is 2. Free enterprise economy means
3. Despite the fact that the United States has a free enterprise system 4. Mixed economy is 5. The United States owes its high level of economic development 6. The territory of the USA is extremely rich in such minerals as
7. The structural composition of the US industry shows 8. Electronic and electric engineering, transport, communication and machine-tool industries can be found
9. Most economic decisions in the country are made in 10. It is an economic system that combines 11. The USA is a country with a highly developed
12. The United States owes 13. Agriculture is one of 14. The United States harvests a lot of 15. Animal husbandry is also

III. Find equivalents:

- | | |
|----------------------------|-------------------------|
| 1. free enterprise economy | a. економічний розвиток |
| 2. to run a business | b. кольорові метали |
| 3. economic system | c. змішана економіка |
| 4. private ownership | d. засоби виробництва |
| 5. means of production | e. товари та послуги |
| 6. public ownership | f. помірний клімат |

7. mixed economy	g. передова технологія
8. agricultural production	h. приймати рішення
9. economic development	i. економічна система
10. non-ferrous metals	g. сільськогосподарське виробництво
11. advanced technology	к. вести діло
12. moderate climate	l. державна власність
13. to make decisions	м. приватна власність
14. goods and services	п. економіка, що ґрунтується на вільному підприємництві

IV. Read the text and retell it:

THE ECONOMIC ENVIRONMENT

The economy comprises millions of people and thousands of firms as well as the government and local authorities, all taking decisions about process and wages, what to buy, sell, produce, export, import and many other matters. All these organizations and the decisions they take play a prominent part in shaping the business environment in which firms exist and operate.

The economy is complicated and difficult to control and predict, but it is certainly important to all businesses. You should be aware that there are times when businesses and individuals have plenty of funds to spend and there are times when they have to cut back on their spending. This can have enormous implications for business as a whole.

When the economy is enjoying a boom, firms experience high sales and general prosperity. At such times, unemployment is low and many firms will be investing funds to enable them to produce more. They do this because consumers have plenty of money to spend and firms expect high sales. It naturally follows that the state of the economy is a major factor in the success of firms.

However, during periods when people have less to spend many firms face hard times as their sales fall. Thus, the economic environment alters as the economy moves into a recession. At that time, total spending declines as income

falls and unemployment rises. Consumers will purchase cheaper items and cut expenditure on luxury items such as televisions and cars.

Changes in the state of the economy affect all types of business, though the extent to which they are affected varies. In the recession of the early 1990s the high street banks suffered badly. Profits declined and, in some cases, losses were incurred. This was because fewer people borrowed money from banks, thus denying the opportunity to earn interest on loans, and a rising proportion of those who did borrow defaulted on repayment.

These so-called «bad debts» cut profit margins substantially. Various forecasters reckoned that the National Westminster Bank's losses in the case of Robert Maxwell's collapsing business empire amounted to over £ 100 million. No individual firm has the ability to control this aspect of its environment. Rather, it is the outcome of the actions of all the groups who make up society as well as being influenced by the actions of foreigners with whom the nation has dealings.

V. Give the characteristic of the US economy using the following words and word-combinations:

free enterprise economy; to own capital and property; to run a business; for making profit; to make decisions; marketplace; goods and services; privately owned companies and firms; economic system; public ownership of the means of production; government's role; mixed economy; private ownership; industrial and agricultural production; high level of economic development; great wealth of minerals; highly developed economy; solid base for modern industry; heavy industry; advanced technology; mining, chemical, machine-building, nuclear power, aeromissile industries; machine-tool industry; metallurgy.

TOPIC 6

I. Questions to the Topic 6:

1. What is a general partnership?
2. What is a limited partnership?
3. What is the difference between a general partnership and a limited partnership?

4. What advantages do partnerships have?
5. What is the major disadvantage of a partnership?
6. What is one of the greatest problems in partnerships?
7. Is nearly 90 per cent of all business done by corporations?
8. What is a corporation?
9. What is necessary to form a corporation?
10. What is the major advantage of the corporate form of ownership?

II. Complete the following sentences according to the Topic 6:

1. One of the major economic institutions is 2. These businesses compete with one another 3. There are three major kinds of business organizations 4. The most common form of business ownership is 5. The main advantage of a sole proprietorship is 6. In the event that the owner wants to dissolve the business 7. Sole proprietorships are generally found 8. Sole proprietors have 9. The major disadvantage of a sole proprietorship is 10. Since the business and the owner are legally the same, the sole proprietor is 11. If a business fails 12. A second disadvantage of the sole proprietorship is 13. A partnership is a business that 14. All partners are responsible for 15. The major disadvantage of a partnership is

III. Find equivalents:

- | | |
|------------------------------|--------------------------------------|
| 1. to be liable for smth | a. конкурувати |
| 2. a partnership | b. одноосібна власність |
| 3. to dissolve the business | c. основна сполучна ланка |
| 4. profit-seeking enterprise | d. прибуткове підприємство |
| 5. sole proprietorship | e. заощадження |
| 6. retail business | f. бути відповідальним за щось |
| 7. the main link | g. припинити діяльність підприємства |
| 8. red tape | h. партнерство |
| 9. unlimited liability | i. платити податки |
| 10. to compete | j. дефіцитні/недостатні ресурси |
| 11 scarce resources | k. головна перевага |

- | | | |
|-----|--------------------|--------------------------------|
| 11. | the main advantage | l. необмежена відповідальність |
| 11. | to achieve success | m. бюрократизм |
| 11. | savings | n. досягти успіху |
| 15. | to pay taxes | o. роздрібна торгівля |

IV. Read the text and retell it:

WHAT IS BUSINESS

Business is a word that is commonly used in many different languages. But exactly what does it mean? The concepts activities of business have increased in modern times. Traditionally, business simply meant exchange or trade for things people wanted or needed. Today it has a more technical definition. One definition of business is the production, distribution, and sale of goods and services for a profit. To examine this definition, we will look at its various parts.'

First, production is the creation of services or the changing of materials into products. One example is the conversion of iron ore into metal car parts. Next, these products need to be moved from the factory to the marketplace. This is known as distribution. A car might be moved from a factory in Detroit to a car dealership in Miami. Third is the sale of goods and services. Sale is the exchange of a product or service for money. A car is sold to someone in exchange for money. Goods are products that people either need or want; for example, cars can be classified as goods. Services, on the other hand, are activities that a person or group performs for another person or organization. Business is a combination of all activities: production, distribution, and sale. However, there is one other important factor. This factor is the creation of profit or economic surplus. A major goal in the functioning of an American business company is making a profit. Profit is the money that remains after all the expenses are paid. Creating an economic surplus or profit is, therefore, a primary goal of business activity

V. Speak on the Topic 6 using the following words and word-combinations:

business organization; the sole proprietorship, partnership; corporation; a profit-seeking enterprise; the main advantage; to dissolve the business; to pay taxes; red tape; to have minimal legal restrictions; small-scale retail and service

businesses; to achieve success; to have unlimited liability; to assume the debts; to be liable for; the loss of personal property; savings.

TOPIC 7

I. Questions to the Topic 7:

1. What is the marketing? Why is it important?
2. What are the main elements of marketing?
3. What sort of promotion do you know?
4. Why is it necessary to know target market?
5. Why is it necessary to have strategy?
6. What is the correlation between advertising and marketing?
7. Does channel structure for individual consumers differ from that of organization? In what way?
8. Do you agree that laws of marketing could be applied to the sphere of politics? Why and why not? Give an example.
9. Do you agree that theory of marketing could be used in the field of medicine?
10. Does it come into contradiction with ethics or morals?

II. Complete the following sentences according to the Topic 7:

strategy, audit, marketing environment, value, appropriate, charges, price, distribution, promotion, objective, demand, marketing, predict, influence on, promote, marketing, trends, distribution, market research, product planning, consumer

1. ... for reliable cars has increased.
2. Our main ... is to reduce prices.
3. Television advertising is an expensive but effective method of
4. The company's main activities are manufacturing, marketing and
5. She works in
6. We can't afford buying the computer at that
7. The bank ... 1% for charging traveller's cheques.
8. This company is very successful, so she has made the ... choice in joining it.
9. The ... of this home has doubled since we bought it.
10. The organization has decided to follow the recommendations of the most recent marketing
11. Next meeting of the Board of Directors will discuss our new

marketing 12. One of the aims of market research is to indicate new ... among the people. 13. Advertising must ... the consumer and make him buy the goods produced. 14. Often marketing is called 15. In order to sell a new product, a producer has to consider how to ... it. 16. The goods of this company are not sold very well, they must think about 17. Sometimes it is difficult to ... through advertising. 18. If you want to produce something new, you should start with 19. A producer wants to ... the new trends and then tries to influence them. 20. ... includes product development and pricing among the things.

III. Find equivalents:

- | | |
|------------------------|---|
| 1. producer | a. вплинути |
| 2. consumer | b. транспортування |
| 3. distribution | c. зберігання |
| 4. transporting | d. вивчення ринка збуту |
| 5. storing | e. утримання |
| 6. user | f. тенденція, направлення |
| 7. product planning | h) калькуляція цін |
| 8. storage | i. сприяння у продажі (завдяки рекламі) |
| 9. pricing | ј. розробка нових продуктів |
| 10. traffic | к. торгівля |
| 11. marketing research | l. споживач |
| 12. trend | m. користувач |
| 13. predict | n. спрогнозувати |
| 14. influence on | o. виробник |

IV. Read the text and retell it:

MARKETING BRANDS

Brands are accused of all sorts of evils, from threatening our health and destroying our environment to corrupting our children. Brands are so powerful, it is said, that they force us to look alike, eat alike and be alike.

This grim picture has been made popular by many recent anti-branding books. The argument has been most forcefully stated in Naomi Klein's book *No Logo: Taking Aim at the Brand Bullies*. Its argument runs something like this. In the new global economy, brands represent a huge portion of the value of a company and, increasingly, its biggest source of profits. So companies are switching from showcasing product features to marketing aspirations and the dream of a more exciting lifestyle.

Historically, building a brand was rather simple. A logo was a straightforward guarantee of quality and consistency, or it was a signal that a product was something new. For that, consumers were prepared to pay a premium. Building a brand nationally required little more than an occasional advertisement on a handful of television or radio stations showing how the product tasted better or drove faster. There was little regulation. It was easy for brands such as Coca-Cola, Kodak and Marlboro to become hugely powerful. Because shopping was still a local business and competition limited, a successful brand could maintain its lead and high prices for years. A strong brand acted as an effective barrier to entry for competing products. Consumers are now bombarded with choices. They are also harder to reach.

They are busier, more distracted and have more media to choose from. They are *commercials veterans* experiencing up to 1,500 pitches a day. They are more cynical than ever about marketing and less responsive to messages to buy. Jonathan Bond and Richard Kirshenbaum, authors of *Under The Radar – Talking To Today's Cynical Consumers*, say «some of the most cynical consumers are the young». Nearly half of all US college students have taken marketing courses and *know the enemy*. For them, "shooting down advertising has become a kind of sport.

Marketers have to take some of the blame. While consumers have changed beyond recognition, marketing has not. Even in the USA, home to nine of the

world's ten most valuable brands, it can be a shockingly old-fashioned business. Marketing theory is still largely based on the days when Procter & Gamble's brands dominated the USA, and its advertising agencies wrote the rules. Those rules focused on the product and where to sell it, not the customer. The new marketing approach is to develop a brand not a product - to sell a lifestyle or a personality, to appeal to emotions. (It is a much harder task than describing the features and benefits of a product.) However, brands of the future will have to stand for all of this and more. Not only will they need to be a stamp of product quality and a promise of a more desirable lifestyle but they will also have to project an image of social responsibility.

VI. Speak on the Topic 7 using the following words and word-combinations:

to define, to satisfy a need, to persuade, selling, non-essential, marketing, market segment, to launch, position the product, product positioning, conclusion, to come to a conclusion.

TOPIC 8

I. Questions to the Topic 8:

1. Explain in your own words the term *opportunity costs*.
2. What is the opportunity cost of holding money?
3. What's the equilibrium in the money market?
4. How can it be reached?
5. How does the money market work?
6. What example is given of a market where sellers and buyers actually meet?
7. How are households' decisions on what to buy reconciled?
8. Why do prices adjust?
9. What problems do markets and prices solve for society?
10. What does the term *resources* comprise?

II. Complete the following sentences according to the Topic 8:

1. The money market comprises ... and 2. The equilibrium in the money market is such ... when the demand for money from ... is satisfied by the quantity

of 3. The equilibrium in the money market is reached by 4. Money is the medium of ... that 5. We use bonds to stand for all other ... that are not directly 6. As people earn income, they ... their wealth. As they spend, they ... their wealth. 7. ... of holding money is the interest one ... if he (she) ... bonds. 8. People will hold money rather than bonds only if holding money is ... than holding bonds that is when ... on bonds are ... to make it profitable to 9. In case the interest rate goes down ... are no longer profitable as they can't 10. The demand for money will rise and will lead to ... in the money market. 11. If they lack money, households and businesses are likely to ... they possess 12. If there is an increase in the bond supply, it will ... bond prices and ... interest rates on 13. The money supply will ... to a current demand to ... a new higher interest rate. 14. A market is a ... expression for the process by which households' decisions about consumption of alternative goods, firms' decisions about what and how to produce, and workers' decisions about how much and for whom to work are all ... by 15. Society answers the *for whom* question about lunchtime steaks... someone else.

III. Find equivalents:

- | | |
|---|--|
| 1. to depend on smth | a. змінити економічний ринок |
| 2. in short | b. затримати щось для себе |
| 3. to attract more customers | c. входити в ринок |
| 4. to stand out from smth | d. коротко кажучи |
| 5. to prevail | e. залежати від чогось |
| 6. a highly competitive market | f. відійти від чогось |
| 7. pure competition | g. чиста конкуренція |
| 8. to have some influence over price | h. впливати якимось чином на ціну |
| 9. to enter the market | i. переважати |
| 10. to keep smth for oneself | j. залучити більше покупців |
| 11. to take over the economic market | k. приймати умови чистої конкуренції |
| 12. to meet the condition of pure competition | l. ринок із високим ступенем конкуренції |

IV. Read the text and retell it:

FRANCHISING

Franchising means granting a formal right to the manufacturer, wholesaler or retailer to produce or to sell the company's goods or services in a special area for a specified period of time. This way of doing business is widely used in the market economy. 40% of all sales in the USA go through franchising which makes \$1 billion as annual volume of sales. These figures are presented by International Franchising Association. Franchising in Great Britain is supported by government. The banks give loans to businessmen, and the government guarantees 80% of the loan.

Purchase of a franchise is a simple way of starting business. Reliable scheme of doing business, a promoted brand, product of high quality – all these things increase chances of a beginning businessman for success. For a stable company it is a good way of expanding markets. These are great advantages of franchising.

But our laws don't operate the notion *franchising*. One of the main things in the process of selling franchise is transfer of a brand name. Another serious problem is responsibility of subsidiary company. For example, if franchisee in Siberia violates standards of franchisor in Moscow, the consumer has a right to make a claim against low quality of goods or services. Open joint-stock company LUKoil which sells franchises for setting up filling stations, has special departments in the areas where its franchises operate. In order to develop this kind of business laws on franchising should be passed.

V. Speak on the Topic 8 using the following words and word-combinations:

to prevail; to enter the market; a highly competitive market; to determine market structure; in short; to depend on forces in the market; pure competition; monopolistic competition; oligopoly; monopoly; to determine price; to keep smth for oneself; to accept the price; to monopolize; to stand out from smth; to attract attention; to attract more customers; to take over the economic market; product differentiation; to do business; to have some influence over price.

TOPIC 9

I. Questions to the Topic 9:

1. Do you, and you family, have an income.
2. What is an annual income?
3. Doesn't your income cover the necessities of life?
4. Just as you and your family have an income, so nations, different countries, also have an income – the national income, don't they?
5. A national income is not the money the government gets, is it?
6. Which headings down the left-hand side of the table are there of world income?
7. What income is in poor countries, like India, China and the Sudan?
8. What income is in middle-income countries, like Thailand and Brazil?
9. What income is in rich-income countries?
10. What role of the governments is to help distribute income throughout their population?

II. Complete the following sentences according to the Topic 9:

1. You have ... that is what you earn in a year.
2. Your income doesn't just ... the necessities of life.
3. It includes ..., whether that's sport or TV or a holiday.
4. ... is the sum total of the incomes of all the people living in that country.
- 5... is the total of all the incomes earned by all the people in the world.
6. In poor countries ... is only one hundred and fifty-five pounds per year.
7. In ... countries the income per head is eight hundred and forty pounds.
8. Most of world production ... towards the goods and services that these same rich industrialized countries want.
9. In poor countries, with ..., not very much technical training workers produce much less than workers in rich countries.
10. This goes some way towards ... the differences in national incomes.
11. After I lost my job, I was living on ... for three months.
12. This was difficult, ... because the amount was much lower than the ... I had before.
13. I used to work as a salesperson, but I wasn't very successful, so I didn't ... much
14. If the company makes 10% more than

last year, we'll all get a ... at the end of the year. 15. Many European countries now have the same ..., the euro.

III. Find equivalents:

- | | |
|--------------------------------------|--|
| 1. income distribution | a. розподіл прибутку; |
| 2. an annual income | b. частка прибутку; |
| 3. a certain standard of living | c. недостатнє технічне навчання; |
| 4. to cover the necessities of life | d. річний дохід; |
| 5. recreation | e. відсоток світового прибутку; |
| 6. national income | f. відсоток світового населення; |
| 7. share of income | g. в основному; |
| 8. income per head | h. охоплювати основні життєві потреби; |
| 9. percentage of world population | i. національний прибуток; |
| 10. percentage of world income | j. прибуток на одиницю населення; |
| 11. essentially | k. певний рівень життя; |
| 12. world production | l. заможні промислові країни; |
| 13. rich industrialized countries | m. світове виробництво; |
| 14. not very much technical training | n. відпочинок; |

IV. Read the text and retell it:

FINANCE

Finance is the science of funds management. The general areas of finance are business finance, personal finance (private finance), and public finance. Finance includes saving money and often includes lending money. The field of finance deals with the concepts of time, money, risk and how they are interrelated. It also deals with how money is spent and budgeted.

One facet of finance is through individuals and business organizations, which deposit money in a bank. The bank then lends the money out to other individuals or corporations for consumption or investment and charges interest on the loans.

Loans have become increasingly packaged for resale, meaning that an investor buys the loan (debt) from a bank or directly from a corporation. Bonds are debt instruments sold to investors for organizations such as companies,

governments or charities. The investor can then hold the debt and collect the interest or sell the debt on a secondary market. 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 as they invest in various forms of debt. 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.

Central banks, such as the Federal Reserve System banks in the United States and Bank of England in the United Kingdom, are strong players in public finance, acting as lenders of last resort as well as strong influences on monetary and credit conditions in the economy.

An entity whose income exceeds its expenditure can lend or invest the excess income. On the other hand, an entity 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 earns the difference for arranging the loan.

A bank aggregates the activities of many borrowers and lenders. A bank accepts deposits from lenders, on which it pays interest. The bank then lends these deposits to borrowers. Banks allow borrowers and lenders, of different sizes, to coordinate their activity.

Finance is used by individuals (personal finance), by governments (public finance), by businesses (corporate finance) and by a wide variety of other 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 and methodologies, with consideration to their institutional setting.

Finance is one of the most important aspects of business management and includes decisions related to the use and acquisition of funds for the enterprise.

In corporate finance, a company's capital structure is the total mix of financing methods it uses to raise funds. One method is debt financing, which includes bank loans and bond sales. Another method is equity financing – the sale of stock by a company to investors. Possession of stock gives the investor ownership in the company in proportion to the number of shares the investor owns.

In return for the stock, the company receives cash, which it may use to expand its business or to reduce its debt. Investors, in both bonds and stock, may be institutional investors – financial institutions such as investment banks and pension funds – or private individuals, called private investors or retail investors.

Managerial or corporate finance is the task of providing the funds for a corporation's activities. For small business, this is referred to as SME finance (Small and Medium Enterprises).

V. Speak on the Topic 9 using the following words and word-combinations:

a salary, overtime, commission, a bonus, fees, social security, a pension, living expenses, bills, rent, a mortgage, health insurance, tax.

TOPIC 10

I. Questions to the Topic 10:

1. What would trade be reduced to without using of money?
2. What does barter economy mean?
3. Is money a store of value? Why?
4. What countries are called poor?
5. For whom and what does economy produce?
6. What does the money supply of a country consist of?
7. What is a demand deposit account?
8. Is the currency in America called the dollar?
9. Is a five-pound note worth less than a fifty-pence piece?

10.If you waste money, do you use it well?

II. Complete the following sentences according to the Topic 10:

1. Money is the means 2. It is also a standard 3. Barter is direct
4. In a money economy 5. Money is a store of 6. The main types of money
are 7. The value of the material contained in a commodity is 8. A token
money is a means 9. A bank deposit is IOU money because10. Token
money is supplemented 11. Money can be any substance that functions as ..., a
Measure of Value, and a Store of Value. 12. As ..., money expresses worth in terms
that most individuals understand. 13. Money also serves as 14. The term ...
refers to metallic forms of money. 15. The term ... refers to paper money issued by
government.

III. Find the equivalents:

- | | |
|-------------------------------------|-----------------------------|
| 1.the means of payment | a. засіб платежу |
| 2.medium of exchange | b. товар |
| 3.commodity | c. одиниця обліку |
| 4.worth | d. сплата боргів |
| 5.a standard of value | e. засіб обігу |
| 6.a unit of account | f. засіб погашення боргу |
| 7.a store of value | g. міра вартості |
| 8.a standard of deferred payment | h. засіб заощадження |
| 9.to borrow | i. грошова вартість |
| 10.measure | g. фактично зменшуватись |
| 11.settlement of debts | k. ціна, вартість, цінність |
| 12.purchasing power | l. грошова одиниця |
| 13.to swap (to exchange, to barter) | m. брати в борг |
| 14.a monetary unit | n. купівельна спроможність |
| 15.to erode | o. міра |
| 17.money value | p. міняти |

IV. Read the text and retell it:

TWENTY WAYS OF SAVING MONEY

1. Save money on holidays by exchanging homes with a foreign family.
2. Learn to do your simple plumbing and electrical repairs.
3. Knit your own sweaters.
4. Drive smoothly without sudden stop and starts – it uses less petrol.
5. Don't drive when you can walk.
6. Telephone people at times when you know they are busy – your conversations will be shorter.
7. Put your telephone in an uncomfortable noisy place.
8. Form a group with other people to share the shopping – you won't have to drive to the shops very often, and you'll save money by buying in bulk.
9. Invite people to tea or coffee instead of dinner.
10. Borrow books from the public library instead of buying them
11. Buy fewer newspapers and magazines you probably don't read them all anyway.
12. Don't use a dishwasher or washing machine without a full load.
13. Take showers instead of bath.
14. Buy cheap throwaway shoes for rough wear (expensive shoes need expensive mending).
15. Don't send sheets to the laundry – use non-iron sheets and wash them yourself.
16. Be careful about turning lights off when they are not needed.
17. Eat less meat and more vegetables (cheaper and healthier).
18. If you have a garden, grow your own vegetables.
19. Make your own jam and marmalade.
20. Learn to do your own hair.

V. Speak on the Topic 10 using the characteristics of money:

portability, uniformity, acceptability, durability, divisibility, stability in value.

TOPIC 11

I. Questions to the Topic 11:

1. What is the most common measure of inflation?
2. How can we calculate the inflation rate?
3. What is demand-pull inflation?
4. What is cost-push inflation?
5. What are the major causes of inflation?
6. Why is inflation damaging for the economy?
7. Who suffers most in case of inflation?
8. How does government respond to inflation?
9. How do people respond to inflation?
10. What is inflation rate in Ukraine now?

II. Complete the following sentences according to the Topic 11:

1. Inflation varies considerably in its ... and 2. Mild inflation may ... few difficulties for business. 3. Businesses would have experienced great difficulty in ... and ... their production while ... for people to save would have been removed. 4. Demand-pull inflation occurs when ... for a nation's goods and services ... that nation's ability to ... these goods and services. 5. An alternative way that we can look at this type of inflation is to say that it occurs when injections ... withdrawals. 6. An increase in costs for firms, for example, can be caused by an increase in wages ... trade union militancy. 7. The economy is not necessarily experiencing an inflation, however, 8. A rise in the average price is 9. The average price level may 10. Real income, by contrast, is the purchasing power of that money, as measured by the quantity of goods and services your dollars will buy. 11. Inflation Rate is 12. The most familiar form of inflation is called 13. Hyperinflation ... confidence in money. 14. When prices ... the real income of consumers 15. The demand for high price consumer durables ... sharp fall.

III. Find the equivalents:

- | | |
|---|----------------------------------|
| 1. a persistent rise | a. низький рівень інфляції |
| 2. with no corresponding rise in output | b. з метою збільшення |
| 3. potential benefits | c. веде до величезного зростання |
| 4. mild inflation entails | d. потенційні вигоди |

- | | |
|--------------------------|---|
| 5. enormously high rates | e. інфляція, яка викликана високим попитом |
| 6. insurmountable | f. колосальний |
| 7. demand-pull inflation | g. постійне зростання |
| 8. cost-push inflation | h. інфляція, спричинена ростом витрат виробництва |
| 9. in order to improve | i. що не супроводжуються зростанням виробництва |

IV. Read the text and retell it:

THE IMPACT OF INFLATION ON BUSINESS

Inflation can adversely affect business in a number of ways:

1. Accounting and financial problems.

Significant rates of inflation can cause accounting and financial problems for businesses. They may experience difficulty in valuing assets and stocks, for example. Such problems can waste valuable management time and make forecasting, comparisons and financial control more onerous.

2. Falling sales.

Many businesses may experience falling sales during inflationary periods for two broad reasons. Firstly, it may be that saving rises in a time of inflation. We would expect people to spend more of their money when prices are rising to avoid holding an asset (cash), which is falling in value. However, during the mid-1970s, when industrialized nations were experiencing high inflation rates, savings as a proportion of income rose! It is not easy to identify the reason for this, but some economists suggest that people like to hold a relatively high proportion of their assets in a form which can be quickly converted into cash when the future is uncertain. Whatever the reason, if people save more they spend less and businesses suffer falling sales.

The economic model predicts that if savings rose the level of activity in the economy would fall. Clearly, if this happened we would expect businesses to

experience difficulty in maintaining their levels of sales. Businesses may be hit by a reduction in sales during a time of inflation for a second reason. As inflation progresses, it is likely that workers' money wages (that is, wages unadjusted for inflation) will be increased broadly in line with inflation. This may well take a worker into a higher tax bracket and result in a higher percentage of his or her wages being taken as tax. This process, known as fiscal drag, will cause workers to have less money available to spend on firms' goods and services. The poverty trap has a similar impact. As money wages rise, the poor may find that they no longer qualify for state benefits to supplement their incomes and at the same time they begin to pay income tax on their earnings. Again, this leaves less disposable income to spend on the output of firms. Finally, it may be that the wages of many groups are not index-linked and so they rise less quickly than the rate of inflation, causing a reduction in spending power and demand for goods and services.

Once again, the economic model can be used to predict that increases in the level of taxation will increase withdrawals, lowering the level of economic activity and depressing firms' sales. Not all businesses will suffer equally from declining demand in an inflationary period. Those selling essential items, such as food, may be little affected whilst others supplying less essential goods and services, such as foreign holidays, may be hard hit.

3. High interest rates.

Inflation is often accompanied by business interest rates. High interest rates tend to discourage investment by businesses as they increase the cost of borrowing funds. Thus, investment may fall. Businesses may also be dissuaded from undertaking investment programs because of a lack of confidence in the future stability and prosperity of the economy. This fall in investment may be worsened by foreign investment being reduced as they also lose some confidence in the economy's future.

Such a decline in the level of investment can lead to businesses having to retain obsolete, inefficient and expensive means of production and cause a loss of international competitiveness. Finally, a fall in investment can lower the level of

economic activity, causing lower sales, output and so on. Thus, to some extent, businesses can influence the economic environment in which they operate.

4. Higher costs.

During a bout of inflation firms will face higher costs for the resources they need to carry on their business. They will have to pay higher wages to their employees to compensate them for rising prices. Supplies of raw materials and fuel will become more expensive as will rents and rates. The inevitable reaction to this is that the firm has to raise its own prices. This will lead to further demands for higher wages as is called the wage-price spiral. Such cost-push inflation may make the goods and services produced by that enterprise internationally less competitive in terms of price. An economy whose relative or comparative rate of inflation is high may find that it is unable to compete in home or foreign markets because its products are expensive. The economic model tells us that a situation of declining exports and increasing imports will lower the level of activity in the economy with all the consequent side-effects.

V. Speak on the Topic 11 using the following words and word-combinations:

persistent rise, with no corresponding rise in output, potential benefits, mild inflation, insurmountable, demand-pull inflation, cost-push inflation, in order to improve their profit margins.

TOPIC 12

I. Questions to the Topic 12:

1. Could you define accounting to your group mate so that he or she would clearly understand what is involved?
2. What is the difference between accounting and bookkeeping?
3. What does the idiom jack of all trades mean for you?
4. Must At the end of the fiscal year a business check out the assets and Liabilities?
5. Is there no difference between gross salary and net salary?

6. Should An employer hire an experienced accountant for preparing a financial statement.

7. What provides data for the management?

8. When do the board o directors never check out assets and liabilities?

9. Can Governmental corporations issue stock certificates?

10. What categories of ratios in finance do you know?

II. Complete the following sentences according to the Topic 12:

1. In order to prepare financial documents, companies do a which copies all the debit and credit balances of different accounts onto a single page.

2. The main account books are called , and the book relating to creditors is called the 3. Most businesses record very frequent or numerous transaction

in or 4. shows where money comes from and where it goes: it is always transferred from one ... to another one. Every event is entered twice – once

as a credit and once as a 5. Using the meaning «credit» and «debit» complete sentences. 6. If you sell something to a customer who will pay 29 days later, you

... the sales account and ... the supplier's account. 7. If you buy materials from a supplier on 65 days' credit, you ... the purchases account and ... the supplier's

account. 8. If you pay some bills, you ... the liabilities account. 9. If you buy some new assets, you ... the cash or capital account. 10. The chief accountant ... all the

documents to make sure that everything was in order. 12. There is still inflation in this country but it is under 13. Accounting information is necessary for the

management to exercise operational 14. Our accountant ... situation carefully and if anything goes wrong he takes actions immediately. 15. The monthly balance

sheet has not been drawn up today because of reasons beyond our

III. Find the equivalent:

1. cash account

b. рахунок зобов'язань

2. liabilities account

a. рахунок, який враховує розрахунки готівкою

3. ledger

c. витрати

4. double-entry bookkeeping

d. рахунок цінних паперів

5. cash credit

e. кредит готівкою

6. stock account	f. двійний запис в книзі
7. to reduce	g. накопичувати
8. expense	h) касовий чек
9. sales slip	i. організований
10. to pile up	j. зменшувати, знизити, скоротити
11. to merit	k. бути вартим уваги, заслужувати
12. regimented	l. бухгалтерська книга, журнал

IV. Read the text and retell it:

DEBITS and CREDITS

Asset accounts are increased by being debited, and decreased by being credited. Assets are resources owned by a business that have future economic value. Asset accounts normally have debit balances. Examples of asset accounts are accounts receivable or debtors (sales made on credit that will be paid for in 30 or 60 days), inventory (the stock of raw materials, work in progress, and unsold finished products), and cash.

Liability accounts are increased by crediting, and decreased by debiting. Liabilities are amounts that a business will have to pay in the future, such as money owed to suppliers and lenders. Liability accounts normally have credit balances. Examples of liability accounts are accounts payable or creditors (money owed for purchases made on credit), notes payable (bank loans), interest payable, etc.

Revenue accounts are generally credited (except perhaps in closing entries and adjusting entries, just before financial statements are issued), and normally have credit balances. Expense accounts are generally debited (except perhaps in closing and adjusting entries), and are increased by debiting. They normally have debit balances.

V. Speak on the Topic 12 using the following words and word-combinations:

decision makers; to identify and communicate financial information; entity, to keep financial records; entries; double-entry system; to achieve smb's goals; to

relate to; to be charged with; profitability and liquidity; to conduct; nonbusiness organization; to deal with (smb) in (smth); non-reciprocating basis; valuation; filing system; fee; accounting equation; accrual; public accountant; accrued expenses (revenues); balance; chart of accounts; credit and debit.

TOPIC 13

I. Questions to the Topic 13:

1. What is Ukraine transferring to?
2. What are the basic goals of the new state?
3. What is meant by the phrase «the two-tier banking system»?
4. What banks were the first to appear?
5. What has given the impetus to the formation of cooperative banks?
6. What did these banks demonstrate?
7. What services do commercial banks offer to their customers?
8. Explain the reason for which the banks have to compete for clients?
9. What is necessary for the implementation of commercial banks' activity?
10. What makes the state-owned banks revise relationship with their customers?

II. Complete the following sentences according to the Topic 13:

From the practical viewpoint, all the commercial banks operating at the moment are ... offering ... of banking services. 2. The banks now have ... for clients, particularly for ... and ... ones. 3

1. A bank account that permits direct payment to a third party is called a
4. Something that is generally accepted in exchange for goods and services and can be used as a standard and store of value is
5. When you get ... at a bank, the bank creates money.
6. The amount a bank can lend is equal to its
7. Banks use sophisticated accounting systems ... as clearly as possible the financial situation of the bank.
8. If we deposit some sum money with a bank, for example, the bank ... a debit for the receiver and the credit for the giver.
9. The largest asset of a bank is usually its total portfolio of
10. Profitability ... how well the bank has managed the resources

under its control. 11. A bank's accounting systems are designed to record and present ... that take place every day. 12. Published figures provide some important ... on the liquidity, safety and income of a bank. 13. The banks that have obtained ... have established ... with leading banks in Western Europe and the USA. 14. They demonstrated ... of working without ... in their ... activities.

III. Find the equivalents:

- | | |
|---|-------------------------------------|
| 1. banking | a. комерційний банк |
| 2. be engaged in | b. Центральний банк |
| 3. Central bank | c. займатися |
| 4. the Federal Reserve System (the FED) | d. Федеральна резервна система |
| 5. commercial bank | e. приймати депозити (вклади) |
| 6. accept deposits | f. банківська справа |
| 7. make a loan | g. одержати позику, надавати позику |
| 8. manage customer's accounts | h. вести рахунки клієнтів (у банку) |
| 9. merchant bank | i. ощадний рахунок |
| 10. investment bank | j. ощадний банк |
| 11. saving bank | k. торговельний банк |
| 12. saving account | l. інвестиційний банк |

IV. Read the text and retell it:

THE ROLE OF BANKS

In the past most societies used different objects as money. Some of these were valuable because they were rare and beautiful, others – because they could be eaten or used. Early forms of money like these were used to buy goods. They were also used to pay for marriages, fines and debts. But although everyday objects were extremely practical kinds of cash in many ways, they had some disadvantages, too. For example, it was difficult to measure their value accurately, divide some of them into a wide range of amounts, keep some of them for a long time, use them to make financial plans for the future. For reasons such as these, some societies began to use another kind of money, that is, precious metals.

People used gold, gold bullion, as money. Those were dangerous times, and people wanted a safe place to keep their gold. So they deposited it with goldsmith, people who worked with gold for jewellery and so on and also had a guarded vault to keep it safe in. and when people wanted some of their gold to pay for things with, they want and fetched it from the goldsmith.

Two developments turned these goldsmiths into bankers. The first was that people found it a lot easier to give the seller a letter than it was to fetch some gold and then physically hand it over to him. This letter transferred some of the gold they had at the goldsmith's to the seller. This letter we would nowadays call a cheque. And, of course, once these letters or cheques became acceptable as a way of paying for goods, people felt that the gold they had deposited with the goldsmith, was just as good as gold in their own pockets. And as letters or cheques, were easier to carry around than gold, and a lot less dangerous, people started to say that their money holdings were what they had with them plus their deposits. So a system of deposits was started. The second development was that goldsmiths realized they had a great deal of unused gold lying in their vaults doing nothing. This development was actually of greater importance than the first.

Now let's turn to the first bank loan ever and see what happened. A firm asked a goldsmith for a loan. The goldsmith realized that some of the gold in his vault could be lent to the firm, and of course he asked the firm to pay it back later with a little interest. Of course, at that moment the goldsmith was short of gold, it wasn't actually his gold, but he reckoned it was unlikely that everyone who had deposited gold with him would want it back the same time, at any rate – not before the firm had repaid him his gold with a little interest. He thought it safe enough.

Now let's turn to the question of reserves. Reserves are the amount of gold that is immediately available in the vault to meet depositors' demands.

People originally deposited \$100 of gold with the goldsmith. The goldsmith lent \$10, leaving himself with \$90. As a banker he was relying on the fact that not everyone would want their gold back at the same time. If they had gone, he couldn't have paid out. His reserves of \$90 were not enough.

V. Speak on the Topic 13 using the following words and word-combinations:

To compete, management, executive, an organization, division, a function, to operate, responsible, a report, a branch, correspondent, a capital, banking, a service, covenant, to trust, realty, administer, fiduciary mortgage, the letter of credit, to pay off.

TOPIC 14

I. Questions to the Topic 14:

1. What flows out of the exporting nation and returns to the importing nation?
2. Are in a interlinked global economy, consumers given the opportunity to buy the best products at the best price?
3. International trade involves various currencies, doesn't it?
4. Do some trade barriers exist if two countries have similar sets of laws?
5. What country produces goods and services that can be exported or consumed?
6. Is the result damaged to everyone when a country decides to protect its economy by breaking some trade barriers?
7. What is the World Trade Organization?
8. What is its main function?
9. Who oversees international economic relations among governments?
10. What does the World Bank provides loans to?

II. Complete the following sentences according to the Topic 14:

1. The company depends on ... trade.
2. The international trade that takes place without barriers such as tariffs, quotes and exchange controls is called
3. I hope this new job will give me a better
4. ... barriers can make trade difficult.
5. The government fixed a ... on the number of foreign cars allowed to be sold in the USA.
6. The United Kingdom removed all ... long tome ago.
7. The General Agreement on Tariffs and Trade (GATT) is an international organization whose goal is to eliminate tariffs and other ... to international trade.
8. ... trade among nations results in increased competition and lower prices.
9. This company

is the largest ... of steel. 10. The most common measures are 11. They raise the price of imported goods to 12. Free trade area is a form 13. Changes in the exchange rate can make a company 14. The exchange rate is 15. If the exchange rate rises, exports become more expensive, so companies

III. Find the equivalents:

- | | |
|--------------|--|
| 1. Trade | a. to have as a consequence. |
| 2. Commerce | b. to become different. |
| 3. Import | c. excellent example. |
| 4. Export | d. introduce goods from a foreign country. |
| 5. Pattern | e. send goods to another country for purpose of trade. |
| 6. Vary | f. the exchange and distribution of goods. |
| 7. Diversity | g. buying and selling of goods. |
| 8. Result in | h. variety. |

IV. Read the text and retell it:

ECONOMIES OF LARGE-SCALE PRODUCTION

Even if countries have quite similar climates and factor endowments, they may still find it advantageous to trade. Indeed, economically similar countries often carry on a large and thriving trade. The prosperous industrialized countries have become one another's best customers. A main reason for this situation lies in what is called the economies of large-scale production. For many products, there are advantages in producing on a large scale; costs become lower as more is produced. Thus, for example, automobiles can be made more cheaply in a factory producing 100,000 units than in a small factory producing only 1,000 units. This means that countries have an incentive to specialize in order to reduce costs. To sell a large volume of output, they may have to look to export markets. The smaller the country, and the more limited its domestic market, the more incentive it has to look to international trade as a way of gaining the advantages of large-scale production.

Thus, Luxembourg or Belgium has much more to gain relatively than does the United States. Indeed, the advantages of large-scale production have been one of

the major sources of gain from the establishment of the European Economic Community (EEC), which was formed for the purpose of providing free trade between most western European countries. Even a large country such as the United States, however, can gain in some cases by exporting in order to lengthen production lines. For example, the Boeing Company has been able to produce airplanes more cheaply because it is able to sell large numbers of aircraft to other countries. The importing countries also gain because they can buy aircraft abroad more cheaply than they could produce them at home.

V. Speak on the Topic 14 using the following words and word-combinations:

exchange rate , foreign currency , international trade, unobtainable, domestic, tariff, quota, exchange control, free trade, national produce, barrier, free trade, overseas market.

TOPIC 15

II. Questions to the Topic 15:

1. When are taxes increased?
2. When does the government reduce taxes to fight a recession?
3. Does it often create a budget deficit?
4. If the government chooses to borrow from the public to offset a tax reduction, the money it borrows cannot be spent by the lenders, can it?
5. Is Fiscal policy the responsibility of the Federal Reserve System?
6. Cost is a minor circumstance in this case, isn't it?
7. What stopped a work at the plant for a week?
8. Have smaller companies found it difficult to borrow money to invest in assets?
9. What is *deficit*?
10. Revenues are approximately in line with the budget, aren't they?

II. Complete the following sentences according to the Topic 15:

1. The company has ... costs and cut its workforce. 2. The government has promised to maintain tight 3. ... rose again this year. 4. Corporate spending

cuts have led to a sharp drop in advertising 5. Each department sets its own 6. Germany was running a budget ... of 3.75 per cent. 7. Factory automation systems can save you time and 8. The main ... to the plan is the cost. 9. There is a large amount of forged money in 10. The company has annual ... of around £3 billion. 11. To achieve these goals the government relies upon 12. Fiscal policy is applied by changing the level of tax receipts 13. ..., the economy will enter the expansion phase. 14. When government reduces taxes to fight a recession, 15. Fiscal policies must be time

III. Find the equivalents:

- | | |
|------------------------------|-------------------------------------|
| 1. circumstance | a. прибуток |
| 2. to have serious drawbacks | b. грошова політика |
| 3. tax receipts | дефіцит бюджету |
| 4. revenue | d. обставина |
| 5. fiscal policy | грошові надходження |
| 6. monetary policy | грошові надходження від одаткування |
| | g. мати серйозні недоліки |
| 7. budget deficit | h. фінансова політика |
| 8. money supply | |

IV. Read the text and retell it:

INVESTMENT

If you do not spend all your income-your monthly salary or weekly wages with any other earnings such as fees, interest or dividends -you will have some money left over to save. What can you do with this money? You can simply put it in a box under the bed of course but it is more sensible to make your money earn more money for you. To do this, you can put it into a deposit account at the Post Office. In this way it will earn interest for you. Rates of interest fluctuate (go up and down) but your money is secure-except of course against inflation, which reduces the value and purchasing power of money in the economy as a whole.

Another thing you can do is to invest in a building society where the interest rate may be a little better than in a bank. A building society is a firm which lends money to people who want to buy property. If you want to buy your own house, for instance, you take out a mortgage with the society and repay the loan at, say, 10% per annum over 30 years.

In addition, you can invest directly in a commercial company by buying shares in it. Once or twice a year you will receive a statement from the company and if the company has done well, a cheque. This money is your dividend and it increases if the company's profits rise and decreases if they fall. The centre of stockbroking (buying and selling stocks and shares) is the Stock Exchange in the City of London (often referred to simply as 'the City'). On a weekday the City is crowded with typical Englishmen wearing bowler hats and carrying umbrellas; at the weekend it is dead and empty. Very few people live in this famous square mile round St. Paul's Cathedral and the Bank of England.

V. Speak on the Topic 15 using the following words and word-combinations:

to have serious drawbacks, revenue, fiscal policy, monetary policy, tax receipts, budget deficit.

КРИТЕРІЇ ОЦІНЮВАННЯ САМОСТІЙНОЇ РОБОТИ

При оцінюванні самостійної роботи студента викладачі дотримуються методичних положень і критеріїв, розроблених у Curriculum for Universities з урахуванням загальноєвропейських рекомендацій з мовної освіти:

Самостійна робота оцінюється за шкалою від 0 до 10 балів. За умови виконання усіх завдань самостійної роботи у відповідності з програмою у повному обсязі за кожний модуль ставиться:

- «10 балів» – студенту, який виконав усі завдання (допустимими є незначні помилки, що складають не більше, ніж 5 % завдань), така робота відповідає оцінці «відмінно»;
- «8 – 9 балів» – студенту, який виконав усі завдання, зробив помилки не більше, ніж у 10 % завдань, така робота відповідає оцінці «дуже добре»;
- «6 – 7 балів» – студенту, який виконав усі завдання, зробив помилки не більше, ніж у 20 % завдань, така робота відповідає оцінці «добре»;
- «4 – 5 балів» – студенту, який виконав усі завдання, зробив помилки не більше, ніж у 30 % завдань, така робота відповідає оцінці «задовільно»;
- «2 – 3 бали» – у випадку, якщо студент не виконав усіх завдань або ж зробив помилки більше, ніж у 40 % завдань така робота відповідає оцінці «достатньо»;
- «0 – 1 бал» – у випадку, якщо студент не виконав усіх завдань або ж зробив помилки більше, ніж у 40 % завдань (робота такого студента відповідає оцінці «незадовільно»).

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